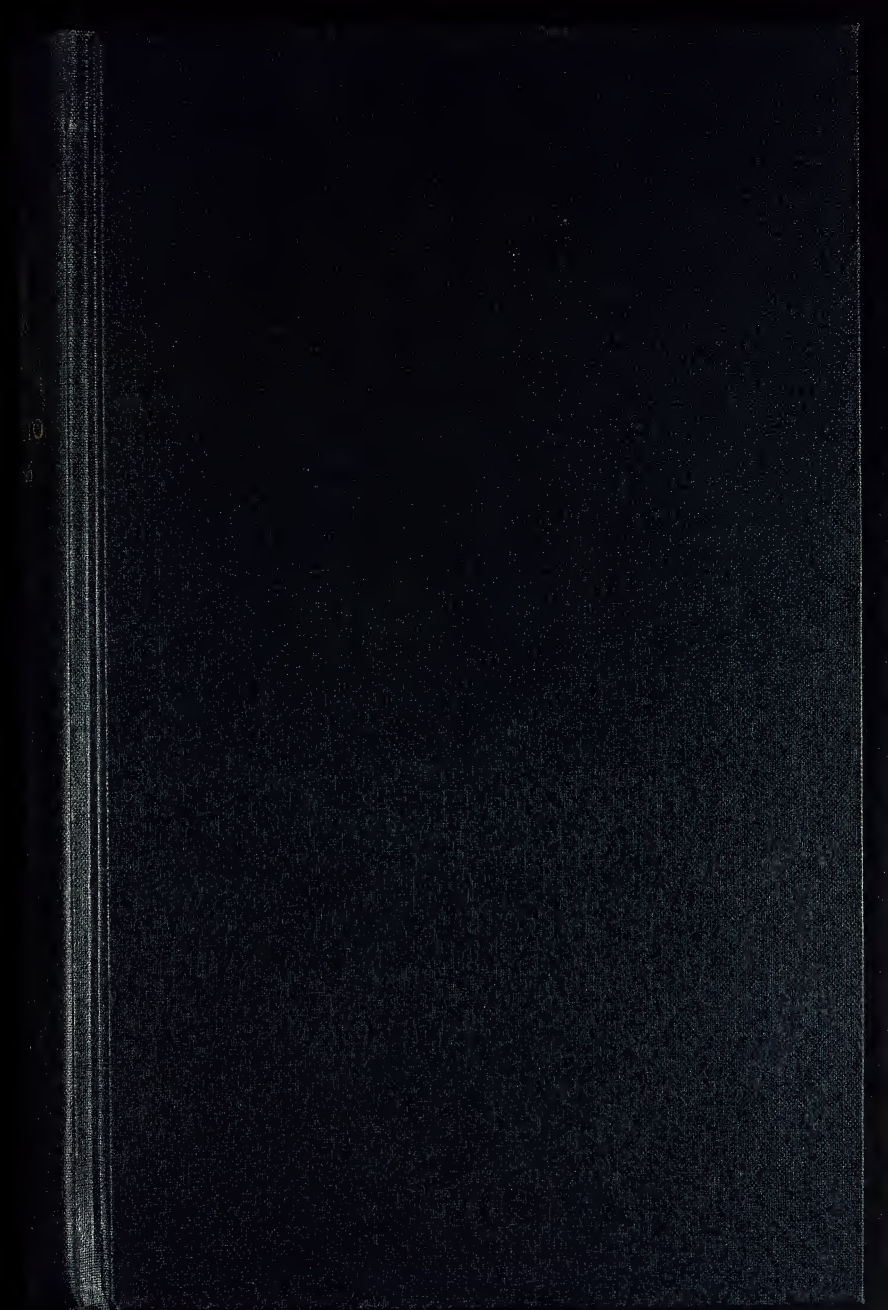


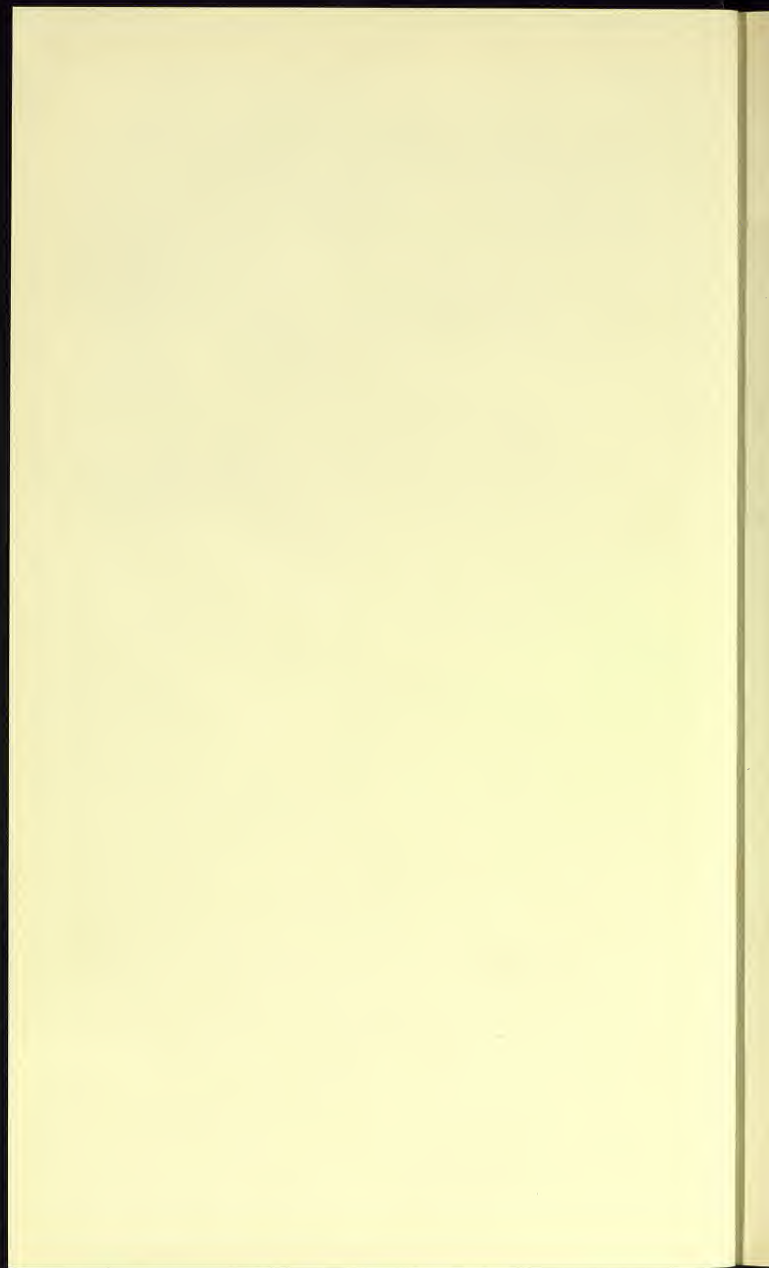


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MINISTRY OF LABOUR.

MINUTES OF EVIDENCE
TAKEN BEFORE THE
COMMITTEE OF ENQUIRY
INTO THE
WORKING AND EFFECTS OF THE
TRADE BOARDS ACTS.



LONDON :

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TERMS OF REFERENCE.

To enquire into the working and effects of the Trade Boards Acts and to report what changes, if any, are required.

21st September, 1921.

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† Statements of evidence and other documents handed in by witnesses who were examined by the Committee have been printed immediately before or after the minutes of the oral evidence given by such witnesses.

LIST OF WITNESSES EXAMINED IN ALPHABETICAL ORDER.

Name of Witness.	Day.	No. of First Question.	No. of Last Question.
A., Mrs. (Middlewoman in the Lace Finishing Trade).	Sixth	2341	2358
ADAMS, Mr. P. B.	Sixth	2034	2176
ALEXANDER, Mr. A. V.	Eleventh	4389	4397
AVELING, Mr. CHARLES, J.P.	Ninth	3000	3364
BAILLIE, Professor J. B., C.B.E.	Twenty-Fourth	11,740	12,050
BALFOUR, Mr. ARTHUR, J.P.	Eleventh	4838	4899
BARNARD, Mr. J. H.	Fifth	1529	1752
BARNES, Sir GEORGE S., K.C.B., K.C.S.I.	Twenty-Fifth	12,540	12,606
BECK, Mr. ARTHUR E.	Seventh	2424	2525
BOARDMAN, Mr. J. A.	Fifth	1785	1787
BOASE, Mr. NORMAN	Fifteenth	6872	7124
BRODIE, Mr. D.	Sixth	1922	2033
BUCKLE, Mr. J.	Twenty-First... ..	9794	9816
BUCKPITT, Mr. E. J. W., J.P.	Ninth	3365	3637
BURROWS, Mr. ALFRED W.	Seventeenth	8002	8095
CAHILL, Mr. M. F.	Fifth	1262	1528
CAMPBELL, Mr. JOHN	Eleventh	4730	4837
CARR, Mr. JOHN	Fourth	906	1112
CHALMERS, Mr. JOHN	Ninth	3638	3775
CHANDLER, Mr. FRANK H.	Thirteenth	6099	6119
CHRISTALL, Mr. F. W.	Sixth	2295	2414
CLARK, Mr. JAMES WALKER, J.P.	Ninth	3000	3364
COHEN, Mrs. LEONORA	Fourteenth	6393	6475
CONLEY, Mr. A.	Eighteenth	8714	8821
CORELLI, Mr. C.	Seventh	2570	2656
COULDWELL, Mr. JOE	Seventeenth	8096	8145
COUNSELL, Mr. W. E.	Twenty-Fifth	12,607	12,789
COUNSELL, Mr. W. E. (<i>Recalled</i>)	Twenty-Sixth	12,863	13,054
CRABB, Mr. H.	Twenty-First	9535	9793
CROUTHWAITE, Mr. J. M.	Twelfth	5169	5192
ODLIPP, Mr. T. A.	Ninth	3776	3807
CULROSS, Mr.	Tenth	4127	4270
CUNNINGHAM, Mr. J.	Twent-First... ..	10,104	10,123
DAWSON, Mr. H.	Nineteenth	8952	9007
DONALD, Mr. G.	Twelfth	5357	5390
DOUGLAS, Mr. DAVID	Fifteenth	7125	7144
EATON, Mr. C. J.	Sixth	1922	2033
EDWARDS, Miss F. E.	Twenty-Second	10,287	10,417
FOWLER, Mr. H. B.	Fifth	1788	1835
FRASER, Mr. WILLIAM	Sixteenth	7556	7628
GARDINER, Mr. D.	Eleventh	4504	4570
GORDON, Mr. J.	Sixth	2034	2176
HANSEN, Mr. L. C.	Twentieth	9491	9534
HARMER, Mr. T. B.	Tenth	4066	4126
HEADON, Mr. A.	Twenty-Second	10,515	10,601
HENDERSON, Mr. ARCHIE	Nineteenth	9036	9070
HENDERSON, Sir WILLIAM	Twelfth	5391	5506
HENDRY, Mr. JOHN C.	Twenty-First... ..	9982	10,103
HEPWORTH, Mr. FRANK NUTTER	Tenth	4271	4339
HOBHOUSE, Professor L. T., D.Litt., LL.D.	Twentieth	9071	9490
HOFFMAN, Mr. P. C.	Eighteenth	8292	8631
HOPKINSON, Sir ALFRED, K.C.	Twenty-Second	10,602	10,678
HOWLING, Mr. PATRICK, F.I.S.A.	Ninth	3003	3364
HUGGAN, Mr. A. S.	Eleventh	4437	4503
IMPEY, Mr. FRANK	Thirteenth	5703	5785
JACKSON, Mr. H. D.	Seventh	2526	2569
JACKSON, Mr. H. D. (<i>Recalled</i>)	Seventh	2657	2830
JACKSON, Mr. T. ERNEST	Sixth	2177	2294
JOHNS, Mr. J. E.	Eleventh	4397	4436
JONES, Mr. ARTEMUS, K.C.	Twenty-Third	10,988	11,166
KAY, Mr. HERBERT	Fourteenth	6120	6392
LAWRENCE, Miss SUSAN	Sixth	2295	2414
LAWRENCE, Miss SUSAN. (<i>Recalled</i>)	Nineteenth	8822	8951
LAWRENCE, Mr. WM. COOLING	Seventh	2570	2656
LESLIE, Mr. J. R.	Sixteenth	7517	7555
LITTLE, Mr. DAVID	Tenth	3808	4065

Name of Witness.	Day.	No. of First Question.	No. of Last Question.
LOCKE, Mrs. C. A.	Fourteenth	6570	6606
LOUGHLIN, Miss A.	Eighteenth	8714	8821
LOUGHLIN, Miss A. (<i>Recalled</i>)	Twenty-Second	10,515	10,601
LOWDEN, Councillor T.	Twenty-First	10,124	10,157
MACGREGOR, Professor D. H.	Twenty-Second	10,854	10,997
MALLON, Mr. J. J.	Twenty-Fourth	12,051	12,232
MALLON, Mr. J. J. (<i>Recalled</i>)	Twenty-Fifth	12,233	12,467
MATTHEW, Mr. EDMUND HENRY	Fifteenth	6785	6871
MAXWELL, Mr. R. M.	Twelfth	4900	5089
MAYES, Mr. G. F.	Twenty-Second	10,158	10,286
MOUNSEY, Mr. J. D.	Sixth	1836	1921
NEAL, Mr. HENDERSON	Twenty-Fifth	12,790	12,862
PASCALL, Mr. S. W.	Fifteenth	6607	6784
PEGG, Mr. E. J.	Sixth	2177	2294
PITMAN, Mr. WILLIAM A. J.	Tenth	4340	4388
POLLITT, Mr. J.	Eleventh	4571	4729
POWER, Miss B. M.	Twenty-Fifth	12,607	12,789
POWER, Miss B. M. (<i>Recalled</i>)	Twenty-Sixth	12,863	13,054
QUAILE, Miss MARY	Fourteenth	6526	6569
RAMSAY, Mr. ALEXANDER	Thirteenth	5999	6098
RINES, Mr. W., J.P.	Twenty-Second	10,418	10,514
ROBERTSON, Sir WILLIAM	Fifteenth	6872	7090
ROBINSON, Mr. WRIGHT	Seventeenth	7629	7808
ROBSON, Alderman, HENRY, J.P.	Thirteenth	5507	5702
ROGERS, Mr. IVEY	Seventh	2415	2423
ROWLSON, Mr. GURNEY	Twenty-Second	10,287	10,417
SCOTT, Mr. W. T.	Twelfth	5193	5356
SHAW, Mr. ALBERT	Ninth	3776	3807
SIME, Mr. J. F.	Twenty-First	9817	9981
SIMM, Mrs. L. E.	Fourteenth	6393	6606
SIMEE, Mr. W. E.	Fourth	1191	1261
STABLEFORTH, Mr. C. T.	Twelfth	5193	5356
STAMPER, Mr. GORDON T. H.	Eighth	2831	2947
STARK, Mr. J. J.	Thirteenth	5796	5998
STEWART, Miss ELEANOR	Fourteenth	6476	6525
SPOKER, Mr. W. H., K.C.	Twenty-Second	10,679	10,853
SYMONS, Miss M. J.	Twenty-Fourth	12,051	12,232
SYMONS, Miss M. J. (<i>Recalled</i>)	Twenty-Fifth	12,233	12,471
THOMSON, Mr. JAMES MILLER	Ninth	3638	3775
TILL, Mr. THOMAS MARSON	Fifteenth	6785	6871
TILLYARD, Professor F.	Twenty-Fifth	12,472	12,538
TROTMAN, Mr. HARRY	Fourth	1113	1190
TURNER, Mr. JOHN	Sixteenth	7145	7516
TYLER, Miss MARY	Eighteenth	8632	8713
WALLIS, Mr. BEAUMONT	Fifth	1753	1783
WARD, Mr. ASHLEY	Eighth	2948	2999
WATT, Mr. CHARLES	Twelfth	5090	5168
WATTS, Mr. C. W.	Tenth	4127	4270
WETHERED, Mr. E. C. H., O.B.E., M.A., L.L.B.	Twenty-Third	11,377	11,739
WILKINSON, Miss E. C., M.A.	Seventeenth	7809	8001
WILKINSON, Miss E. C., M.A. (<i>Recalled</i>)	Eighteenth	8146	8291
WILLIS, Mr. W. ADDINGTON, L.L.B.	Twenty-Third	11,167	11,376
WOLFE, Mr. HUMBERT, C.B.E.	First	1	337
WOLFE, Mr. HUMBERT, C.B.E. (<i>Recalled</i>)	Second	338	687
WOLFE, Mr. HUMBERT, C.B.E. (<i>Recalled</i>)	Third	688	905
WOLFE, Mr. HUMBERT, C.B.E. (<i>Recalled</i>)	Twenty-Seventh	13,055	13,476
WOOLLEY, Mr. A. H.	Sixth	2295	2414
WRIGHT, Mr. C. J.	Nineteenth	9008	9035

LIST OF WITNESSES EXAMINED, IN THE ORDER IN WHICH THEY APPEARED
BEFORE THE COMMITTEE.

Day.	Name of Witness.	Status of Witness.
First ...	Mr. HUMBERT WOLFE, C.B.E. {	Principal Assistant Secretary, Ministry of Labour.
Second ...		
Third ...		
Fourth ...		
	Mr. JOHN CARR ...	Representing Manufacturers' Section, London Chamber of Commerce.
	Mr. HARRY TROTMAN ...	Representing Metropolitan Dairymen's Association.
	Mr. W. E. SMEE ...	Representing National Federation of Dairymen's Associations.
Fifth ...	Mr. M. F. CAHILL ...	Representing Employers' side, Grocery and Provisions Trade Board (England and Wales).
	Mr. J. H. BARNARD ...	Representing Drapers' Chamber of Trade.
	Mr. BEAUMONT WALLIS ...	
	Mr. J. A. BOARDMAN ...	
	Mr. H. B. FOWLER ...	
Sixth ...	Mr. J. D. MOUNSEY ...	Representing Isle of Wight Drapers' Association.
	Mr. J. C. EATON ...	Representing Unorganised Employers, Hat, Cap and Millinery Trade Board (England and Wales).
	Mr. D. BRODIE ...	
	Mr. P. B. ADAMS ...	Representing Scottish Federation of Merchant Tailors.
	Mr. J. GORDON ...	
	Mr. T. ERNEST JACKSON ...	Representing National Federation of Merchant Tailors.
	Mr. E. J. PEGG ...	
	Mr. A. H. WOOLLEY ...	Representing Incorporated Association of Retail Distributors.
	Mr. F. W. CHRISTALL ...	
	Miss SUSAN LAWRENCE ...	Representing The Lace and Net Finishing Trade Board (Great Britain), Employers' and Workers' sides.
	Mrs. A. ...	
Seventh ...	Mr. IVEY ROGERS ...	Middlewoman.
	Mr. ARTHUR E. BECK ...	Representing The National Union of Manufacturers.
	Mr. H. D. JACKSON ...	
	Mr. Wm. COOLING LAWRENCE ...	Representing The Association of London Master Tailors.
	Mr. C. CORELLI ...	
Eighth ...	Mr. GORDON T. H. STAMPER ...	Representing The National Union of Manufacturers.
	Mr. ASHLEY WARD ...	
Ninth ...	Mr. CHARLES AVELING, J.P. ...	Representing the National Chamber of Trade.
	Mr. JAMES WALKER CLARK, J.P. ...	
	Mr. PATRICK HOWLING, F.I.S.A. ...	
	Mr. E. J. W. BUCKPITT, J.P. ...	
	Mr. JAMES MILLER THOMSON ...	Representing Employers' side, Rope, Twine and Net Trade Board (Great Britain).
	Mr. JOHN CHALMERS ...	
	Mr. ALBERT SHAW ...	Representing Scottish Federation of Aerated Water Manufacturers' Associations.
	Mr. J. A. CUDLIFF ...	
Tenth ...	Mr. DAVID LITTLE ...	Representing National Union of Mineral Water Manufacturers' Associations.
	Mr. T. B. HARMER ...	
	Mr. C. W. WATTS ...	Representing Wholesale Clothing Manufacturers' Federation.
	Mr. CULROSS ...	
	Mr. FRANK NUTTER HEPWORTH ...	Representing Eastern Counties Wholesale Clothing Manufacturers' Association.
	Mr. W. A. J. PITMAN ...	
Eleventh ...	Mr. A. V. ALEXANDER ...	Representing British Tin Box Manufacturers' Federation.
	Mr. J. E. JOHNS ...	
	Mr. J. POLLITT ...	Representing Shirt, Collar and Tie Manufacturers' Federation.
	Mr. A. S. HUGGAN ...	
	Mr. D. GARDNER ...	Representing Parliamentary Committee of the Co-operative Congress.
	Mr. JOHN CAMPBELL ...	
	Mr. ARTHUR BALFOUR, J.P. ...	Representing Scottish Retail Drapers' Federation.
		Representing The Association of British Chambers of Commerce.

Day.	Name of Witness.	Status of Witness.
Twelfth	Mr. R. M. MAXWELL ... Mr. CHARLES WATT ... Mr. J. M. CROSTHWAITE Mr. C. T. STABLEFORTH Mr. W. T. SCOTT ... Mr. G. DONALD ... Sir WILLIAM HENDERSON ...	Representing Scottish Garment Makers' and Millinery Trades' Federation. Representing Milk Distributive Trade Board (England and Wales), Employers' and Workers' sides. Representing the Dundee Chamber of Com- merce. Representing Association of Jute Spinners and Manufacturers.
Thirteenth	Alderman HENRY ROBSON, J.P. Mr. FRANK IMPEY ... Mr. J. J. STARK ... Mr. ALEXANDER RAMSAY Mr. FRANK H. CHANDLER	Representing Federation of Grocers' Asso- ciations. Representing Pin, Hook and Eye and Snap Fastener Employers' Association. Representing Employers' side, Laundry Trade (Great Britain) and the National Federation of Launderers, Ltd. Representing Birmingham and Wolverhampton District Association of the Engineering and the National Employers' Federations Representing London Employers' Association.
Fourteenth	Mr. HERBERT KAY ... Mrs. LEONORA COHEN ... Miss ELEANOR STEWART Mrs. C. A. LOCKE ... Miss MARY QUAIL ... Mrs. L. E. SIMM ...	Representing National Women's Advisory Committee of the National Federation of General Workers.
Fifteenth	Mr. S. W. PASOALL ... Mr. EDMUND HENRY MATTHEW Mr. THOMAS MARSON TILL Mr. NORMAN BOASE ... Sir WILLIAM ROBERTSON Mr. DAVID DOUGLAS ...	Representing Food Manufacturers' Federation. Representing British Brush Manufacturers' Association. Representing Scottish Flax Spinners' and Manufacturers' Association.
Sixteenth	Mr. JOHN TURNER ... Mr. J. R. LESLIE ... Mr. WILLIAM FRASER ...	Representing National Amalgamated Union of Shop Assistants, Warehousemen and Clerks.
Seventeenth	Mr. WRIGHT ROBINSON... Miss E. C. WILKINSON, M.A. Mr. ALFRED W. BURROWS Mr. JOE COULDWELL ...	Representing National Union of Distributive and Allied Workers. Representing Journeymen Butchers' Federa- tion of Great Britain.
Eighteenth	Miss E. C. WILKINSON, M.A. ... Mr. P. C. HOFFMAN .. Miss MARY TYLER .. Mr. A. CONLEY .. Miss A. LOUGHLIN ...	Representing Workers' side, Laundry Trade Board (Great Britain). Representing National Amalgamated Union of Shop Assistants, Warehousemen and Clerks. Representing Tailors' and Garment Workers' Trade Union.
Nineteenth	Miss SUSAN LAWRENCE ... Mr. H. DAWSON ... Mr. C. J. WRIGHT ... Mr. ARCHIE HENDERSON ...	Representing Workers' side, Pin, Hook and Eye and Snap Fastener Trade Board (Great Britain) and Homeworkers' League, Bir- mingham Branch. Representing Workers' side, Stamped or Pressed Metalwares Trade Board (Great Britain) Representing Transport and General Workers' Union.
Twentieth	Professor L. T. HOBHOUSE, D.Litt., LL.D. Mr. L. C. HANSEN ...	Appointed Member of Trade Boards. Representing Transport and General Workers' Union.
Twenty-first	Mr. H. CRABB ... Mr. J. BUCKLE ... Mr. J. F. SIME ... Mr. JOHN C. HENDRY ... Mr. J. CUNNINGHAM ... Councillor T. LOWDEN ...	Representing Boot and Shoe Repairing Trade Board (Great Britain), Employers' and Workers' sides. Representing Dundee and District Union of Jute and Flax Workers. Representing Scottish Council of Textile Trade Unions. Representing Workers' side, Jute Trade Board (Great Britain).
Twenty-second	Mr. G. F. MAYES ... Mr. GURNEY ROWLERSON Miss F. E. EDWARDS ... Mr. W. RINES, J.P. ... Miss A. LOUGHLIN ... Mr. A. HEADON ...	Representing National Society of Brushmakers. Representing Amalgamated Society of Tailors, Tailoresses and Kindred Workers. Representing Tailors and Garment Workers' Union. Representing Workers' side, Shirtmaking Trade Board (Great Britain).

Day.	Name of Witness.	Status of Witness.
Twenty-second— <i>cont.</i>	Sir ALFRED HOPKINSON, K.C. ...	Appointed Member of Trade Boards.
	Mr. W. H. STOKER, K.C. ...	" " " "
	Professor D. H. MACGREGOR ...	" " " "
Twenty-third ...	Mr. ARTEMUS JONES, K.C. ...	" " " "
	Mr. W. ADDINGTON WILLIS, LL.B.	" " " "
	Mr. E. H. C. WETHERED, O.B.E., M.A., LL.B.	" " " "
Twenty-fourth	Professor J. B. BAILLIE, C.B.E. ...	" " " "
	Mr. J. J. MALLON ...	Representing Trade Boards Advisory Council of the Trades Union Congress.
	Miss M. J. SYMONS ...	Representing Trade Boards Advisory Council of the Trades Union Congress.
Twenty-fifth ...	Mr. J. J. MALLON } recalled.	Appointed Member of Trade Boards.
	Miss M. J. SYMONS }	Late Joint Permanent Secretary, Board of Trade.
	Professor F. TILLYARD ...	Inspectors appointed under the Trade Boards Acts.
	Sir GEORGE S. BARNES, K.C.B., K.C.S.I.	Representing National Association of Shoe Retailers.
	Miss B. M. POWER ...	Inspectors appointed under the Trade Boards Acts.
	Mr. W. E. COUNSELL ...	Principal Assistant Secretary, Ministry of Labour.
	Mr. HENDERSON NEAL ...	
Twenty-sixth ...	Miss B. M. POWER } recalled.	
	Mr. W. E. COUNSELL }	
Twenty-seventh	Mr. HUMBERT WOLFE, C.B.E. ... (recalled)	

Montagu House,
Whitehall, S.W.1.

COMMITTEE OF ENQUIRY INTO THE WORKING AND EFFECTS OF THE TRADE BOARDS ACTS.

MINUTES OF EVIDENCE.

FIRST DAY,

Wednesday, 12th October, 1921.

PRESENT:

The Right Hon. the VISCOUNT CAVE, G.C.M.G.
(Chairman).

The Right Hon. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

MR. W. T. LAYTON, C.H., C.B.E.

SIR ARTHUR F. PEASE, BART.

MR. E. L. POULTON, O.B.E., J.P.

MR. A. PUGH.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (Secretary).

MR. HUMBERT WOLFE, C.B.E., called and examined.†

1. *Chairman:* What is your position at the Ministry of Labour?—I am Principal Assistant Secretary at the Ministry of Labour, in charge, amongst other things, of the Trade Boards Branch, which includes the headquarters office and the office of the Trade Boards.

2. You are going to give us first a historical summary of the history of the Trade Boards question. First will you tell us what led up to the passing of the Trade Boards Act of 1909?—During the years 1885 to 1909, the date of the passing of the Act, there was a great deal of public attention directed specially to the question of sweating. There was a great deal of public feeling that in certain trades, notably in the chain-making trade, to which a great deal of attention was directed, wages were paid which were not reasonable, and on which no person could be expected to subsist. There was a report of a Select Committee of the House of Lords in 1890, of which Lord Dunraven was Chairman, and that Committee stated definitely that the evils of sweating could hardly be exaggerated. That was followed by a number of private Bills being introduced to deal with sweating, notably a Bill by Sir Charles Dilke, which was called the Sweated Industries Bill. In 1906 the Board of Trade (which was then in charge of these matters) made an inquiry into the rates of wages in a large number of industries.

3. Wages and hours?—Wages and hours, that is so.

4. *Mr. Poulton:* That the hours were unreasonably long?—In some cases hours were unreasonably long and the wages unreasonably low. I have a table here in which certain trades have been taken, not in order to single them out for unfavourable notice, but because they were the trades in which the inquiry showed that the wages were very low.

5. *Chairman:* Perhaps your table could be annexed to your evidence, but you might point out any figures in the table which are striking. (See Annex I, Chapter I, page 1)?—Yes, I think it would be worth while doing so, because it will illustrate what has perhaps, in a good deal of what has been written lately about Trade Boards, escaped notice, namely, that they really were introduced because wages were extremely low. These tables are divided into the earnings of adult men and adult women, they are put under the headings of the percentages of workers who were getting under 20s., between 20s. and 30s., between 30s. and 40s., between 40s. and 50s., between 50s. and 60s., and over. I think I will choose, to illustrate the position, three trades—tailoring, jute and linen. In tailoring the percentage of adult males who were getting less than 20s. was 5·1; the percentage getting 20s. and under 30s. was 41, which makes 46 per cent. of the whole trade getting under 30s.; and between 30s. and 40s. there were 31·8 per cent. Then it goes with very rapidly decreasing percentages to 60s. and over, under which heading there is only 5·4 per cent. Taking the females in the same trade—I am talking of tailoring bespoke—you find 15·4 per cent. of all the females employed in the trade getting less than 10s. and 42·4 per cent. getting between 10s. and 15s., making practically 58 per cent., or more than half of the females employed, getting less than 15s. Then another 29 per cent. were getting less than 20s. and 10 per cent. were getting between 20s. and 25s., leaving 2·6 per cent. to go on from 25s. to 30s. and 30s. and over. Even more striking figures, at any rate so far as the men are concerned, are shown by the returns relating to the jute trade.

6. Are you speaking of 1906?—Yes, 1906 all the time. In the jute trade no less than 49·1 per cent. of all the adult males employed were getting under

† For documents handed in by the witness and annexed to his evidence, see page 59 and following pages.

12 October, 1921.]

Mr. HUMBERT WOLFE, C.B.E.

[Continued.]

20s., 36 per cent. were getting between 20s. and 30s., none were getting over 60s.; but 2 per cent were getting between 50s. and 60s. Of the women in the jute trade, 5·2 per cent. were getting less than 10s., and 66·4 per cent. were getting between 10s. and 15s.

7. *Mr. Poulton*: That is for a full week, I suppose?—Yes, a full working week.

8. What were the working hours?—It is full time. I have not got the hours, but I am told that they were probably 54; but I can verify that.

9. I should be glad if you would.—Of course, it may not be the same number of hours in each of the trades.

10. No, that is why I interrupted you when you got to the end of the jute trade.—In the linen trade the number of adult males getting less than 20s. was 44·4 per cent.; the number getting between 20s. and 30s. was 36·7 per cent.; and the number getting between 30s. and 40s. was 13·6 per cent. So far as the females were concerned, 41·7 per cent. were getting less than 10s., and 49·1 per cent. were getting between 10s. and 15s.

11. *Chairman*: That is to say, 90 per cent. were getting under 15s.?—Yes, there were 90 per cent. under 15s. I will not go into the other figures, but I will hand them in as you suggested. It is obvious that as a result of these figures coming to the public notice, and also to the notice of the Government of the day, it was unlikely that Parliament could long abstain from taking some action. A league called the Anti-Sweating League was formed, which was prominently supported both by labour and by benevolent bodies of various kinds, and it started active propaganda. In 1908 a Committee of the House of Commons was set up on home-work, presided over by Sir Thomas Whittaker, and that Committee recommended something in the nature of Trade Boards being set up to deal with the sweated trades, and the first Trade Boards Act of 1909 was in fact modelled on the recommendations of the Whittaker Committee. Those are the facts which led up to the first Act of 1909.

12. There had been something of the kind in Australia and New Zealand, had there not?—Yes, there had. There was a conciliation and arbitration system in New Zealand which dated from 1894, but a closer parallel was presented by the Victorian Wages Boards, which date from 1896. An inquiry was made into the operation of the legislation in Australia and New Zealand in 1907 by the late Mr. Ernest Aves, and his report was before the Government when they introduced the Act of 1909.

13. That has been printed as a Blue Book, I think?—Yes, it has.

14. *Mr. Layton*: May I ask a question on these figures. I would like to be clear what is the purpose of these figures which you have put in. You have given a series of figures in the linen, jute and tailoring trades; you have not given us the others?—That is so.

15. Was your argument designed to show that wages generally were very low and that the Trade Boards Act was the result of an opinion that wages generally in the country were low or was it that wages in particular trades were low?—It was not intended as an argument. It was much more the latter than the former: that there were in existence a number of trades in which wages were "exceptionally low," which are the words of the Act, and I gave you instances of the trades in which wages were exceptionally low.

16. While you are putting in these figures, can you show some comparison between these trades and general wages in the country, because without those, of course, they do not form a very complete argument?—We could easily get the figures. I expect there are Board of Trade wages returns for the same period for the general trades of the country. (See Annex I, Chapter I, Table A.)

17. In particular I was looking at the first figures you gave for men in the tailoring trade. There was the proportion of men earning less than 20s. per week very much smaller than the proportion of railwaymen earning less than 20s. per week at that period, for

example?—In the tailoring trade, which was scheduled in the 1909 Act, in both bespoke and ready-made, the low wages were much more prevalent among the women than among the men. It was rather on the women that the weight fell than on the men in those trades.

18. I only raise the point to suggest that in putting in these figures you should show their relation to the general level of wages at that time in the country, so that we can see whether the argument was pointed at particular trades as being particularly below the level of other industries.

19. *Mr. Poulton*: Were not those figures of those early days which you have quoted—because you quoted them and restricted yourself on account of the suggestion of the Chairman, very properly—figures which were adduced regarding certain trades because it was said that they were below subsistence level?—That is so, yes.

20. And I believe in those early days the Sweating Commission attempted to give a definition of what they meant by the word "sweating"?—That I am not prepared to say, but certainly these trades which I have here—I will give you the list: tailoring (bespoke and ready-made); shirt, blouse and under-clothing; laundry (factory and workshop); jute; linen; cardboard, canvas, &c. boxes—were among the worst trades of all. Naturally there were one or two others, such as chain-making which could be added if desired; but I should say in general, in reply to Mr. Layton's question, that these trades were generally selected as being worse than other trades at the same time.

Mr. Layton: It struck me that certainly one of the figures which you produced did not prove it.

Chairman: As regards men?

21. *Mr. Layton*: As regards men. In fact did not the statistics as to wages which were used at that time relate to much smaller groupings than those which you have given us?—At any rate, to take your own case of the tailoring trade, as I suggested before, I think the answer is that the weight fell on the women there, and in the case of the others which I quoted, jute and linen, I think it would probably be generally admitted that the proportion of men receiving less than 20s. was higher than in any other trade.

22. Perhaps I might suggest this to you: would not your case be more precise if you singled out the wages in those branches of trade which were subsequently scheduled in the Act?—We could do that, certainly. Those trades were tailoring, chain making, paper box making and lace-finishing. Those were the first four, and we can give you the definite rates prevailing in those four trades. (Note prepared for Members of Committee—not printed.)

Mr. Poulton: But for what period?

23. *Dame Adelaide Anderson*: With regard to the word "prevailing," is it possible to say whether these low wages affecting women were stationary—prevalent throughout any length of time—when the men's wages were rising or falling, or whether the women's wages were rising or falling then?—I will inquire into that. I cannot be sure whether we have the material to enable us to answer it. (Note prepared for Members of Committee—not printed.)

Chairman: Of course we must not spend too much time over this, because it is historical.

24. *Sir Arthur Pease*: Were the wages much below those in the wool trade?—I will look into that. I think you will find that they were certainly below. (See Annex I, Chapter I, Table A.)

25. Some branches of it?—Yes.

26. *Chairman*: You are going briefly to describe the machinery of the Act of 1909?—Yes. It had three distinguishing features, and all three have remained a permanent part of Trade Board machinery. The first was the power to fix minimum rates; the second was that the power to fix these rates was not has been entrusted to a Government Department, and never has been entrusted to a Government Department, but rested with a body composed equally of employers and employed, fully representative, so far as they could be made so, of all the interests in the trade, together with a group of independent persons known as Appointed Members. The third striking feature

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was that those rates were compulsorily enforceable. One feature of the 1909 Act, which was repealed by the 1918 Act, was that the rates fixed under the 1909 Act were in limited operation for six months; it was possible to contract out of them, and they were only confirmed after the six months if the Board of Trade so decided. That feature was repealed by the 1918 Act. It will be seen, of course, that in the original Act the length of time which was required to fix a minimum rate was naturally much longer in consequence of that provision. Under the first Act four trades were scheduled by Parliament in the Act; those were the ready-made and wholesale bespoke tailoring, paper box making, lace and net finishing, and chain making trades. Four Boards were established for Great Britain, and two for Ireland. The Act provided that if you wished to add further trades you could only do so by Provisional Order procedure. I need not explain to the Committee what Provisional Order procedure consists of, but it meant that you had to get a Parliamentary Bill before you could in fact add a trade. The procedure was very elaborate, and took a considerable time, and as a result under the 1909 Act only four more trades were added by Provisional Order procedure; those were sugar, confectionery, and food preserving; shirt making; hollow-ware; and tin box making (for which two Boards were set up under one Order), and linen and cotton embroidery. Seven Boards in all were set up, of which three were in Ireland.

27. Are those all trades in which the wages were thought to be exceptionally low?—Yes, all were trades in which wages were “exceptionally low”; those were the words of the Act. The only other trade the inclusion of which under the 1909 Act was contemplated was the laundry trade, and that trade was thrown out by the Select Committee, when it was brought before them, on a number of grounds, one of which was that the Trade Board as defined did not cover all sections of the trade.

28. It was thrown out on the Confirmation Bill?—Yes, on the Confirmation Bill. That brings me to the position at the outbreak of the war, when there were thirteen Trade Boards set up under the 1909 Act, covering, it is estimated, roughly half a million workers. Then, when we get to the war period the position is materially altered by the arrival on the scene of the Munitions of War Acts. The first Munitions of War Act of 1915 only indirectly affected the position, but the second Munitions of War Act of 1916 contained a provision by which the Minister of Munitions might make Wages Orders affecting women engaged on munitions work, and as the scope of munitions work spread and spread, the Orders of the Minister of Munitions covered areas previously covered by the Trade Boards, and to a certain extent the Trade Boards were superseded during the war by the Munition Orders. It is the fact that the first Order, which became celebrated as L.2 fixed as the minimum 6d. per hour for women, which is a very different rate from any which had been previously fixed by the Trade Boards.

29. Then I suppose the question became more active towards the end of the war?—Yes, that is so. Towards the end of the war it became obvious that all the war-time arrangements for dealing with wages would terminate with the termination of hostilities, and it was feared that, particularly if there were a slump in trade at the end of the war, there might be sudden and almost startling reductions in wages; and the position was considered by a number of committees and commissions. The first one was one of the Reconstruction Committee, a Committee of which Major Hills, M.P., was Chairman; this Committee issued a memorandum which said something to the following effect: That the conditions which might be expected to prevail at or soon after the close of the war were exactly those which were favourable to a sudden and considerable fall in the level of remuneration in semi-skilled and unskilled occupations, and they recommended the protection of a minimum wage for women workers for a two-fold purpose: One purpose was to safeguard the position of women in trades where a reasonable level of remuneration had already been reached, in order that they should not sink back to a condition which is socially undesirable; the other

was to raise, by such means as were possible, the conditions of those women workers employed in trades in which, notwithstanding the war conditions, the rates of wages were unduly low. They recommended for this purpose the use of trade board machinery, and suggested a number of trades in which Trade Boards should be set up at once. They also suggested some amendments in the Trade Boards Act of 1909, which were generally adopted in the Act of 1918. At the same time, or perhaps a little later, the Committee on Relations between employers and employed, of which Mr. Whitley was Chairman, also made recommendations with regard to the same matter. That Committee had for its principal object the establishment of industrial harmony, and it will be remembered that for trades which possessed the necessary degree of organisation it recommended the constitution of what were known as Joint Industrial Councils, but it equally recommended, with the same degree of emphasis, the creation of Trade Boards for the less organised trades.

30. That was in the second report?—Yes, in the second report. They said that Trade Boards should be set up pending the development of such a degree of organisation as would render feasible the establishment of a National Council or District Councils.

31. The Trade Boards were to be a preparation for the Industrial Councils?—Yes. I think their view roughly was that where you have organisation you should have a voluntary basis, but until you had adequate organisation it was desirable to have a compulsory basis; but they clearly envisaged Trade Boards as a step to Joint Industrial Councils. I think as part of that view, they recommended that the powers of the Trade Boards should be rather enlarged, and that they should be regarded as a means of supplying a regular machinery in those districts (that is to say, unorganised districts) for negotiation and decision in certain groups of questions dealt with in other circumstances by collective bargaining between employers' organisations and trade unions.

32. They meant that the Trade Boards might deal with hours as well as wages?—Yes, certainly.

33. But they were still to deal with minimum rates of wages?—Yes, clearly. They were to deal with other things than purely hours questions; but the Report went on to say that they should be further empowered to initiate and conduct inquiries on all matters affecting the industry. They contemplated, in other words, that even though they were a compulsory body they would have some of the scope of a voluntary body. Historically the 1918 Act followed after the Whitley Report, but there was a little later, in 1919, a further recommendation in respect of Trade Boards; but perhaps I had better come to that chronologically and not take it here.

34. No, take the 1918 Act. The 1918 Act was introduced at the beginning of 1918 and it was explained that one of its objects was to provide a steadying influence at a time when it might be expected that wages would become extremely unstable. It made certain definite alterations in the structure of the 1909 Act. The first and the most important was in respect of the scope. The 1909 Act was restricted to trades in which wages were exceptionally low. It is obviously a matter of some difficulty to decide whether wages are exceptionally low. If, for example, you get a position in which a large number of trades are “sweating,” then even a “sweated” wage would not be exceptionally low; or you may have, on the other hand, a wage which is between an exceptionally low wage and a reasonable wage, which should be covered but could not by those words. The 1918 Act therefore provided a broader basis; it had regard to two aspects, first, as before, the state of wages in the trade, and secondly, the degree of organisation in the trade; and it provided that where effective means of regulating wages did not exist, and having regard to the rates of wages prevailing in the trade, it was expedient to establish a Trade Board, a Trade Board might be established. To that extent, therefore, the field to which the Trade Boards Acts could be applied

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was widely extended. In the second place a very important alteration was the removal of the Provisional Order procedure, in place of which a power was conferred upon the Minister of Labour to set up Trade Boards by Special Order. Elaborate machinery for securing that the Special Order was not unduly hurried was also set up, but this amendment removed the necessity of obtaining Parliamentary sanction.

35. *Mr. Poulton*: Did that go so far as to empower the Minister to go ahead, if, after inquiry, he was satisfied that a certain trade or certain trades were in need of such machinery as the Committee suggested?—Yes, subject to one qualification: that if when he decided to set up the Trade Board objections were made during the objection period and were not withdrawn, it might be incumbent upon him to appoint a special impartial Court of Inquiry to decide whether in fact the case was established. The final word, therefore, in that case, did not rest with him but with the Court of Inquiry.

36. *Dame Adelaide Anderson*: Unless the objections were found to be frivolous?—Unless the objections were found to be frivolous. As a matter of interest it never has been necessary to appoint such a Court of Inquiry, because in practically every case the Trade Boards have been secured with consent.

37. *Mr. Poulton*: But it remains, does it not, that the scope and the power of the Minister are such that he can set them up?—He can set them up provided he is satisfied that the conditions of the Act apply, certainly. I was going to say that the only other point of difference was that the provision in the 1909 Act making the first six months of the operation of the rates provisional, was also repealed. The result of the new provisions of the Act, of course, led to a speeding up in the establishment of Boards, principally because of the Minister's new power, and I think that we may say here that it is probably the case that in very few, if any, of the trades to which the 1918 Act was applied, would it not have been possible to act under the provisions of the 1909 Act?

38. *Chairman*: You mean it would have been possible?—It would have been possible in practically every case in which the 1918 Act has been applied, to have acted under the spirit, if not the letter, of the 1909 Act.

39. You mean that the Act of 1918 has only been applied to trades in which wages were exceptionally low?—That is our general view but, of course, you have to qualify that by the meaning which you attach to "exceptionally low" after the huge increases in the cost of living. In 1919, 14 Boards were set up. In the meantime the war had ended. As a result of a Committee appointed under the Chairmanship of Sir John Simon, I think, just at the end of the war, an Act called the Wages (Temporary Regulation) Act had come into force, the object of which was to keep wages practically at the point which they had reached at the end of the war. There are provisions in the Act to substitute rates arrived at by agreement, but the general object of the Wages (Temporary Regulation) Act was to sustain wages at the point which they had reached.

40. For a limited time?—Yes. Originally it was intended to be for 6 months.

41. *Mr. Poulton*: That was general wages?—But it included, of course, any cases in the Trade Board trades in which a Munitions Order had applied. The Act was passed for 6 months originally, and was extended and re-extended by agreement of both sides, I think, until September, 1920. Finally, when it lapsed in 1920 it was stated that its place would, to some extent, be taken in respect or unorganised trades to which the Trade Boards Acts applied, by the provisions of the Trade Boards Acts. As I say in 1919 while the Wages (Temporary Regulation) Act was still in force, 14 new Boards were added; in 1920, 34 Boards were added, which, with the 13 established under the 1909 Act made, I think, a total of 60 and I think there have been two Boards

established to date in 1921, making a total of 62. I put in a statement giving the names and dates at which all the Boards were set up. (See Annex I, Chapter I, Table B.)

42. *Chairman*: Does that list include the Irish Boards?—Yes, it includes the Irish Boards and that 62 includes the Irish Boards throughout. In addition to that notice of intention has been issued to apply the Acts to the following trade: Jute, flax and hemp finishing. Special Orders are outstanding applying the Acts to the following trades: Sack and bag, for which a Board will shortly be set up; fruit, flowers and vegetables; fish, poultry, game and rabbits; hairdressing; and whip. Later, I shall describe the way in which the Department sets to work in setting up a Board, but as a result of the inquiries which we made very widely during 1919 and 1920, we discovered that there were quite a number of trades which were more suitable for Joint Industrial Councils than for Trade Boards, because of their organisation, and quite a number of trades to which, for various reasons, it might have been premature to apply the Acts; but apart from that, on general grounds, as is common knowledge, towards the end of 1920 the trade slump had set in with unprecedented severity, and it became the general policy of the Government to proceed with caution, and that explains the much smaller number of Trade Boards set up towards the end of 1920 and during 1921.

43. Would you still say of the whole of the 62 Boards that they were confined to trades where wages were exceptionally low?—I say that with considerable qualification, because if you look at the actual wages which obtained in the trades when the Boards were set up, you might say "These are not even approximately sweated wages," but you would have to take two things into account: first, the increases throughout in all wages during the war, and secondly, the fact that a number of the wages were artificially held up at the moment by the Wages (Temporary Regulation) Act which kept alive the orders of the Minister of Munitions, and if you looked at the early history of most of the trades which have been covered, I think you would find, with perhaps one or two notable exceptions, that on the whole the 1918 Act has not been applied to a territory which was not envisaged by the 1909 Act.

44. *Mr. Poulton*: Having regard to the extraordinarily increased cost of living?—To that and the artificial methods which had propped wages up.

45. *Mr. Layton*: You mean that in 1919 and 1920 the wages were not exceptionally low, but that they had been in those trades before the war, and that the measures taken during the war had, in fact, affected the level of wages?—That is my qualification. There are some trades in which wages were exceptionally low even during 1919 and 1920—trades which had not been affected by war conditions in the same way.

46. *Mr. Poulton*: If you took the same basis of comparison, say, between the 1914 wages and the cost of living, and the wages and the cost of living when you set up these older Boards, would they not still be low wages?—Yes, they would still be low wages, although they would not, for example, compare in some cases with the chain trade. I do not think you would have got anything corresponding to a penny per hour or a penny to a penny-halfpenny per hour, which was the chain-making rate.

47. *Lord Weir*: You say that the Minister began to view the question of the institution of Trade Boards with caution when the depression started?—Yes.

48. I wonder whether you could make that a little clearer, because it is surely in a time of depression that questions of wage regulation become of the greatest importance, and when it is of the greatest importance that the most efficient machinery should be used to handle those questions?—That is a very fair point, to put, if I may say so, but as against that you have got to remember that it was represented by a number of people, who, presumably, were

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speaking with authority and knowledge, that the effect of the setting up of Trade Boards was to increase unemployment; it was represented that the effect of setting up Trade Boards was to interfere with trade; it was represented that it was the continuance or the introduction of what was called the dead hand of Government control. It was not possible, having regard to the character of the persons who made those suggestions, to dismiss them lightly, and the Government, therefore, finding that there were these heavy criticisms of the machine, felt that it was necessary to consider the facts very carefully indeed before they took the risk of possibly extending the evils of which complaint had been made.

49. It was equally represented that these Boards were to improve, not only the conditions of an industry but industry itself, by bringing about a co-operative spirit and contentment.—The Government really were, I think, in this difficulty: They recognised to the full what you have said, that at no time is wages machinery so necessary as during a slump. That is the first point which they could not help recognising. The second point which they had to recognise with equal force was that, assuming the machine itself were wrong, assuming that under the Act it were not being properly administered because it could not be, the machine might do greater harm than good; and it was because they were receiving from substantial quarters these complaints (with which I hope to deal later) that they felt it essential to go slowly.

50. *Mr. Pugh:* Will you tell us precisely how the steps for setting up Trade Boards are initiated; or will you come to that later?—I was going to deal with that later.

51. *Mr. Layton:* Before you leave this can you give us the corresponding figure of the result of these extensions? You told us that in 1914 there were approximately half a million people covered by the operation of the Trade Boards.—Yes. I think it is approximately three millions.

52. Could you give the proportion of men to women before the war?—I can do that. It is a very rough figure, but it is about 70 per cent. of women to men, and I should be surprised if the proportion as between men and women pre-war and men and women post-war has much altered. If you want that verified I will have it verified.

53. *Lord Weir:* Can you also give us the figures in 1914 of the Trades that you cited in 1906, so that we may see the milestones of progress? (*Note prepared for members of Committee not printed*)—Yes, I can do that. I have those figures here for 1914, and I have, I am afraid, innumerable tables which I shall have to hand in, and that will be one of them.

54. It is simply to get a comparison of the same figures.

55. *Chairman:* We will come to that. Then, I suppose, we may pass to the question of the scope of the Acts?—Yes. The Acts, as I say, authorise the establishment of a Trade Board in any trade in which the conditions which I have mentioned above apply. On the word "trade" a number of difficulties arise immediately. The Minister has taken the following restricted view of what a trade is. He distinguishes, for example, between a trade, professions, and other occupations, such as commerce, which are not trades. Obviously there will be border-line cases, but, broadly, all professional occupations and commerce are out. For example, to take what might be a border-line case; in the view of the Minister, domestic service is not covered by the Trade Boards Acts as not being a trade. In the second place, charitable institutions are not covered, because we regard the Acts as applying only to employers engaged in trade; and, finally, they would not apply to an inmate of an institution even if the inmate were receiving some money payment, on the ground that the money was not passing by way of trade. Apart from those limitations the power of the Minister to prescribe what a trade is, is very wide indeed. Speaking generally,

the interpretation which he puts on his power is to say that it applies rather to a commodity than to a process; that is to say, to take a trade like the stamped or pressed metal wares trade (as to which I am afraid I shall have to say more later), he does not take the view that you can apply the Acts to stamping or pressing wherever carried on, which would take you into every trade in the country, but rather to specific articles manufactured in what is roughly known as the Birmingham trade. He may distinguish, therefore, between the commodity and the process; but provided that that general modification is accepted, the Minister's power is very wide, and subject to his exercising it reasonably, it is not, I think, open to challenge. He is not, for example, compelled to take in the whole trade if he does not think that necessary, if in the view of the trade, which he always consults, you can distinguish a particular part of the trade; for example, lace finishing cannot in any circumstances be described as the whole of the lace trade, and yet that had a Trade Board to itself; the Stamped or Pressed Metal Wares Trade Board as set up in 1920 certainly did not cover the whole of the Birmingham trade; and the original Tailoring Board did not cover a great deal of the clothing trades; but as long as the Minister is satisfied, either that he has isolated the whole trade or a substantial part of the trade, he is prepared to set up a Board if the conditions admit of a Board being established.

56. *Mr. Pugh:* On the matter of charitable organisations, do I understand that the Department has considered that they were entirely excluded from the operation of the Acts? Take as an example the Salvation Army setting up in different trades; so far as they were in the trade, would they come within the Acts, or would they be excluded on the ground that they were a charitable institution?—No. The point for decision would be whether they were engaged in trade or not, and whether they definitely had persons under contract of employment with them. Of course, the Salvation Army point is a well-known one. This has arisen far more acutely in Ireland with the convents, which maintain laundries which are not run by way of trade, at least, so it is held by the convent authorities.

57. *Mr. Poulton:* Yet they are taking outside materials?—Yes, they are, and they are actively in competition with the ordinary employers.

58. *Dame Adelaide Anderson:* Is it not found, as a matter of practice, that the contract of employment is the really essential point?—Yes, but of course there are two essential things; the person must really be employed, and it must be in an establishment which is definitely run for profit.

59. *Chairman:* But a charity may carry on a trade for profit. It is a question of fact?—It is a question of fact. Then, coming to the variety of trades to which the Acts have been applied, they can be divided into two main groups, manufacturing and distributive. The distributive trades were not touched before the 1918 Act. When you look at the manufacturing trades, you find all sorts of varieties; you get a purely manufacturing trade carrying on its work only in factories, such as flax and hemp spinning; then you get trades which are carried on on a large scale in factories and also in small work-rooms which may or may not be attached to a distributive establishment; you get cases of that kind both in the clothing and in the boot and shoe repairing trades. Then you come to the big distributive group, and there you find every variety, from the big departmental store, through the general shop, down to the shop which has one business only. Again, you have variations between trades which have foreign competition, both in the foreign and the home market, and trades which have no foreign competition at all. The first class, the tailoring trade, has competition in the foreign markets, and the Birmingham light metal trades, and match box manufacture, which is a part of the paper box trade, have it in

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the home market; and finally, as a case where there is no competition from abroad whatever, you have the milk distributive trade. Then, finally, you would expect the Trade Boards to apply more to trades in which home-work is carried on than other trades, and you find that to be the case in practice. You would also expect them to apply more to the women's trades, because there again, owing to weak organisation, women are less able, or have been shown in the past to be less able, to protect themselves in wages matters; and, in fact, I think a large majority of the trades which are covered by the Trade Boards Acts are women's trades in a large degree. Further, there are one or two trades where you have a surprisingly large number of juvenile employees. In the button-making trade, for example, which was included in 1920, the proportion of girls to the whole number of female employees was 33 per cent., and in the earboard box trade it was 35 per cent. That is, roughly, the general variety of trades to which the Acts apply.

60. *Dame Adelaide Anderson*: May I just ask about factories where you have interlacing different trades?—I deal with that later.

61. I just wanted to be sure that it is dealt with.—That is one of the big difficulties.

62. There are difficulties of administration?—There are difficulties of definition and overlapping. I can deal with it now if you prefer.

Dame Adelaide Anderson: No.

63. *Mr. Pugh*: On the point which you have just been dealing with, I take it that it is almost a fundamental condition that the Trade Boards apply to the trades in which the workers are less able to take care of themselves through lack of organisation?—Yes, that is so.

64. And where they are a class of worker generally regarded as being less able to take care of themselves?—Yes, that is so.

Chairman: You mean they may be juveniles, they may be women, or they may be trades in which there is no organisation?

Mr. Pugh: Yes.

Witness: That is so.

65. *Chairman*: Before a Trade Board is set up there is an investigation made, I think?—Yes. We are often asked whether the Minister takes the initiative in setting up these Trade Boards, or where the initiative comes from. In the case of the earlier Trade Boards there was no doubt where the initiative came from: it came from an inflamed public opinion, particularly in respect of the chain-making trade. When the 1918 Act was set up, the cases which were brought to the Minister's notice were brought in three ways: a number of trades had been mentioned by the Hills Committee, to which I referred earlier; a considerable further number of cases were mentioned by the Anti-Sweating League; and finally, as always, we had a number of direct applications from the Unions concerned. I may say here that though it is infrequent, it is by no means impossible, to get an application from employers to have a Trade Board applied to their trade, as well as from the trade union. In fact, in two cases during last year we repeatedly refused a unanimous request from both sides of a Joint Industrial Council to be converted into a Trade Board.

66. There was in this case a Joint Industrial Council?—There was a Joint Industrial Council.

67. Therefore there was proper organisation?—We took that view, but the trade did not take that view themselves, and on that ground we were unable to meet their view.

68. *Mr. Poulton*: Did they take it upon that ground?—No, they did not; the ground upon which they took it was that wages agreements made by what they called, I think fairly, the best employers in the trade with the trade unions were only observed by the best employers, and in the absence of compulsion their competitors were paying lower rates.

69. They were falling back, then, upon the 1912 inquiry, which brought in a unanimous

report upon that, that the wages should he made to apply compulsorily?—That is right.

70. That was the finding of that particular Committee.

71. *Chairman*: Have you ever had an application from an employer in a non-Whitley Council trade?—Yes, we have at the moment an application still before us—I think it is from the Drug and Fine Chemicals Association. They asked for a Trade Board. I think we have had several cases, and notably before the present feeling was engendered the attitude of the employers to Trade Boards was by no means entirely unfriendly.

72. *Sir Arthur Pease*: I understood you to say at the beginning that these Boards were only set up where both sides were not organised?—That is so.

73. But now you say that the trade unions are applying for these Boards?—That is perfectly true, but the position is that it would be difficult to find any trade in the country where there is no organisation. It is a question of the degree of organisation. If I may give you an example, the distributive trades employ perhaps two million workers; that may be an over-estimate, but I do not think it is. The principal union which caters for that trade is the Shop Assistants' Union. I am not prepared in the absence of accurate statistics to give the figures, but there certainly will not be very many more than 100,000 in the Union. It may be more, but I should be surprised if it were. In that trade, therefore, the vast majority of people are unorganised. There are other unions, of course, applying to that trade, but the vast majority are unorganised, and therefore it would not be surprising if in that trade the application came, as it does come, from the Shop Assistants' Union that various branches of the distributive trade should be covered.

74. *Mr. Poulton*: But although the application may actually come from the union, it would not be at all inconsistent with the position that the employers were hatching up that union?—It might not be.

75. *Mr. Pugh*: Might you not have this position, if you regard a series of trades which largely operate together as representing an industry: you might still have a position where one trade was organised and another trade not, yet the relation between those trades might be of such a character that one might prejudice the other. In that case, therefore, you would get justification for the union asking for a Trade Board in what was an unorganised trade or an unorganised section of an industry?—Very often a trade is organised in patches. I mean it is organised in the big centres, and less organised, or even completely unorganised, in the smaller centres; and the Trade Boards Acts may be applied where there is no effective regulation in any part of the trade; so you might take it from that point of view. But assuming that the Minister has started to take action, his first step is to investigate conditions, and for that purpose he has a staff of investigators whose business it is to go round the country to inquire into the actual state of the trade, both as regards wages and organisation. Part of their duty at the same time is to discover the facts on which a definition of the trade may be based and to report upon that, and also to give some idea of the right persons, or rather the right interests, to put on the Board if the Board is ultimately to be constituted. It is a matter of the greatest possible difficulty to decide what the borders of a trade shall be. I will deal with that in a moment. It is much less difficult to determine *prima facie* whether there is a case for the application of the Acts on the ground of organisation and wages. So far as organisation is concerned, the obvious course is to consult employers' associations and workers' associations as to the degree of organisation. If we check that information it is not because we necessarily distrust what we hear, but there is often a certain degree of optimism in the figures supplied to us which is not borne out by actual investigation. We have to satisfy ourselves in fact, if we are told that there is an 80 per cent. organisation, that there is an 80 per cent.

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organisation. It very often happens that it is true to say on the employers' side, that there is an 80 per cent. organisation of the big firms, but they have omitted from their calculations the small firms, who may in bulk form half the trade, and are probably in many cases the least well paying in the trade. In the same way on the trade union side the claim as to representation is sometimes over-estimated, not because it is incorrect, but because lately the figures of trade union organisation have been shifting very rapidly in one direction or another. There was a very rapid increase in, at any rate, nearly all the unions catering for unorganised or partially organised trades during the war, and I think it is probably true to say that that rapid increase has not been maintained lately. Therefore we have to investigate the figures supplied with care. Then as to wages—

76. *Mr. Poulton*: Before you get away from that, does that mean that inquiry and dissection of the figures takes place from this point of view: that you might have very few employers in a given district who were in an organisation which might, on the contrary, represent the overwhelming bulk of employers; or on the other hand, you might have a considerable number of employers in an organisation which represents only a minority of the employers?—That is right.

77. *That*, I take it, is what you mean?—Yes. You have to weigh the importance to be attached to the figures in that sort of way. Then the Act gives us no criterion any longer as to what the wages standard is to be. It is no longer "exceptionally low"; it is simply that we have to have regard to the wages, and therefore we have got no absolute standard now as to what the lowness of the wage must be. In effect we accept as our criteria the sort of minimum rates which are in operation in Trade Board trades, that is to say, rates fixed by competent bodies of employers and employed, and we look also at comparable trades like Joint Industrial Council trades.

78. *Chairman*: You still think it is your duty to be satisfied that the wages in a trade are exceptionally low before setting up a Trade Board?—I would not say exceptionally low, but certainly low. We have a number of cases under consideration now where it might be difficult to say that the wages are exceptionally low, but it would not be difficult to say that they are low.

79. *Mr. Poulton*: But that is not the only factor, is it?—No, there is the degree of organisation also.

80. And the question of hours and conditions?—Of course the hours naturally enter into the wages calculation. If you have a 60-hour week and a 30s. wage that may be a very low wage; if it is a 48-hour week it might be a good wage, so you have to take hours in automatically.

81. Do you mean low, having regard to what is necessary for subsistence?—Not entirely. I say this later in my evidence, but I may as well say it now, that the Trade Boards Acts are not based on the subsistence level primarily or only.

82. *Lord Weir*: Not now?—And never were. The object of the Acts was to protect workers, but it was never laid down, as, for example, it was laid down in the preamble to the Bill which was introduced as a result of the agreement of the Provisional Committee of the National Joint Industrial Conference, that an adequate living wage should be provided. That was never part of the actual provisions of the Acts. They provide that workers shall be protected trade by trade, and in our view the Acts therefore must have had two objects in mind: one is to give the workers protection, and the second is, in giving that protection, to have regard to what the trade could reasonably afford to bear. That must, in our view, have been the reason for providing for legislation trade by trade in preference to the setting up of machinery for the settlement of a single flat wage; and, therefore, though the Boards could never ignore the need of a subsistence wage, that must, in our view, be conditioned under the Acts by reference to what a trade can afford to bear.

83. *Mr. Poulton*: Is there a third factor which enters there; that regard also should be had to protecting the good employer against the unscrupulous employer?—I think that is true. That is why so many of the best employers in Trade Board trades, I think, would still be prepared to defend Trade Boards.

84. *Lord Weir*: That is really to provide effectual machinery for regulating wages and conditions?—Exactly.

85. That covers it all?—That covers it all.

86. *Mr. MacCallum Scott*: I rather thought from your introductory remarks that the first Act was passed having sweating in view?—Yes.

87. Does not that indicate rather a subsistence level?—No, because if you take chain-making, where I imagine the rate before the establishment of the Board must have been 1d. to 1½d. per hour, the first Trade Board rate, if I remember rightly—I am saying this from memory—was 2½d. Even for pre-war days it is difficult to urge that a 2½d. rate would have been a subsistence wage—I mean not what anybody would regard as a subsistence wage—but it was certainly a 100 per cent. increase; and it was also felt that it was the most the trade could bear. It compared with rates of about 3d. or 3½d. elsewhere.

88. Sometimes they might fix a rate which was not quite a subsistence rate?—I think so, certainly.

89. *Chairman*: And sometimes more?—Sometimes more, but certainly they might fix less.

90. *Lord Weir*: In all that investigation work prior to 1909, was any accepted definition disclosed of a sweated wage—anything that is generally accepted?—I should hesitate to answer that. I do not think so. The figures rather stuck out without any general definition being made.

91. One would have expected some definition.—I do not think there has been any.

92. *Dame Adelaide Anderson*: In the Report of the House of Lords Committee there is a sort of description of what they mean.—It is possible. I have not the point in my mind, but I can look it up.

93. Excessive hours and very low wages, or something of that sort?—Yes. Roughly, if you look at the facts, it meant trades where wages were round about 1½d. to 2d. per hour, so far as women were concerned.

94. *Mr. Layton*: What do you understand the phrase, "exceptionally low," to mean? Does it mean lower than the average wages in the country?—It is exactly on that point that we were in such difficulty. You may give so many interpretations to it. I think that the framers of the Act probably meant the words to mean very much lower than the normal rates prevailing throughout the country. I think that is the meaning which they attached to it.

Chairman: But the Act says "exceptionally low as compared with that of other employments."

95. *Mr. Layton*: Am I right in assuming that you say that the Board did not set itself to fix a rate which would bring the level up to that of other trades, but that it would be based upon what its own trade could bear?—Yes, clearly on what it could bear.

96. *Mr. Poulton*: That was in the early stages?—Yes, in the early stages.

97. *Mr. Layton*: In spite of the definition in the Act?—In spite of the definition; but you have to allow for the fact that it was legislation trade by trade, and that, in our view, indicated that it meant that you had to take that into account.

98. *Mr. Pugh*: Then if you follow that up surely on the principle which you contend you can take to apply, namely that you must fix your rate according to what the trade is able to bear, even if it means something below what might be regarded as a subsistence level, the proper application of that principle will equally entitle you to fix a very much higher rate if the trade will stand it?—That is perfectly true if the Trade Board takes the view that it is a wage-regulating authority and not a minimum-fixing authority.

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99. *Chairman*: That involves inquiry into profits,—it may mean a much more detailed inquiry than the other. Then if we have once made up our minds when we are making our investigations that the case for a Board has been established, both by lack of organisation and as regards wages, the next and the most formidable task is that of isolating the trade by definition. It is difficult to exaggerate how complex that is. As the Committee know, the trades of the country, at any rate in great part, are an organic whole; they do not grow in mechanical sections so that you can take one out of a box and put it there, and take another out of another box and put it there, but they intertwine; they grow up together; they grow up as a plant does, owing to all sorts of natural forces; and when you try to analyse and demarcate you are immediately faced with innumerable problems, and there are difficulties which can only be surmounted by the most patient consultation with all sections of the trade, and by a very determined attempt to get a real understanding of what the trade is. Some of the points to which we have to direct our attention in drawing up the definition are, first, the branches of work to which it is proposed to apply the Acts; those branches may all be, or a selection of the branches may be, carried on in establishments typical of the trades, or they may be some or all of the essential operations characteristic of the trade. Then you have to consider how far subsidiary operations should be regarded as forming part of the trade, and upon that point you may always be in difficulties, because what is a subsidiary operation for one trade may be itself another trade, and may also be a subsidiary operation of another trade. Then, again, you have to consider how far side-lines which may be manufactured in association with a certain article are covered by the original trade; for example, can fish curing be properly regarded as a part of the sugar confectionery trade? It does not sound at first sight as though it obviously were, but it is strongly contended by some of the unions that it is a part of the sugar confectionery trade, on the plain ground, of course—it is not as funny as it sounds—that some of the big sugar confectionery firms make potted meats and potted fish, and cure their own fish to make the potted fish, and therefore it is suggested that, as that is a side-line, it might just as well be covered by a Board for sugar confectionery, taking in Grimsby and Hull by the way. Then the next point to be considered is the claim made by various branches of the trade to be treated as separate from others. For example, to take a small case in the Birmingham stamped or pressed metal wares trade; the pen trade, which is carried on by about ten firms, claim that they are quite a separate trade, though they use the same sort of stamping and pressing machines as the rest of the trade, and hitherto they have established their case to remain outside the Trade Boards Acts.

100. *Sir Arthur Pease*: May I just ask this: if fish curing or one of those trades was included in confectionery, would that cover the whole of the fish curing trade of the country, or only the fish curing which was carried on in connection with the confectionery?—That would be exactly one of the points which would have to be determined, and it would probably be so difficult to determine it that the conclusion would have to be the conclusion which we have reached so far, that fish curing must be left out; because you would find that you would run in from a big firm doing a little fish curing under exactly the same conditions as the firm next door doing only fish curing, and you would have the anomaly that one had to pay a certain rate of wages and the one next door had not.

101. *Dame Adelaide Anderson*: And the whole of the fish curing trade which travels round the country might swallow up the confectionery?—I do not think so, because you have large resources unsuspected in confectionery including jam and pickles, and innumerable other branches. It is a complicated trade. Then you have the point which Dame Adelaide

Anderson raised earlier; you have to consider the treatment of an establishment in which more than one trade is carried on, or in which more than one class of commodity is sold. I appear to be always mentioning the stamped or pressed metal wares trade, but it is an extraordinarily good one for the purpose of illustration. In that trade, to begin with, it was urged that you should have a single Trade Board covering a great deal of the trade. The stage had not yet been reached when, as now, some sections would like every stamping and pressing machine, wherever it is operating, to be included. But at that stage it was thought that one Board should cover a fairly wide group, and originally it was proposed that it should cover buttons, pins, hooks and eyes, and coffin furniture—coffin furniture is the metal parts of coffin—general stamped or pressed metal work; but the first three mentioned trades, buttons, pins, hooks and eyes, and coffin furniture, put up such a strong case, on the ground that they had their own trade associations on both sides, that we were compelled to admit that they should have their own Boards, although in fact in that case we had to set up four Boards for a trade which, on one interpretation, could be described as one only, though on another interpretation it could be described as four or even more.

102. *Chairman*: What happens in the big shops?—That is one of the burning points at the moment. A great deal of apprehension has been felt by the big stores as to what will happen to them under these Acts, and I imagine that they will put their case to you with great force; but if you take the case of the big London stores, what you have in fact is 40 or 50 shops under one roof. It is perfectly true that there is one general management, but there are 40 or 50 shops. It has been suggested that they should be treated, if we covered all the distributive trades, as one—take a departmental store and give it one rate; and obviously there is a great deal of sense in that suggestion. On the other hand, what is put forcibly by other distributive employers is this. Take the grocers; they say, "We are grocers; we buy in certain markets, and we have to sell to customers; we are in no sense different from the departmental stores; they buy in the same place, and they sell to the same people, and we know no reason why they should be differently treated from us." If there is to be a Grocery Trade Board, then (to mention the names of firms, if I may) Messrs. Harrode, Messrs. Whiteley's and Messrs. Barker's are grocers as much as we are, and in so far as they are grocers, they must be treated as grocers. You might, therefore, if you covered the whole distributive trade, have to have a considerable number of Boards operating in one establishment, and you might, therefore, have a considerable number of rates operating in one establishment.

103. One rate at one counter and another rate at the next counter in the same room?—Yes, that is quite conceivable. As against that, of course, you have the point that probably, although I cannot say for certain, there are considerable variations of rates now, or there have been, in the big concerns as between one department and another. It may well be that some of the stores have a uniform flat rate which they pay throughout; they will tell you about that; but it may also be—it may be worth discovering whether it is so—that they have different rates of commission in each department, so that even though the minimum rates were the same there would be a difference from department to department in the actual earnings. I do not say that specifically or definitely; I simply think that it is a thing which might be worth exploring. We have not explored it; but it remains a substantial point that you might have a big store with a number of different rates operating. The only mitigating circumstance in that is—I think it will be familiar to all members of the Committee who have had to manage big businesses—that you do in fact in the manufacturing business get a number of rates for different classes working side by side.

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104. Are there many Trade Boards in the distributive trades?—At present only in two trades—the milk distributive, which is practically the dairies, and the grocery, which is a very big one; but Special Orders have been made in respect of fish, poultry, game and rabbits; hair dressing (which is partly distributive, as much as it is anything), fruit, flowers and vegetables, and whips. Those are the ones we have dealt with, but those which I have just mentioned have not got Boards set up.

105. *Dame Adelaide Anderson*: Would it be any more difficult than it is in a large factory, say a food-producing factory, which makes its own tin boxes, its own cardboard boxes, and its own paper bags, and prints its own labels and does a number of other things?—No, I do not think it would. When a firm, as often happens, tries to follow an article from the beginning to the place where it is delivered as a finished article, it contemplates taking on a number of businesses, and it naturally does not, I imagine, decide that it is going to make all its workpeople uniform; it continues to treat them as belonging to the business it has taken over; and therefore these varieties do exist, and are bound to exist, in the large manufacturing establishments as between one class and the next. But, of course, a point which would be urged with great force here is that in the manufacturing establishments they are probably engaged on different classes of work. Here the counter assistant is a counter assistant throughout, and the degree of skill varies very little from counter to counter. Possibly the grocery trade is the most skilled, because it involves actual mechanical operations.

106. *Chairman*: The cost of living is the same?—The cost of living is the same, yes.

107. *Sir Arthur Pease*: Might not a man be employed partly in different departments, and by which wage would he be regulated then?—That is not a departmental store question. I think you will find, if they do give evidence, that they do keep their departments fairly distinct. It is a question which applies to a general shop, the sort of county town shop; and in that case an attempt is made to isolate the principal business of the establishment and so to make possible the application of the rate fixed for the principal business of the establishment throughout.

108. *Mr. Pugh*: What do you think of the practicability of establishing a Trade Board for the distributive trades as such, fixing a general minimum and leaving any differentiation to be arranged according to any difference which there may be in the character of the work of the different departments? If that were done, would it not cover the difficulty between a man who is simply a grocer and a man who is a grocer and a great many more things?—Of course, the answer to that question goes to the root of the whole question whether you are going to fix minima or have a wage-regulating machine. If you are only going to have minima you can have a flat minimum, but if you are going to regulate wages throughout then I think you will be told quite sternly, by the drapery trade for example, that the rates have been different in the past from the rates, say, of the fruit, flower and vegetable trade, and the grocers would tell you the same, and to try to set up a single Trade Board for wage regulation would, I am afraid, involve a gigantic body. When you remember, for example, that the Grocery Trade Board (E. and W.), which deals with our trade only, has 85 members on it, you will see that if you try to bring in the butchers and the fishmongers and all the other trades, without attempting to be factious, you probably would want a very large building to hold your Trade Board.

109. Is it not possible to go on the same lines as the other organised industries do? Take my own case, I am in steel. We have a very large number of trades, but it is possible for us to deal with our industry on a national basis, but making provision for differentiation in the different trades according to their conditions. It is true that you may

have, as you say, a large number if you take the aggregate number of the whole of your Boards, but is it not possible to have a Trade Board, say, with a central body, and then arrange for your Trade Board to deal with specific trades where an adjustment in wages has got to be made above your minimum?

Chairman: Do you mean by agreement or by compulsion?

Mr. Pugh: Under the machinery of the Board.

110. *Chairman*: By compulsion?—I feel that I should be very glad to deal with Mr. Pugh's point, but I think it would mean entering at this stage into an argument on the whole basis of the Trade Boards Acts, because I think it goes to the very root of the whole thing.

111. It is a very important question?—Shall I take it now?

112. Just as you please. Either take it now or consider it and deal with it later.—I did mean to deal with it later on the question of national minima, the question of wage regulation and the question of district committees.

113. *Mr. Pugh*: If you are going to deal with it, I am quite satisfied.—I was on the difficulty of definition. I mentioned some of the difficulties in the stamped or pressed metal wares trade, and I said that there we had to set up four different Boards. On the other hand, the sugar confectionery trades, which I have mentioned before, were centrifugal rather than the opposite, and they insisted on having one body for sugar confectionery, chocolate, jam, preserved fruits, tinned and potted meats and fish, meat extracts and essences, sauces, and pickles, because it was found difficult to draw a line between the various articles; and now they are asking to have that made much wider. Then you get a different class of case in the sack and bag trade. Very large numbers of new jute sacks are made in Dundee. The wages paid in Dundee are governed by the jute spinning and weaving trade. The employers in Dundee did not wish for this reason to be covered by a Trade Board on which the conditions outside Dundee might play an important part in fixing rates, and the employers in the rest of the country, of course, did not want to have their rates settled by the Dundee weaving rates, and so it was decided to exclude the manufacture of jute sacks and bags in Dundee altogether from the operation of the Sack and Bag Trade Board, and it was proposed that the Dundee section should be covered by another Trade Board which was in contemplation for Dundee, for the dyeing, bleaching and finishing section of the jute trade.

114. *Chairman*: Has that been done?—The Sack and Bag Trade Board is rather suspended between heaven and earth, but it ought to be up in about a fortnight or three weeks.

115. Is Dundee excluded?—Dundee will be excluded definitely, yes.

116. *Sir Arthur Pease*: And Dundee is the principal place?—No, not for the manufacture of sacks and bags; it is not the principal place. It makes a considerable proportion of them, but by no means the majority, I think. Cotton and other materials are involved, too, not only jute.

117. *Mr. MacCallum Scott*: Is that trade well organised in Dundee?—The difficulty about Dundee is rather that though the figures of organisation are very high, the effects of the organisation do not appear to indicate that in fact an effective means of wage regulation exists. It sounds a paradoxical thing to say, but it does not look as though there was sufficient power behind the organisation to enforce its demands.

118. *Mr. Pugh*: That means that, although you have organisation, you have not got negotiating machinery?—I think it roughly means that, and it means rather, perhaps, that the jute trade is very specialised, and the workers are rather limited to their particular knowledge, and were, perhaps, in difficulties in finding employment outside Dundee if there were difficulties at Dundee. I think that was probably the case there. There are certain other obvious points which, in making a definition, lead to very

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great difficulties. I should explain that, under the old Act of 1909, the definitions were rather broader, wider and simpler than they have become later, and the reason for the adoption of more detailed definitions was that the number of questions arising upon the definition of a trade were so numerous and so difficult that it was felt better to attempt to answer the questions in advance in the definition, if possible, rather than to leave them to be replied to afterwards when delays are inevitable.

119. *Chairman*: I think we understand that there must be great difficulty. That is really the point you are on?—That really is the point.

120. Will you go on to the question of notice?—What happens is, after we have got all this information together—and it is of a very complex character—we have had at every stage consultation with the employers and employed to try to get their views, and ultimately we draft a provisional definition which we circulate to all parties for a final expression of opinion. If they take the view that it is a reasonably sensible definition, we then, in accordance with the Act, give notice of intention to apply a Trade Board to that trade as defined.

121. *Mr. Poulton*: As to that consultation, do you mean that it is an informal or a formal consultation?—It may be either, and generally is both. We generally have a conference, and we go and see individuals privately, or they come and see us specially. We give Notice of Intention, and, according to Statute, 40 days must elapse during which objections may be lodged. In most cases, at any rate before the feeling towards Trade Boards suddenly and drastically changed, when the Notice had been issued, so much had been done by way of consultation that very few objections were received. Since the change of feeling has manifested itself, even after agreement may have been reached in earlier stages, objections have come in during those 40 days, and in one or two cases have led to no further action being taken; but there has been no case up to the present, as I said before, in which it has been necessary to take advantage of the powers to carry out a statutory inquiry. In every case, therefore, in which a Trade Board has been set up it is true to say that it was done with the knowledge and with the consent of the principal organisations on both sides. Of course, the consent was not always a very willing or very enthusiastic one, but the objections were never adhered to to the end.

122. *Mr. Pugh*: Would you mind making that position quite clear? I gather that, as the result of consultations, inquiries, and one thing and another, before you set up the Board, you have obtained more or less the approval of the main portion of those concerned in a particular trade. If that is so, do the objections come from those who are outside, or where do the objections come from—not from the persons with whom you have been in consultation, surely?—What I said was this: I put it in as guarded language as I could, because I did not want to give any offence, but in the earlier days we got no objections; we had agreed the terms of the definition with the parties, and when the notice of intention was issued there was nobody to object except isolated people who were outside; but the position has changed latterly, because we might have had extensive consultations before the slump had shown itself, and then the objections which came in might be from people with whom we had consulted, and with whom we had agreed, and who took the view (which was not an unfair one to take) that owing to the alarming change in the national industrial position they could no longer be held as agreeing.

123. *Lord Weir*: Do you quite definitely associate the change of view with the depression?—Quite definitely. There has been a change of view among employers since the depression.

124. Only among employers?—Not among the trade unions.

125. When you speak of this change of view, on whose part do you mean that there is a change of view—on the part of the employers, or the trade unions, or the workers, or whom?—The employers only. I must not speak on behalf of the employers, because they will speak on their own behalf, but I think it will be fair to say that there was a change of

view, not among all employers and certainly not among many employers in the Trade Board trades; it was very often among employers who had had no experience of the Trade Boards.

126. *Mr. Poulton*: Was that objection an objection based upon the principle of the Acts, or was it an objection which had been brought about by economic circumstances?—The objection was generally based on the assumption that the application of the Acts would cause unemployment in the trade, and that it was not the moment to make any more experiments.

Mr. Pugh: I take it that we are likely to have this matter developed by other witnesses?

Chairman: Yes.

Witness: After the 40 days have elapsed, and objections have been cleared out of the way, a Special Order is made applying the Acts, which sets out the definition, and then the necessary Regulations are made constituting the Board; and before the Board is constituted we have already had the information which the investigators, to whom I referred above, obtained as to the strength of organisation in various quarters. I will deal later in my evidence with the actual method of constituting the Board.

127. *Chairman*: The Order has to be laid before Parliament, I see?—Yes.

128. It need not be confirmed by Parliament?—No, it need not be confirmed.

129. It may be set aside by Resolution?—By Resolution of both Houses.

130. *Sir Arthur Pease*: Has it to be confirmed by both Houses?—No, it is simply laid on the table. There is a well-known procedure, which is to lay an Order on the table, and it is open to either House to move an Address to have the Order cancelled.

131. *Dame Adelaide Anderson*: Up to a limit of 40 days?—Yes, 40 days. I think it must be by consent of both Houses—no, I am told that it is either House. After the Order has been made, even now, with the extended definitions, a large number of questions arise as to interpretation, and they arise in two ways: one is that employers in genuine doubt write to ask whether they are covered or not, and the other is that, as a result of inspection, evasion is discovered, which in many cases is due to genuine doubt whether workers are covered. The result of the inquiries and of the inspection may be not to suggest that the employers are deliberately evading their obligations, but that the Order ought to be amended. When a Special Order has been made, the possibility that amendments may be required is constantly kept in view. The enquiries prior to revision, which have frequently to be almost as exhaustive as the enquiries made before the Order was drawn up in the first place, are carried out by the investigating staff which obtained the information on which the Order was originally based.

It is in that connection that the Minister has the responsibility of advising employers whether individuals in their employment are covered by the Order. It is a curious statutory position, because at the present moment there is nobody able to answer a question with authority except the Law Courts. If an employer writes to the Minister or to the Trade Board and says, "Am I or am I not compelled to pay?" nobody can give an authoritative opinion. In point of fact, the Minister, as the prosecuting authority under the Act, writes a very guarded letter, in which he says: "If you do or do not pay, I shall or shall not prosecute"; which is rather a terse answer to give to a question which is very often, and generally, sent in good faith. Any other answer would be exceeding our statutory powers; and there is no doubt that the absence of a decisive power to settle whether a given person is within or outside the Acts has caused real difficulty in the operation of the Acts. To give just one instance before passing from this, as to the way in which the Special Order is revised as the result of experience—

132. *Chairman*: Does the Minister, before giving his decision, consult the Trade Board which was concerned with the matter?—Yes. There is a good deal that arises upon that particular question. I can

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answer it now if you prefer. He does, in fact, consult them, but of course there are mixed questions of law and fact in nearly every case.

133. He would not be bound by their advice?

134. *Mr. Poulton*: Do you mean that the Act is not sufficiently explicit to allow the Minister to take that responsibility?—On the contrary, it does not give him the responsibility at all; it is simply by implication that he exercises it. Anything that the Minister writes to an employer can be upset by a Law Court.

135. *Chairman*: In so many Government offices, when they are asked for advice, they say, "We have no authority to advise, but we think so and so."—Precisely; but in this case actual wages depend upon the advice given, and often large sums of money, and it is rather anomalous that it should be at the best but inspired advice, and not really legal advice.

136. *Mr. Poulton*: Do you mean, then, that when the Acts have been made applicable to an industry, or part of an industry, even then the Minister cannot say whether it applies to a workman or a workwoman, as the case may be, actually working in that industry?—No. The only way in which the Minister can test it is to say that the workman is in, and then prosecute the employer for failing to pay.

137. *Chairman*: I suppose the question is, whether he is working in that industry?—Whether he is working in that industry.

138. Whether the definition of the Trade in the Special Order applies to his particular occupation or not?—Precisely.

139. *Mr. Pugh*: Surely that is not a question of law, but of fact?—I think you will find that in nearly every case it involves law and fact.

140. *Chairman*: It is construction?—It is construction, yes.

141. *Mr. Pugh*: Have the Trade Boards themselves no function or authority with regard to a matter of that kind?—No, they are in exactly the same position as the Minister; they can no more decide than the Minister. They can have a view, but you will see that when you have three overlapping Trade Boards, as you may have, they may all three, for example, decide that the same person is covered by each of them, and therefore in the absence of some decisive power the position is very difficult.

142. *Dame Adelaide Anderson*: Nothing but a test case can settle it?—No. Of course in point of actual fact the Minister gives these rulings constantly and regularly, but they are never challenged. Probably if the power existed somewhere they would be very much the same; but though they are not challenged, the fact that he or somebody else has not got the final authority has led to real difficulty of a substantial character between the Minister and the Trade Boards.

143. But there must be some real intention in drawing up the order and the definition. It would have reference to the reports of the investigators and the inspectors?—Yes, but it has become a legal document and you cannot interpret motive.

144. No, but it is the fault of the definition not being sufficiently precise?—If you will forgive my saying so, you will never get a definition between heaven and earth which will cover a trade.

145. *Chairman*: I think we have followed that. Have we come to the end of that part of the evidence?—Yes, I have come to the end of that particular part. I could say a good deal more, but I think probably I have said as much as you wish me to say. That is the end of the preliminary investigation.

146. Orders may be revised, if necessary?—Yes, they may be revised. You have one or two cases, notably in the tailoring trade, where you exchanged one Board for two and added three new Clothing Boards. The trades shift and change, apart from the fact that the first information is not necessarily conclusive.

147. *Sir Arthur Pease*: There is one question which I wanted to ask. Have you had any cases where you have had a Board originally, and then the sides have become organised so that the need for a legal Trade

Board disappeared, and the employers and trade unions were meeting each other in the ordinary way?—We have not actually had a case in which we have withdrawn a Trade Board; but we have had cases where applications for withdrawal on that sort of ground have been made. The jute and the linen trades have both applied to be withdrawn, and I think the merchant tailors of Scotland have also applied. Later in my evidence I explain why we refused in the former cases to withdraw them from the Trade Board; but in the case of the tailoring trade there is no doubt that the organisation is becoming far more effective than it was, and it might be open to question whether the Trade Boards, at any rate, as regards part of the retail bespoke, were really any longer necessary. It is open to question; I do not say that it is in the least settled, but it is open to question.

148. *Lord Weir*: The organisation has grown and developed, so that it would be reasonable that voluntary bodies should take over the duties of the Trade Board?—The difficulty qualifying that in tailoring is always the East End element.

149. But in those other two cases they applied?—Yes.

150. I suppose the application has been made on the ground that their organisation is now good enough to undertake the work?—Yes. The employers say, quite definitely: "We have 90 to 100 per cent organisation," and the workers on their side claim 80 per cent, at least. If so, where is your lack of organisation? They point to the wages, and they say the wages are not low and that neither of the conditions applies any longer.

151. *Mr. Poulton*: Are they joint applications?—No, they are very much not so.

152. *Lord Weir*: I thought they were?—No, they are strongly opposed by the workers.

153. *Dame Adelaide Anderson*: Are the outworkers represented?—I am talking about jute and linen. I do not think there is any out-work.

154. I thought you were speaking of the tailors?—No, in the tailoring it has not gone that length; it has only come up just lately. In the others it was a formal application formally considered.

155. *Chairman*: I think you might now tell us something about the constitution of the Trade Boards.—The first point on that, I think, is the question of the sub-division of trades. I think I said this morning that you can under one special Order set up more than one Trade Board. Normally the procedure is to set up a single Trade Board by one Order, but there have been four cases where the Order specified a trade, and then separate Trade Boards were set up under that.

156. That is merely machinery?—Yes, that is merely machinery. The cases in question were the retail bespoke and wholesale tailoring, the tin box and hollow-ware, the wholesale mantle and dress-making and the general waste and cotton waste reclamation. Another thing is that you may have separate Boards for separate parts of the country. As a matter of fact, so far as distributive trades are concerned, you have separate Boards for England and Wales and Scotland, and in many cases you have separate Boards for Ireland and Great Britain. The provision in the Acts as regards Ireland is that if you set up a Trade Board for Great Britain you must set one up for Ireland if the trade is carried on to a substantial extent in Ireland.

157. Are we concerned with the Irish Trade Boards?—It is rather difficult to answer that question. The Minister of Labour for Northern Ireland is setting up a Committee to advise him as regards the application of the Acts in North Ireland. As regards the southern part of Ireland, the position is difficult at the moment. The actual position is that we have not transferred the Trade Board powers from Great Britain to Ireland yet. But under the Act there is a transfer section, and I should imagine, therefore, except as regards the possible competition

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between Ireland and Great Britain, it does not directly concern the Committee.

158. Then the question of District Committees is in the hands of the Trade Boards themselves?—Yes. So far as that is concerned, it is entirely a matter for the Trade Board. The Minister is empowered to constitute the Committees at the request of the main Trade Board. The number of cases in which that has been done is comparatively few. The only Trade Boards which have set up District Committees are the Tailoring Board, whose committees were automatically dissolved in 1919, when the Board was dissolved and reconstituted; the Paper Box, Sugar Confectionery, Shirt-making, Boot and Shoe Repairing, Cotton Waste Materials Reclamation, and Made-up Boards. So that very few Boards have taken advantage of the provisions of the Acts under which District Committees may be set up.

159. How are the districts divided in those cases?—I have an actual table which I can hand in (not printed), showing the division, but if I take one instance perhaps that will be sufficient to illustrate it. The Shirt-making Trade Board has four Committees; they are divided into Northern, South-Western, London and South-Eastern, and Scotland. One for the whole of Scotland. The Northern includes the area north of a line drawn across England, really right across the middle of England, and takes up the whole of Northumberland, Durham, Yorkshire, Lincolnshire, Nottinghamshire, Derbyshire, Staffordshire, Shropshire, Montgomeryshire, Merionethshire, Carnarvonshire, Anglesey, Denbighshire, Flintshire, Cheshire, Lancashire, Westmorland and Cumberland; it takes in Wales and the middle of England. Then the South-Western takes in the south-west part of Wales, Wiltshire, Dorsetshire, Devonshire, Cornwall, Somersetshire, Gloucestershire, Worcestershire and Herefordshire; then you have the London and South-Eastern, which includes all the Home Counties.

160. Does the District Committee fix the rate of wages?—The position is that if there is a District Committee the Board cannot fix a rate without having taken the view of the District Committee; but the District Committee are not an executive body. In point of composition at present they are generally composed of a certain number of members of the main Board on both sides, with an Appointed Member in every case who is either the Chairman or Vice-Chairman of the main Board.

161. Do the rates differ much in the Districts?—In the particular cases where District Committees have been set up there is only one Board that has fixed district rates, the Cotton Waste Board, which has different rates for females in England and Wales and Scotland. There have been other Boards which have fixed district rates without District Committees.

162. Is that in the printed list of Trade Boards?—I have the actual statement where district rates have been fixed. The Rope, Twine and Net Trade Board was the first to fix a district rate, in 1920; they fixed special rates for Dorsetshire and Somersetshire which were in fact rather higher than the rates for the rest of the country. Then the Ready-made and Wholesale Bespoke Tailoring fixed a higher rate for cutters in London than in the rest of Great Britain.

The Laundry Board have made special provision for Cornwall and the Orkneys and Shetlands, where slightly lower rates are in operation for female workers than in the remainder of Great Britain.

The Milk Distributive Board (England and Wales) have taken a population basis through the country and fixed a flat rate applying to the population in those cases; they have fixed a London rate, a rate for towns over 10,000, and a rate for towns under 10,000, so that they have three minima. The Grocery Trade Board (England and Wales) have issued proposals on much the same basis.

163. Mr. Pugh: On what ground would the difference of rates between districts be based?—Normally.

164. Yes.—Of course, that would be open to the Central Board and the Local Committee to decide.

Partly, of course, differences in the cost of living, although there are no certain figures in existence to show what that is; partly differences of local practice, and differences of local tradition, transport facilities, and things which go to make the rates different from district to district.

165. Affecting the cost of production?—Yes, affecting the cost of production. I think, on the whole, it is fair to say that the tendency has been throughout to fix national rates.

166. Mr. Poulton: I presume later on we shall go into this question of the District Committees, as to whether it is advisable that they should be continued or not?—Yes, certainly; I have some further points on it in evidence.

167. Chairman: Are you coming to it later?—Yes, I was coming to it later.

168. Will you now deal with the question of the membership of the Trade Boards?—The membership of the Trade Boards consists of three parts. It consists of an equal number of employers and employees, and appointed members. The representative members can either be elected or selected; in point of fact, they have only been elected in a few instances, with rather unsatisfactory results on the whole, and they are now selected. The Boards vary in numbers from a total of 15 on the Chain-making Trade Board to 83 on the Grocery Board, which is the biggest, with five appointed members.

169. That is an enormous number.—Yes, it is an enormous number.

170. Mr. Poulton: Having regard to that point, with regard to the old Boards, which were few, but of which I have had experience, will you give us an opinion upon the matter as to whether the smaller sized Boards or the bigger ones are the most effective?—It is very difficult to answer that question. There is no doubt that the bigger the Board the more discussion there is, but in the case of the Grocery Board, which is a single instance of a very large Board, you had 130,000 employers in the grocery trade; you had a large number of Associations, and you had the whole of the country, so far as England and Wales is concerned, to cover, and one of the big objections which is always made to Trade Boards is that they are not sufficiently representative of all parts of the country; it is suggested that they are purely Metropolitan in interest. Still, in order to ensure that you got every part of the country and all branches of the grocery trade of the country represented, you had to make it a very large Board indeed. If you look at the history of what has happened on that Board, you might say that perhaps a Board of 83 never comes to a conclusion, because although they have been in existence for more than a year they have not yet achieved a first rate. But I do not think that would be a fair thing to say; they have had very great difficulty, because of the rapid changes in the cost of living, and I think they have recently, at their last meeting, after great difficulties, actually agreed on rates. So that I do not think it has been proved that a large Board is necessarily a failure.

171. Lord Weir: Can you give us the number of members on the old pre-war Trade Boards?—I happen to have only the Chain-making, which is 15. I can get you the numbers of the others; there are none of the others approaching 83. (Note prepared for members of Committee—not printed.)

172. Sir Arthur Pease: Do a big Board like that act all together in a room, or do they delegate some of their work to committees?—When I come later to the way in which the Boards do their work, I can answer that question, but as a matter of fact each side withdraws to consider its case, and they may set up, as Boards generally do, an Administrative Committee which is a General Purposes Committee.

173. For both sides?—For both sides, for transacting current business; not for settling rates, because rates are always settled by the whole Board; but they may have administrative consultations by the whole Committee.

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174. But if there are 40 people on both sides, it is practically impossible for 40 people on each side to have intricate negotiations. In that case would they appoint, say, five or seven on each side to carry the matter to a certain point, subject to the confirmation of the whole Board?—It has been done in that way, but I think if one goes into the position it is rather more like this: each side elects a chairman and secretary who are competent to voice their views, and each side decides on its policy separately. Then they come to the Board, generally with a chairman authorised on each side to express the view of all the members. There may be a few people who speak as well, but generally the chairman for each side is there to represent the general view. Then if it looks as if there is no chance of an agreement being arrived at by open discussion, the sides tend to withdraw, and then the appointed members, whose position is largely that of conciliators, go from one side to the other and take the matters backwards and forwards, and very often in side meetings an atmosphere of practical agreement is arrived at, and then they come back into the main boardroom with the two leaders prepared to make propositions which will probably be accepted.

175. *Mr. Poulton:* But still there would be the full number present at some of the meetings; they would be summoned?—That is so.

176. And that is one of the objections on the part of the public, that the Boards are so expensive?—Yes, they are all summoned, but it is arranged on occasion that the position is negotiated by a Committee. To take a case in point, the Scottish Grocery Board definitely appointed a Committee from the two sides to draw up a list of rates to submit to the whole Board for discussion later, and that was a great success; I mean their first rates were not successful, the second were agreed on the Committee, and I am not sure that they have been confirmed yet, but at any rate, they were agreed, I believe, by the Board.

177. *Sir Arthur Pease:* But would you not agree that where you had a very large Board, it rather tended to set speeches on both sides, and not getting down to real practical discussion with regard to settling the rates?—I think that is true, unless the sides are prepared to leave the negotiations substantially in the hands of their leaders, which is generally done on these Boards.

178. But the leaders' hands would be tied if they come with resolutions to the meeting on both sides?—I agree.

179. Whereas if you had a small Committee on each side they could, to use an expression, explore the position without actually committing either side?—There is nothing in the Acts to prevent that being done; in fact I think it is done, and I think it would probably be a very useful thing to do.

180. *Chairman:* They are appointed in the first instance, I think, for a year?—Yes, in most cases the Board is appointed for a year, and in appointing it, as I say, the Minister takes the greatest possible care to try to get equal and fair weight given to all associations on both sides and to the various parts of the country. Of course it is very plain that you cannot cover every town and every part of the country, and you cannot get in every association which wants to come in. But there are three important points on membership which I ought to put; the first relates to the appointed member. The appointed member is an impartial person appointed by the Government, and in all cases at present there are three appointed members, a chairman and two others, except on the Grocery Trade Board (England and Wales) and the Retail Bespoke Tailoring Trade Board (G.B.), where there are altogether five. The origin of the appointment of appointed members is not quite clear; I mean what the real object was. It was partly, no doubt, to prevent the possibility of a deadlock. Also in part, I think, it can fairly be ascribed to the desire to have somebody who could get the unorganised view represented. The old

trades were, of course, very largely unorganised, and it was very difficult to get people who could put their point of view.

181. Also, I suppose, that some regard should be had to the interests of the consumers, the public?—They may have got into that position now, but I am not sure that it would be fair to say that they were originally appointed with that object. I think it was always felt that that duty lay on the Minister: it was his business to protect the public. Naturally, for such an office it has been very difficult to get people to serve, because you are very strictly limited. It is difficult to appoint either an employer or a worker, because each side will say: "He represents the other side's point of view." Therefore you are precluded from appointing people with technical knowledge of any kind to take up the position. Then you are left with the professions, practically, and you will see a table is attached showing the distribution of the professions. I will hand in the table (see Annex I, Chapter III, Table A), and you will see that it shows that of the 55 Appointed Members 17 are university professors or lecturers, 16 members of the legal profession, 10 social welfare workers, and 6 ex-Civil Servants, and then there are one or two others. Practically they are divided between the Law and the Universities. There you get, of course, people in the one case with economic knowledge, because a number of them are professors of economics; and in the other case you get people with an actual knowledge of the law and accustomed to deciding cases. There has been some criticism of the Appointed Members; but at any rate it is difficult to see how the business of the Boards would have been carried on without them.

182. Some of them sit on more than one Board, do they not?—Yes, that is so; several of them are members of more than one Board, and that was done deliberately in order to get a uniform point of view in related Boards. As far as possible we tried to get a Chairman to take a number of related Boards.

183. *Sir Arthur Pease:* Are they paid?—Yes. 184. How are they paid?—They are paid five guineas a day, including a subsistence allowance, that is to say, including a payment for being away from home. The subsistence allowance is, I think, 25s. a night, so that in fact their fee is £4 a day for sitting, and, naturally, that is not regarded in the professions as a very attractive fee. I am reminded that that is the Chairman's fee. The Appointed Member who sits with the Chairman gets three guineas, including subsistence.

185. *Chairman:* What does the ordinary member get?—The ordinary member is not paid. He gets a subsistence allowance and travelling expenses, and about half the total expense of Trade Boards is due to the payment of travelling expenses and subsistence allowances, both of the Boards and the inspectors.

186. *Sir Arthur Pease:* Do all the Boards sit in London, as a rule?—No; a great number do, because that is more convenient, but the Metal Boards, for instance, meet in Birmingham, and, of course, the Scottish Boards, those which are purely Scottish, meet in either Glasgow or Edinburgh; the Jute Board, which is not a purely Scottish Board, meets in Dundee generally, and if there are other people in it they go up to Dundee. The same applies to flax and hemp. The majority of Boards meet in London. The Cotton Waste Board, I believe, meets in Manchester. Then there are two other points with reference to the representative members, if I may take them. One of the difficulties in constituting your Board is to get a fair representation as between the organised and the unorganised. In the ordinary way, the great majority of the representative members on the workers' side and on the employers' side are representatives of Associations. On the other hand, where there is a considerable body of unorganised employers or workers who are not covered, an attempt is made to give them some sort of representation. Of course, that involves diffi-

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culties. It is very often difficult to select the right unorganised worker or employer, and, if they can be selected, it is very difficult sometimes to persuade them to go on. Obviously each of them only speaks for himself or herself. But still, as the unorganised worker is entitled to representation just as much as the organised one, an attempt is made to secure unorganised representatives on both sides.

187. *Chairman*: I suppose the home workers are represented where there are any?—Yes, of course; occasionally they are members of Trade Unions, but they are generally unorganised altogether, and what is done in that case is to send one of our officers down in order definitely to try to get up a meeting of unorganised workers to choose a representative, or to take one with the advice of the local Trade Union Secretary.

188. Where there are women employed, I suppose there are women on the Trade Board?—Yes; it is provided by the Acts that if there are women employed in the trade, one of the Appointed Members must be a woman.

189. *Mr. Poulton*: That only applies where there is a considerable proportion?—Yes.

190. *Mr. Pugh*: Is it necessary, after the initial stage, when the workmen's representatives and employers have got to business, to continue your Appointed Members, do you think?—I would like, if I may, to take that point later, because it is rather a broad issue on the whole amendment of the Acts.

191. You are going to deal with it later?—Yes, I am. In the ordinary way when we are setting up a Trade Board we write round to the Employers' Associations and Trade Unions and ask them to give us nominations, and we always put it to them that we should like them properly distributed all over the country with proper regard to various branches of the trade. We tell them the number the whole Board is going to consist of and the number suitable to their organisation, and unless there is some difficulty we nearly always accept the nominations submitted, and add ourselves one or two unorganised people on both sides if the state of the trade requires that. One point we always make is that we do not, if possible, have an employer and a worker from the same firm on the two sides of the Board.

192. Why not?—We think it may lead to difficulties if you have them on the same Board. I mean there is such a wide range of choice that there is no need to risk the possibility.

193. That is only in regard to the unorganised?—I am talking mainly of the unorganised.

194. *Dame Adelaide Anderson*: Those chosen Members or Representative Members are quite distinct from the Appointed Members, are they not?—Yes. The Appointed Members are definitely appointed by the Minister. As a matter of fact, lately we have revived a practice which we used to have, which was to circulate to the Boards before making changes, or to the Associations before making appointments, the names of the proposed Appointed Members, but in the large majority of cases we have either had no reply or a reply to say that they had no observations to make. I do not think from the Associations or the Boards themselves very much arises on that point.

Then I come to the District Trade Committees, which you have already mentioned, Mr. Chairman. Mr. Poulton did ask whether the thing was to be discussed more generally. In this part of my evidence I simply put in the mere statement of facts, the number of Boards which have appointed District Committees, and I was prepared to put in the actual detailed statement of where the Committees were. I am perfectly prepared, if you like to take it at this stage, to put the reasons why I understand the Boards have not taken advantage of the provisions in more cases. I do not know whether you would like me to do that at this stage.

195. *Chairman*: I think it would be rather interesting, if it is not putting you too much out of your stride, if you did deal with that question now?—The position is this: I think it would be admitted it is rather linked up with the point of view that it is an advantage to have a flat national minimum. I think it is a view that has commended itself to a number of representative people in the Labour world, and it has been rather reflected in the Labour view on the Trade Boards. The line which they would take, I think one would be entitled to say, would be that as it is a minimum wage there is no reason why it should not be the same throughout the country. They might be prepared to say that if it were a standard wage it might be varied, but being a minimum it may just as well be a flat rate, and I think partly on that ground and partly because in a number of trades in which Trade Boards have been set up, the Employers' Associations are not completely representative of all districts in which the trade is carried on, and perhaps are not able to take the view of the district as well as they might otherwise be, the employers have not been very anxious to have a district rate; they have felt it easier to settle the thing on a national basis.

196. What do you say about the difference between the general and the special rate, because that seems to bear upon that fact?—Yes. Of course, at the present moment it would be difficult to deny that a lot of the rates fixed by Trade Boards are in effect a price list—I mean an ordinary list—and it would be possible to argue with force that those could be settled by districts quite reasonably having a flat minimum settled nationally. But at the present moment the tendency is to settle all rates, whether minimum piece-rates or time-rates, by a national arrangement rather than by a district arrangement.

197. *Mr. Layton*: I did not quite follow the reason why the employers did not put forward the case for variation?—For district variation?

198. Yes.—It is something of this kind: the Employers' Associations perhaps in some cases are not there; they are scattered throughout the country, and they are not quite sure of their relationship to their district branches and their district committees, and they feel that perhaps it would be better in the interests of the employers as a whole that the settlement should rest with the head body rather than that it should be delegated to the districts.

199. *Lord Weir*: That is that the district rate should be settled centrally?—No, they do not have district rates at all. They feel that if they leave it to the districts (this is conjecture, and it may be a wrong conjecture), it seems to me that they might feel that the local employers might embarrass the trade as a whole by making wrong arrangements locally.

200. *Sir Arthur Pease*: When you mentioned a flat minimum rate for the whole country, do you mean a flat minimum rate for, say, all adults, men and women, in the trade, or do you mean a minimum rate for each grade?—I meant a flat minimum, lower than which nobody, either male or female, should be paid. I did not mean a flat minimum for each grade.

201. *Mr. Poulton*: It works out so at present, does it not?—Yes.

202. *Sir Arthur Pease*: That is a very different thing?—Quite. One is fixing a minimum and the other is regulating wages.

203. *Dame Adelaide Anderson*: When you come to special rates in craft trades, it sometimes becomes, I suppose, a different rate in different districts. Craft in some places would be specialising in some way?—Quite. You might fix a national rate which would only apply to certain areas because the work was only carried on in those areas; but when you come to the craft rate, it is much easier to distinguish by districts than when you have a flat rate.

204. *Sir Arthur Pease*: Does a minimum rate always become the maximum, or are there many cases where the actual wages paid are largely in excess of the minimum rate?—I do not think I can answer

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that question with any certainty. I should think that in some trades the minima tend to be the maxima, but there are cases, notably in the sugar confectionery trade, where a lot of rates are paid by some of the big firms well in excess of those fixed by the Trade Board.

205. *Chairman*: Do they do that by districts?—No, I think throughout. You find throughout, I think, that the Co-operative Societies, in so far as they are covered by Trade Boards, tend to pay rates higher than the rates laid down by the Trade Boards.

206. *Sir Arthur Pease*: If employers know that the rate was fixed at 6d. per hour, and they all, or nearly all, of them paid 7d. would you think that then the Trade Board would raise the minimum to 7d.?—That it would automatically do that?

207. *Mr. Wolfe*: It would influence it to a certain extent?—It might; on the basis of wage regulation it probably would. If it was adhering to the basis of a minimum, it would make no difference.

208. *Mr. Layton*: Do you suggest that those are two different conscious policies of the Trade Board?—I do not think it is conscious, but I think it is possible to analyse the movement, from the time when it was directed to fixing a minimum, to the time when it was changed perceptibly into the fixing of a basis throughout the country.

209. Is not your answer simply saying that if they are not doing it consciously, if they put it up they are following the rate? I really press the question, because I wanted to know whether there was any conscious differentiation between the Boards.—No, I do not think there was any conscious differentiation, but I do believe that the general tendency has been to regard the Trade Board latterly as a wage-fixing authority, and not as an authority limited to fixing a minimum.

210. *Chairman*: Does the minimum tend to become the standard?—Yes, I think it has, certainly in the higher classes.

211. *Mr. Layton*: If that is the case, and if the policy has been broadly to have a national rate and not to have district variations, would you say it was one of the effects of the Trade Boards to remove the different variations?—It certainly has; assuming that in the trade there were variations, the result has been to flatten them out, I cannot tell you whether in fact there was in the past a large differentiation, but I imagine so far as the country districts are concerned, where the rates certainly were lower, the rates have been evened out, and in one or two cases, for instance in the Retail Bespoke Tailoring trade, we have evidence to show that local variations have been flattened out by a national minimum.

212. With what economic effects?—I will deal with the economic effects later, but, speaking here, not the economic effects that have been generally advertised.

213. *Lord Weir*: The tendency has always been, has it not, towards wage standardisation?—Yes; I think that is fairly true. On the other hand, there has been a corrective tendency observed in the policy of the Grocery and Milk Distributive Trade Boards, to have national scales on a different population basis, thereby recognising the fact that there ought to be a population basis.

214. *Mr. Poulton*: Have you any evidence to show that there is a tendency to make the minimum the maximum?—You mean in the intermediate area?

215. Yes. That is a place where obviously the minimum is the maximum.

216. *Dame Adelaide Anderson*: Is it not the fact that for a considerable time in the Tailoring trade, the Leeds' rate generally paid was decidedly above the minimum rate which prevailed throughout the country?—That is true.

217. And for a considerable time?—Yes, I think that is true.

218. *Mr. Poulton*: Have not some of the Boards two rates; that is to say they have a minimum time-rate and they have a minimum piece-work rate?—That is so,

219. Is not the piece-work rate one of the determining factors in getting altogether away from the minimum; that is to say the employers measure the value of the work by the piece-work rate which is set up?—That is so. Of course it does not follow that you have a separate piece-work rate in the trade; you may calculate your piece-work on the piece-work basis. Of course you must bear in mind that a great proportion of these trades are piece-work trades, and therefore the piece-work basis is at any rate as important as the time-work basis.

220. *Lord Weir*: Is it the case that in the industries brought under the Trade Boards Acts substantially over 50 per cent. are remunerated on piece-work?—I have not worked it out, but it is a very high proportion. It was before we took on the distributive trades; certainly most of the old trades were piece-work trades, to a large extent. I think probably you will find still that the majority of the work is piece-work. I think the Boot and Shoe Repairing trade is a piece-work trade.

221. *Mr. Poulton*: They measure their value by it?—They do.

222. *Chairman*: You have dealt with the constitution of the Boards and now will you come to their powers?—Their rate-fixing powers?

223. Yes.

224. *Mr. Pugh*: I do not know whether Mr. Wolfe will be dealing further with this matter, but it seems to me to be rather an important point as to the machinery of the Boards, particularly in regard to these very large Boards, the one which was cited as having 83 members. I do not know whether you have any view as to the arrangement of the machinery. Sir Arthur Pease put a question as to whether you think that assuming you adopt something in the form of a standing committee which would be a body which would meet continually to negotiate, or to arrange wage standards, the main body meeting, say, twice a year, or something like that, that would not be practicable on your Trade Boards?—All or most of the Boards have at this moment an Administrative Committee which is a General Purposes Committee. It deals mainly with permits of exemption and learners' certificates; in some cases a Special Committee has been set up to deal with wages—especially piece-rates. Answering your question in two stages, I do not think that as a whole the Boards have resorted to the method of settling wages by small committees up to the present. I do not think it would make a very substantial difference if they did, though it might be a help; lately, during the fluctuations of the cost of living there have been, of course, a great number of meetings of the Boards, but pre-war the number of times the Boards met was very few, perhaps once a year, or twice a year; and even now I do not think that the Boards meet on the average, as Boards, more than three or four times a year—I think that is a fair average—and when they meet there are so many interests on both sides, and the trades are so unorganised that it is more difficult to constitute a small Committee than it would be in a highly organised trade.

225. I was making a comparison between better organised trades where there are wages Boards, where the business is conducted by the establishment of a standing committee, which is a committee that meets throughout the year, as may be required, the Board itself frequently meeting only once a year as a minimum, but on special occasions by special notice; but the standing committees of the bodies conduct all the negotiations with regard to wages or any other questions which arise in the trade. I wanted to know whether it would not be practicable to apply that to your Trade Boards?—I honestly think the difficulty would be greater in this respect than in your trade, if I may glance for a moment at the steel trade. The Associations are old, comparatively; they know each other on both sides, and they work together. In the Trade Board trades we start with a trade which is only partly organised, where the Associations are very often new, and new to each other, on both sides, it may be, and it is not easy

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to form any sub-committee which would command the confidence of both sides. It may well be that as the Boards grow older and more experienced, and with more organisation, they may do what you suggest. As a matter of fact in the early days it is very difficult.

226. *Lord Weir*: They would do it now if there was not that difficulty?—I think so.

227. *Sir Arthur Pease*: You gave us the Grocery Trade Board as being the largest, consisting of 83?—Yes.

228. Are there any others approaching that number at all?—I do not think so.

229. That is an exceptional case?—Quite exceptional. I think the average is between 20 and 30. On the question of the rate-fixing powers of the Board, the Board is bound to fix a minimum rate of wages for time-work. It will be observed that it fixes always an hourly rate; it has no power to fix a guaranteed weekly rate; that is to say, it cannot say that if a worker works 30 hours he shall be paid for a 48-hour week. In addition, there are five other classes of rates it may fix: general minimum piece-rates; special minimum piece-rates; a guaranteed time-rate, which is quite different from the time-rate which I have just mentioned; a piece-work basis time-rate, and overtime rates. I ought to say that the Trade Board may fix any of the above rates so as to apply universally to the trade or so as to apply to any special process in the work of the trade, or to any special area, or to any class of workers in the trade, or to any class of workers in any special process, or in any special area. Those last words which I have read are the words of the Acts. Taking first the general minimum piece-rates, that is a very elaborate business; it means practically fixing a piece list for the whole trade; 10 British Boards have fixed piece-rates hitherto. The Boot and Shoe Repairing Trade Board have 500 items in their piece list, and the Brush and Broom Trade Board have got over 1,200 items. So that you see that the Boards have had a rather considerable task before them. But several other Boards, undeterred by this, are proposing to do the same.

230. *Chairman*: That means there are 500 or 1,200 processes in the Trade?—Yes, that is right. It practically means that you have contemplated every little operation in the trade and fixed the price for the job.

231. *Mr. Pugh*: Is that piece-work?—Yes, that is piece-work. The Brush and Broom have over 1,200 rates in their list.

232. *Lord Weir*: On standardised processes?—Yes, on standardised processes.

233. And standardised methods?—Yes, I should think probably so.

234. *Sir Arthur Pease*: Is that a post-war development?—Before 1918 the Chain-making and the Lace-finishing Boards had made their lists. I do not know what number of items they had in their lists, but the greater development has been since 1918.

235. What would be the relationship between your piece-work list and your minimum wage; because I assume it does not follow that a man is engaged on one item in one of these particular lists only?—If nothing on the list applies, he must have the time-rate; I mean, you do not fall between the two. If there is nothing in the list providing for a worker then the time-rate applies.

236. *Dame Adelaide Anderson*: That would apply to an unstandardised industry like dress-making?—As a matter of fact, in the dress-making industry I do not think any attempt has been made to fix general minimum piece-rates. But I will come to that in a moment, because I have the details of what their arrangements are. When no general minimum piece-rates have been fixed the remuneration of piece-workers must be calculated on a basis-rate, which is either the general minimum time-rate or a piece-work basis time-rate.

237. *Sir Arthur Pease*: When you talk about overtime, as you did a moment ago, how can you deal with

overtime where it is home work? Is there any overtime rate for home work?—I do not think there is any overtime rate.

238. *Chairman*: May I ask for an explanation of these terms which you have used? I understand the general minimum piece-rate and special minimum piece-rate. What is the guaranteed time-rate?—The guaranteed time-rate—

239. *Mr. Pugh*: Does it mean that if the production does not amount to sufficient to give certain earnings the guaranteed time-rate operates?—Yes.

240. Then the production over and above that which is necessary to give him the minimum is something in addition?—Yes, that is right; this power has only been exercised by the Brush and Broom, the Boot and Shoe Repairing, the Laundry, the Linen and Cotton Handkerchief, and the Tobacco Trade Boards.

241. If he only works half the time on piece-rates he cannot have it?—No, it is all on an hourly basis; that is the point which I distinguished at the beginning. You fix an hourly minimum, and if he works 10 hours he must not get less than the hourly minimum.

242. *Chairman*: But what is the piece-work basis time-rate—a time-rate?—The piece-work basis time-rate is a general basis-rate. You can either pay for piece-work on the basis of a minimum time-rate, or the Board can fix a piece-work basis time-rate on which to calculate individual piece-rates. You can either use the general minimum time-rate as a basis, and say that an employer who pays piece-rates is to calculate piece-rates on that basis, or the Board can fix a special basis-rate upon which piece-rates are to be calculated.

243. *Mr. Layton*: Is this another form of time-rate?—No, it is for piece-work.

244. Would you call it a piece-work basis time-rate? Is it not a time-rate?—It really is a rate laying down the minimum which an ordinary worker ought to earn on piece-work.

245. *Dame Adelaide Anderson*: Would it be fair to say of both the guaranteed time-rate and the piece-work basis time-rate, that they are really to protect the living wage of the ordinary worker?—Yes, that is their object.

246. *Lord Weir*: One is more; a guaranteed time-rate must be at least the minimum time-rate, but the piece-work basis time-rate, in every case that I know of, is something higher?—Yes.

247. *Dame Adelaide Anderson*: That is in order to ensure that the piece worker gets something more than the time-rate?—Yes. The whole basis of piece-work, after all, is to give slightly more than is given on a time-work basis. There are various ways of arriving at the amount of the piece-rates to be paid: one is to fix the actual list; another is to take the general minimum time-rate and calculate on the basis of that; the other is to fix a piece-work basis time-rate and calculate on the basis of that. In addition, in one or two cases you have a guaranteed time-rate to fall back upon.

248. *Lord Weir*: The general idea with regard to a workman on piece work is that the rates will make something like time-and-a-third to him?—That is so.

249. *Mr. Poniton*: I should like to be quite clear about that, because I should like to read a paragraph from the general Agreement of the Boot and Shoe Industry itself which is rather interesting: "This is to guarantee the piece-work man that he should have wages when he is on the firm's premises, even although they keep him standing still." It is an agreement, and I know it is put into the Trade Board's Agreement.—Is that waiting time?

250. It is not called waiting time. We have never referred to it as waiting time; it is simply time when a man might be kept without work for the moment, and it develops into a gross injustice, and we said that if they kept a man waiting and he went to work next morning and they had not told him the previous evening they did not want him, they should pay him for at least two hours in the morning and three hours in the afternoon at the minimum rate, although he was a piece worker and could obtain a great deal more.

Mr. Layton: A minimum data rate.

Mr. Poulton: Yes.

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Witness: There is a special provision in the 1918 Act dealing in special circumstances with a class of waiting time.

251. *Chairman:* I do not find the Act has a special minimum rate called the piece-work basis time-rate.— Might I take Mr. Poulton's point first. In Section 6 of the Act of 1918, it is provided: "For the purpose of calculating the amount of the wages payable in the case of a worker employed on any work for which a minimum rate of wages has been fixed under the principal Act, the worker shall be deemed to have been employed during all the time during which he was present on the premises of the employer, etc." That is the provision, I think, which meets your point. Then on the question of the fixing of rates, the only power under the Act of 1909 was to fix time-rates or general minimum piece-rates or special piece-rates. The Act of 1918 extended the powers so that a Board could fix all the rates commonly recognised in the industry. Section 3 provides that a Board may fix, in addition to the rates which it could fix under the Act of 1909: (a) "A minimum time-rate (which shall not be higher than the general minimum time-rate) to apply in the case of workers employed on piece-work for the purpose of securing to such workers a minimum rate of remuneration on a time-work basis (in this Act referred to as 'a guaranteed time rate')." That is the guaranteed time-rate. (b) "A minimum rate (whether a time-rate or a piece-rate) to apply, in substitution for the minimum rate which would otherwise be applicable, in respect of hours worked by a worker in any week or on any day in excess of the number of hours declared by the Trade Board to be the normal number of hours of work per week or for that day in the trade (in this Act referred to as 'an overtime rate')." The power to fix a piece-work basis time-rate is conferred by Section 6, of the 1918 Act. "A Trade Board may fix a piece-work basis time-rate in any case in which, having regard to all the circumstances of the case, they are of opinion that the general minimum time-rate does not form a proper basis for the purposes of paragraph (b) of sub-section (1) of this section, and a piece-work basis time-rate may be higher or lower than the general minimum time-rate and may be fixed so as to apply universally to the trade, &c." Then it repeats the same general provision which I have quoted previously.

252. *Mr. Layton:* You have not referred to the special minimum piece-rate?—It is possible on the application of a firm where no general minimum piece-rates are applicable to fix a special piece-rate for the workers in that firm. This power has been exercised only by the Paper Box and the Readymade and Wholesale Bespoke Tailoring Trade Boards.

253. They apply to an individual firm?—Yes.

254. You would not call it a district rate?—No, it has only reference to individual firms.

Dame Adelaide Anderson: May we have the reference to the section giving that power?

Chairman: It is Section 4, sub-section 5, of the Act of 1909.

Witness: With regard to the overtime provisions, a Board cannot, in declaring the normal number of hours of work per day or per week, depart from the actual number of hours worked in the trade; it can declare what the normal hours of a trade are and it can fix overtime rates for time worked thereafter. The overtime rates fixed are very much the usual; time-and-a-quarter for the first two hours, then time-and-a-half, and double time on Sunday.

255. *Sir Arthur Pease:* Do you mean per day?—Per day or per week. The actual rates are usually time-and-a-quarter for the first two hours' overtime per day, and time-and-a-half for subsequent hours; double time for all time worked on Sundays or holidays.

256. *Mr. Layton:* It is on the day?—You can either calculate it on the day or the week.

257. But do you mean that in a week the higher rate comes into operation if you work double hours?—Yes. You see, the whole of the basis of payment is on hours in the Trade Board trades; therefore on any given day in which a worker works more than

the number of hours normally worked in the trade, overtime starts.

258. *Mr. Pugh:* If the time-and-a-quarter is for the first two hours, say that a worker works two hours' overtime every day, if he were paid on the daily basis he would get time-and-a-quarter for all the hours?—Yes.

259. And then he would get time-and-a-half for the hours following. How is that arranged?—The Board can choose whether they do it on a daily or weekly basis—if they do it on a daily basis on the lines you stated, it would be on the number of hours per day.

260. *Lord Weir:* There is no rigid policy with regard to it?—No; in any case it is a matter determined by the Trade Board.

261. *Mr. Pugh:* As a general rule it is on the daily basis?—I think that is so.

262. *Sir Arthur Pease:* Are there cases where there might be overtime worked on one day and short time the next, and nothing the next week?—I should think that is very unusual. Anyhow, that would be a matter which the employers on the Board would consider, in deciding which of the two methods they would go for.

On the question of special rates, as I said, the Trade Board has power to fix different rates for different processes, or for different classes of workers in the trade. This gives no power to the Trade Board to introduce new principles of classification in a trade; it can only fix rates for classes which already exist in the industrial structure of the trade. I mean the Trade Board is not permitted to invent a new class of worker; it has to adapt itself to the trade conditions and fix its rates for those. In dividing workers into classes, many different principles may be followed, and principles which apply to one trade will not apply to another. The distinction between skilled, semi-skilled and unskilled workers is one of wide application; thus in the Retail Bespoke Tailoring Trade there is a sharp distinction between the skilled journeyman and the unskilled worker. On the other hand, in the Textile Industries, the primary division is vertical, into a number of crafts; and other trades similarly have vertical sections. If one went into this, one would be simply describing the structure of the different trades covered by the Trade Boards. In fact, regard is had to the structure; and it is on that basis that the rates are fixed; no new classes are created. (See Annex I, Chapter IV, Table A.) I do not think you want to hear any more on district rates; I have referred to them once or twice.

263. *Chairman:* I do not know whether this is the point to ask you, but the general minimum time-rate, I suppose, is fixed with reference to the ordinary worker?—Yes.

264. Supposing you have a slow worker, a man who is too old, and who is constitutionally incapable of doing his work, what happens?—Of course, that is one of the difficulties of a time-rate. The basis of the rate is the capacity of a worker who is neither exceptionally good nor exceptionally bad. If you have a worker who is unable to earn the rate, not because of infirmity, but because of inability or incapacity, if it is a time-rate, he has either to be paid it or has to go. On the other hand, if it is a piece-rate, the rate must be such as would give an ordinary worker a reasonable return; that is to say, give him the basis time-rate at least. If he is a sub-ordinary worker on piece-rates, he earns what he can; and if it is shown to the satisfaction of the Department that the rate is the correct one, and that it is the worker's failure and not the rate that is wrong, that ends the matter. But on time-work the sub-ordinary worker must be paid the full rate or go.

265. *Mr. Poulton:* Or get a permit?—No, he cannot get a permit. The only person who can get a permit, as it stands at present, is an infirm worker. A permit can be given to persons who are physically incapable, and that provision is applied, for example, to a large number of men who were disabled during the war.

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266. *Dame Adelaide Anderson*: There are some places which are run with sub-ordinary workers, or have been. What happens in those cases? The work of the place simply goes to pieces?—If there is a workroom which depends on inefficient workers for its existence, it clearly would disappear, supposing the payment is by time.

267. And that, of course, is what is happening?—That does not arise. If I may take the point here, it is inevitable that the creation of a national rate, or a Trade Board rate, will affect employers in some cases where the employer is notoriously inefficient. If he cannot afford to pay a reasonable rate, and he is compelled to pay it, the result is that he will disappear.

268. *Mr. Poulton*: Who is to be the judge of that?—The Trade Board fixes the rate, and the Department is then complained to afterwards if the rate is not being paid. Presumably if the employer loses his business, if it is essential, it goes elsewhere.

269. What I mean is this: an employee, Smith, cannot earn the rate, and they dismiss him. As a matter of fact, there may be reasons due to circumstances over which he himself had no sort of control, why he could not earn the rate, and when those circumstances are removed he might easily obtain the rate.—If you are asking me what happens in the case of an inspection, the inspector goes down to the employer's works, and he finds that it is perfectly straightforward so far as time-work is concerned; when he goes to the piece-work he sees that some of the workers have been getting less than the minimum, and he says to the employer: "Why is this?" The employer says it is the worker's fault. It is then the inspector's business to go and test that by his knowledge of the machinery and of the output in other establishments, and if the inspector is of opinion, by virtue of his knowledge, that the rate was fixed too low so as not in fact to produce the minimum, then he makes suggestions to the employer. If the employer either refuses to make any change, or disagrees, if necessary the matter is tested in Court by a prosecution for failure to pay the right rate.

270. *Sir Arthur Pease*: Could old age be called physical infirmity?—Only if old age had caused physical infirmity.

271. I mean a man who could only do about half his job.—Only if you could show that physically he could not do more. If you could show that an old man of 65 or 70 was crippled with rheumatism, or something of that sort, that would be a basis, but if the only thing that you could say was that he was old, you could not let him off on that ground alone. You must show physical infirmity or injury.

272. *Dame Adelaide Anderson*: But in fact, in the long run the sub-normal worker will be pressed out, because the employer cannot afford to go on paying the minimum time-rate to someone who is more or less sub-normal?—You can always meet the sub-normal case in a piece-work trade by putting the worker on to piece-work. Either he or she earns what she can get, and if you are satisfied that the ordinary worker on the same rate is earning the minimum, or more than the minimum, the sub-normal worker remains in the trade.

273. *Mr. Poulton*: Do you mean that there is no provision made for those particular trades which have no piece-work basis; that is to say the day work?—No; on time-work, the sub-normal worker must get the same rate as the others.

274. There is no provision made?—No, unless he is physically infirm, or has suffered some injury.

Mr. Poulton: There is, of course, quite an easy way of doing it, because I have been doing it now for men for 30 years past in my trade on purely time-rates.

275. *Mr. Layton*: To clear up your answer to Lord Weir, as I understand, the regulations under these Acts with regard to Trade Board trades are not the same in those trades as in mine. A man may be under a general minimum piece-rate or working on a general minimum time-rate?—That is right.

276. If he is on a general minimum piece-rate the general minimum time-rate does not apply to him. Therefore, if he is on piece-work he does not in fact get any guaranteed minimum hourly earnings. I think Lord Weir was suggesting that in other trades he does get that, and in fact it is general.

Lord Weir: I thought it was general.

Mr. Layton: But I understand from the wording of Section 6, Sub-section (1) (b), of the Act of 1918, that the Act contemplates there will be some people who will actually earn less on piece-work than the general minimum time-rate.

Witness: There may be.

277. I mean it is not an offence for an employer to pay less than the minimum time-rate.—If I may be allowed to ask a question, have you in mind a case where there are no general minimum piece-rates for the trade?

278. I have in mind a case where there is a general minimum time-rate and no general minimum piece-rates. The slow piece-worker can earn less than the general minimum time-worker. That is not an offence?—No.

279. It is a good defence for the employer to say that if this worker had been up to the ordinary he would have earned the general minimum time-rate, but actually he did not?—That is perfectly right. I did not understand that Lord Weir was putting that case. But if there are general minimum piece-rates fixed for the trade, the actual process is specified.

280. But a general minimum time-rate does not apply to him?—No.

281. It is not, for instance, the same as in mining, where you have a piece-rate, but a minimum per day?—Clearly not.

282. *Mr. Pugh*: We understand generally that where there is a general minimum piece-rate, each worker is on his own merits, and it depends entirely on his own exertion what he gets, and there is no minimum?—That is so, except that the Board has settled the question in advance by saying that the worker must be paid no less than this for a particular job. But it is the minority of cases where that exists.

283. *Mr. Layton*: A guaranteed time-rate for piece-workers may also be fixed?—Yes.

284. *Lord Weir*: That is not always so?—No, it is not.

285. *Mr. Layton*: Where that is fixed you cannot have sub-normal piece-work?—It depends on the amount of sub-normality. If it were very sub-normal you could not.

286. *Lord Weir*: If he fell below, then you would have to make it up on time?—Your assumption is when you fix your piece-work basis that you will get so much over your guaranteed time-rate, and that allows you that much margin for your sub-normal man.

287. *Mr. Layton*: I will put it this way. In the case where the piece-work basis time-rate is fixed you certainly cannot have sub-normal men?—You can have a sub-normal man if he likes to earn little. I mean we cannot proceed against the employer in that case. It is only the other case where the sub-normal man becomes difficult, where there is a fall-back rate. If there is no fall-back rate, and you have a job rate, however little a man earns it is legal, and therefore there is no reason for dismissing him from the employer's point of view. The only ground for dismissing a sub-normal man is where you have to pay a rate in excess of his value.

I would like to say on the general point which Mr. Layton is now raising that when the Trade Boards Acts were passed it was recognised, I think, by Parliament and faced, that you would, by virtue of giving protection to the majority, possibly inflict some hardship on the minority. That was faced, and it was felt that in the long run the effect of the Acts would be possibly to wipe out the inefficient employers and to wipe out casual workers or less efficient workers, but not in the long run to injure the trade as a whole. If it injured the trade as a whole, then the whole basis of the Acts was wrong, or they were wrongfully applied in the particular case. It was contemplated

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and expected that in any event some measure of unemployment, probably of a temporary sort, would result from the fixing of a statutory rate. It could not be avoided.

288. That was before the war. These variations are subsequent developments?—Under the 1909 Act you could fix general minimum time-rates and piece-rates and special minimum piece-rates, but the 1918 Act gave the piece-work basis time-rate and the overtime rate for the first time.

289. Would it be fair to say, following that out, that the conception of the new Act, was wage regulation, and not the fixing of minimum rates?—I think it was probably part of the policy to make the Boards more complete wage fixing authorities than they had previously been and to that extent to make them more useful.

290. *Sir Arthur Pease*: Let us be clear. The guaranteed time-rate means a figure which the worker gets, whether his piece-work earnings touch it or not?—That is right.

291. What does the piece-work basis time-rate mean? Does not that mean the same thing?—No, that is the figure which he ought to get if he is an ordinary worker. If he is a sub-normal worker, and does not get it, then he has to bear his loss.

292. *Chairman*: If he was working by piece-work under the piece-work basis time-rate he would get what he earned?—Take a simple case: you can say, the basis on which we are going to fix this man's remuneration is the time-rate. If, when his earnings are shown week by week, it is proved that he has not got that, if he is unable to earn it because he is a sub-normal worker there is no ground for action against the employer. But you can have an alternative to that. I am afraid I had not understood Mr. Layton's question, and therefore we got at cross purposes. The other thing you can do is not to take time basis. You can take a piece-work basis, and say: This is the basis on which we are going to work; if the worker earns that, he will get it; if he falls through his own fault, he is a sub-normal, and then he has to bear it. There is no grounds for action against the employer.

293. *Mr. Poulton*: Provided he is paid the full price for the operation.—Yes.

294. *Sir Arthur Pease*: It is merely a standard laid down by the Board of what an ordinary worker should be able to earn on piece-work?—Yes.

295. As is usual in the practice of engineering shops, as Lord Weir mentioned, it is estimated that a man can earn time-and-a-third on piece; it is only a general guide, but it is no guarantee?—Yes. The average difference in the case of Trade Board rates is about 1½d. per hour for men and 1d. per hour for women. The worker need not earn that, provided he is paid the correct price for each job. The only sub-normal case where the man has to be thrown out on piece-work is where there is a guaranteed time-rate, and in that case if he does not earn it he has to go.

296. *Lord Weir*: Is that rate usual?—No, it is very unusual. Five Boards in Great Britain have fixed this rate: the Brush and Broom, the Boot and Shoe, the Linen and Cotton Handkerchief, the Laundry and Tobacco Boards. I am very sorry to have been so obtuse. I do not know whether Mr. Layton is satisfied now.

297. *Mr. Layton*: Yes, you have cleared it up. But may I put this to you: Does it not still follow that the fixing of this piece-work basis time-rate at the higher figure than the general minimum time-rate still means that it is more difficult for a sub-normal piece-worker?—No.

298. Attention is drawn to his position on a more stringent standard?—If the employer thinks that he is not getting enough week by week he may think he is an inefficient worker. An inspector has no complaint if the rate for the job is right. If the earnings fall below the basis, he has to clear it up with the employer.

299. *Mr. Pugh*: Would it not be the fact that the worker we are discussing would be one possibly in a hundred, and that the fact that the major portion

of the people would be able to earn what they were intended to earn on the piece-work system would settle the thing?—That is the normal case, but you do get difficult cases where a whole class of workers appear to be getting less than the rate, and that has to be cleared up.

300. *Lord Weir*: I am not sure, so far as the Acts are concerned, that they always contemplated piece-work or time-work. Have you any other forms of payment by results?—Do you mean premium bonus? There are, of course, as you know, collective bonus and premium bonus, and half a dozen other variations, but so far as I know no Board has ever gone for anything except what we call straight piece-work.

301. It has not arisen yet?—It has not arisen yet. I should like at this point to clear up, if I may, the position as to the basis rates which can be fixed by a Board. Three questions have been put to me, and I should like to deal with them in turn. The first was how far had the powers of the Boards been increased under the 1918 Act as compared with the 1909 Act. The answer to that question, which I do not think has been given clearly before, is that under the 1909 Act the Board had three powers; the first was to fix minimum rates for time-work; the second was to fix general minimum piece-rates, and the third was to fix special minimum piece-rates on the application of a firm. These were the only kinds of rates which the Boards could fix at that time. The 1918 Act added to those powers the power to fix a guaranteed time-rate, the power to fix overtime rates, and the power to fix a piece-work basis time-rate. On that the point was made that the 1918 Act changed the Boards rather into wage regulating authorities by extending their powers with respect to piece-work. On that, I think one might say that the most detailed power possessed by the Boards is the general minimum piece-rate power, which means making a very long list indeed, and that power was given by the 1909 Act and was, in fact, used by the Boards under that Act. The second point that I would like to clear up is the actual meaning of these rates; I am afraid I have left that rather unclear. The first power of a Board is to fix minimum time-rates; that is perfectly clear and perfectly straightforward.

302. *Mr. Poulton*: On day work?—Yes, on day work, but of course it is always on an hourly basis.

303. That is the separate hours?—Yes, the separate hours; there is no power to fix a weekly rate; it is only an hourly rate that the Board can fix. If the Board fix no piece-rate at all, then any firm which works piece-work has to pay piece-prices which will yield to the ordinary worker, having regard to the conditions of the establishment, the minimum time-rate.

304. Per hour, or per week?—Per hour; there is no weekly time-rate.

305. I know, but there is a difference between the two points, that a man in the aggregate might earn the amount?—Yes.

306. But in an hour he might not be able to?—Each piece-rate must be such that an ordinary worker would for each hour spent on the job earn as much as the hourly basis-rate. You understand that if a workman fails to achieve the hourly rate, it does not necessarily mean that the employer has evaded the Acts. What you look at is what an ordinary workman would earn. The second power possessed by a Board is to fix general minimum piece-rates. That particular power has been exercised twice under the old Act, and eight times under the new Act, as I remember the position, and in those cases the Boards fixed in detail the prices for various processes. In one case no less than 1,200 rates have been fixed, and in another case 500. In that case, when you inspect, all you have to assure yourself of is that the actual prices fixed by the Board are observed. If on inspection it appears that the workers are in fact getting low earnings throughout, that is not a case against the employer, though it may present a case which should be put to the Board for a revision of the rates. The third power is in

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respect of special piece-rates which may be fixed by a Board if any firm asks for them, and that power is used in cases where a particular firm is different in character from the general run of firms. Then there is a fourth type of rate, which is the one fixed under powers conferred by the 1918 Act, the piece-work basis time-rate, and that I am afraid I have not made quite clear. There is no distinction in principle between that and the minimum time-rate at all. It is generally a rather higher rate, and it is that rate, which, it is calculated, the ordinary worker should reach if the piece-rates are properly fixed. It is fixed higher than the ordinary time-rate, in order to encourage piece-work production. But in all these cases that I have mentioned, if a sub-normal worker's earnings do not reach the basis, provided the price for the job is right, there is no cause of complaint against the employer at all. If the employer thinks it shows great inefficiency in the workman, he may dismiss him, but the employer is not compelled to make up the man's earnings. The only case in which the employer is compelled to make up the man's rate, and therefore in which the man might be dismissed, is where a guaranteed time-rate exists, which is an addition under the 1918 Act; and the guaranteed time-rate can never be higher than the general minimum time-rate. In fact the position in a case where a guaranteed time-rate has been fixed is exactly the same as in a case where a man is employed on straight time-work. Where a guaranteed time-rate operates a man employed on piece-work must be paid the full amount of this rate (unless he is the holder of a permit of exemption). In all other cases of workers employed on piece-work, however, a man can earn as much or as little as the piece-rates produce provided always that each piece-rate is sufficient to yield to an ordinary worker at least the amount of the basis rate. The only other addition to the 1909 Act is the overtime rate, and I believe I need add nothing on that. As I have already explained, the Board have not the power to fix the hours in the trade; they can simply declare what the normal hours are, and after that they fix the amount of overtime. Finally, Lord Weir asked me whether any of the premium bonus or collective bonus systems had been introduced by the Board, and I said no; and that is true; they have not. The reason probably is that it is very difficult to do it under the Acts as drawn, and it has been suggested to us from various quarters that if it is desirable to have that basis introduced, the Acts should be amended.

307. *Mr. Poulton*: With regard to the guaranteed time-rate, assuming that the guaranteed time-rate was 60s., and that the worker was receiving under an agreement 65s., that is to say 5s. above the minimum, and the employer for his own reason told that man at the end of a particular week that he should only pay him 60s., although the agreement was for 65s., would that be considered to be a breaking of the Trade Board regulation, so long as he did not go below the 60s.?—No, it would not be a breach of the Acts; it might be a breach of the agreement.

308. You would say from your standpoint that you would not interfere?—We could not interfere.

309. *Mr. Pugh*: The piece-work basis time-rate is only a piece-work rate, is it not?—It is.

310. There is no guaranteed time-rate underneath it?—There is no guaranteed time-rate underneath it at all.

311. It is a piece-rate without a time-rate guaranteed, or any time guarantee behind it?—That is true, if you distinguish between rate and price; it is not a price, but it is a rate.

312. *Mr. Layton*: I was not quite clear what you said, that the guaranteed time-rate was never more than the general minimum time-rate?—It is laid down in the Act of 1918. It cannot be more; it might be less; in some cases it is the same.

313. There are only two cases of that kind?—Yes.

314. *Dame Adelaide Anderson*: Which are those two cases?—I am sorry, there are five—Brush and Broom, Boot and Shoe Repairing, Laundry, Linen and Cotton Handkerchief, Tobacco.

315. *Mr. Pugh*: I do not know whether we are likely to hear anything with regard to war advances in their applicability to workers coming under the Trade Boards?—A number of trades were covered by the Ministry of Munitions Orders. The Trade Boards were set up to a certain extent to take over the position as it was left by the Munitions Orders; that is to say, suppose the rate fixed for women regulated by the Munitions Orders was, as I think you remember it was, between 30s. and 35s., that is the way it was left. If a Trade Board was set up in the trade, covering part of it, it would no doubt have regard in settling its first rate to what the rate was under the Ministry of Munitions Orders.

316. For the moment we are hearing of difficulties arising from reductions in wages or arrangements to reduce wages, and whether those reductions relate to what one might term war advances or to the established basis-rates which have been fixed by the Trade Boards?—I am going to deal with that point, but what I hope to do later in my evidence is to show the comparative advances in rates in Trade Board trades, and to give some indication of the way reductions have come, and I think that will probably meet the point. Unless there are any other points on rates, I will now, if I may, pass to the question of juveniles.

317. *Chairman*: You said that you were putting in the table?—Yes, a table showing the basis of classification of the rates fixed by the Trade Boards. (See Annex I, Chapter IV, Table A.) Then I did refer again to district rates, but I do not think you want to hear any more about them.

318. Will you now deal with juvenile workers?—Under the provision which I have referred to more than once, juvenile rates are fixed—that is the power to fix different rates for different classes. In regard to juveniles, of course, the Trade Boards have a difficult problem. In the first place, they must take care not to fix rates so low as to prejudice the employment of adults, and, conversely, they must not prejudice the employment of the younger workers, and the recruitment of the trade, by fixing the rate too high. I mean on the one hand you would upset the adults and on the other hand you might get no further entrants into the trade. As will appear later in my evidence, rates fixed in one trade for learners were so high as really to discourage entrants. But that has been partly remedied since then. Of course, one of the things which the Trade Board has to take into account is the prevention, so far as possible, of blind-alley employment. The problems vary from trade to trade, but in deciding upon how to deal with the young worker you have to consider some or all of the following points. The system of training in some trades is longer, more complete, and less remunerative to the employer than in others. In some a learner is only taught, as a rule, to do a single operation, or series of operations, whereas in others he or she is taught the whole trade throughout, and therefore requires more careful and individual training. Then you get variations between trade and trade as to the cost of the material spoilt by the juvenile while learning. Then you get the fact that the remuneration during training varies according to the nature of the operation for which the person is trained. For example, if as a result of training the worker is going to become more skilled, the remuneration during training would be lower than if it is for unskilled or semi-skilled work. Again, in the dressmaking trade, for example, particularly in the rural districts, it has been the practice for the small farmers and the shopkeepers to send their daughters into that trade as the only chance of an opening. They have been accustomed to send them for nothing, and in some cases at a premium; so that the Trade Board has to bear that in mind. Then they have to bear in mind the danger of fixing rates on a basis which

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would kill the old craft spirit; in other words, they have had before them the apprenticeship problem. Taking that into account, there are three ways in which the Boards have approached the problem of dealing with juvenile rates. In some cases they have fixed them purely and entirely on an age basis; in others they have fixed rates for learners to which conditions for learnership have been applied; and in a few cases they have laid down an apprenticeship scheme. Rates have been fixed purely on an age basis where the skilled workers are not particularly regarded as requiring the protection of the Board, or where the work is mainly unskilled. The trades which have adopted this basis are in the majority: they are the Aerated Waters Trade, the Cotton Waste Trade, the Flax and Hemp Trade, and so on. I will hand in a list of those. (See Annex I, Chapter IV, Section A (5)). In those cases the advances are fixed on a perfectly regular ascending scale, so much advance each month or each year—whatever the period is; it is generally a year. Special arrangements are made for the rates applicable to late entrants. Obviously, of course, that is one of the difficulties of fixing rates on a flat age basis for juveniles, namely, that a person coming in, say, at 16 years of age may not be worth a penny more to the employer than one coming in at 14 years of age; but if it is on a perfectly rigid scale, he or she has to be paid more at 16 years of age. There is a provision made by some of the Boards to meet that point by providing that a late entrant does not come in at the rate which he or she would have had had he or she come in earlier. There is nothing remarkable about these rates. When you come to special rates for learners, those have been fixed by certain Boards, and they have distinct features. The first is that the learner shall be between certain ages and certain limits of experience; but the second, which is the more important one, is that he or she shall be learning a branch or process of the trade; and the third that the learner shall be registered with the Board and have a certificate of registration. Several of the Trade Boards have fixed rates for female workers in scales according to age and length of experience. The length of learnership ranges generally from four years in the case of workers of 14 and under, to one year in the case of those commencing at over 21 years of age. The conditions which are attached to the rates range from a nominal one provided by the Hollow-ware Trade Board, and the Sugar Confectionery Trade Board, that the workers shall be employed under conditions which, in the circumstances of the case, afford a reasonable prospect of advancement to the general minimum time-rates for adult workers (which is rather wide, and has not really very much effect), to that of the Chain Trade Board, which has a very specific condition that the learner must be definitely and effectively employed, under an agreement in writing, in the practical learning of some branch of the trade, and that the Trade Board in granting the certificate may take into consideration whether, having regard to the number of learners employed in any factory or workshop, or under any journeyman or worker, the learner proposed to be certificated has a reasonable prospect of receiving due instruction. That is coming very close to an apprenticeship indenture. It does not reach that point, but it makes a very specific provision only one degree less definite than that, and, if I may call attention to this, I would like to point out that the Boards which are doing this are in fact making considerable provision for the improved position of juveniles in the trades to which they apply. So far as apprentices are concerned, only four Trade Boards have so far fixed rates for apprentices, and, if I may, I will put in in respect of those four trades the sort of conditions that they fix. They are rather lengthy. The four trades are the Boot and Shoe Trade Board, the Fur Trade Board, the Tobacco Trade Board, and the Brush and Broom Trade Board. But they are very effective and they indicate that the individual Trade

Boards have given very grave consideration to that part of their work. (See Annex I, Chapter IV, Section A (5)).

319. Are they employed under indenture, too?—Yes. For example, the Boot and Shoe Trade Board have fixed two sets of rates applicable to apprentices—(a) for those who are employed under an indenture providing for their effective instruction in boot and shoe repairing in all its branches. These rates are fixed on an age basis, commencing at the age of 15 and under up to the age of 19. They are lower than those fixed by the Trade Board for younger workers who are not apprentices, and are only applicable provided the apprentice is employed under an indenture providing for his effective instruction in boot and shoe repairing. Then there is another rate applicable to (b) those who are employed under an indenture providing for their effective instruction for a period of five years in hand-sewn boot making or in hand-sewn making and repairing. The rates in this case are fixed on an age basis and not on an experience basis, namely, for the first, second and third years of the apprenticeship, and so on. I do not know whether you would like me to give you any more details as to learners or apprenticeship schemes?

320. We shall be glad to read your details?—Yes, I can put them in. (See Annex I, Chapter IV, Section A (5)).

321. Lord Weir: In any one trade you will have juvenile learners and apprentices, will you?—Yes, you could have. I do not know whether there is a case where you have all three. Probably they all three exist in the tailoring.

322. Chairman: Before you leave the functions of Trade Boards, are there any other powers you wish to refer to?—There are three minor powers. There is the issue of permits of exemption to which reference has already been made. The Section of the Act reads as follows: "That where a worker is unable through infirmity or physical injury to earn the minimum rate applicable to him, the Trade Board may issue a permit of exemption, laying down conditions under which he may be employed at less than the minimum rate." The procedure is that application is made to the Trade Board for individuals to be paid at less than the rate. In some cases the Trade Board leaves to the employer the option of settling the rate with his worker. In some cases the Trade Board makes a definite decision as to the rate which should be paid. The method of carrying out the investigation to ascertain whether the employer's statement is true is partly by getting a medical certificate covering the original application, and partly by local investigation. When there were only 13 Boards, and the inspecting staff was comparatively well able to keep up with the work, the investigation was made locally by inspectors of the Department. Lately the Boards themselves have made investigations through their members in these cases, and on the whole that has perhaps been more economical and as satisfactory as the other method.

323. Sir Arthur Pease: Can such a man be employed before he has a permit, or must it be whatever time it takes, a month or six weeks?—No, he can go on being employed, and if he is employed at a lower rate no action is taken against the employer at the time. No action would be taken pending a *bona fide* application if the employer cares to go on employing him at less than the rate.

324. Mr. Poulton: You say that the Boards can make an investigation, but they have no staff?—No, it is the actual members of the Board.

325. The members of the employers' side, for example, would undertake to go into the various works?—It might be one on each side, an employer and a worker.

326. Two on each side?—Yes, and they would ask the employer what the circumstances were, and probably see the man, and if they were satisfied would recommend the granting of a permit.

327. Have the Boards undertaken a systematic inspection in each trade of that kind?—No. It does not arise on inspection; I may have misled you. The

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Boards have only undertaken to do it when a specific application is made, but it is still the Minister's business to detect evasion.

328. But that must be a very big business?—Do you mean the inspection?

329. No, the number of permits.—Yes; of course, they were very largely increased by post-war conditions. But on the particular point of the disabled soldier that was comparatively easy, because you had his pension papers. I mean you had not to do as you so often have to do in the civilian case, namely, to test the *bona fides* from the beginning. You knew what his case was, and it was before you.

330. But does the Board, in other cases where this procedure is not applicable, call upon the staff of the Ministry of Labour to inspect for them?—I am afraid it is not a matter of complete agreement yet. The Boards rather think still that we are under the obligation to do this, and we are still doing it to a limited extent; but it is perfectly obvious that we cannot go on doing it with the staff at our disposal.

331. *Dame Adelaide Anderson*: Is it not rather a skilled piece of work, and unless you carry out the regulation by the Trade Board you may have unsatisfactory results?—It is very largely an automatic thing; if the members of Trade Boards can spare the time, it is a thing they would do better, probably, than an official. Very often it is a time-rate case, just as often as a piece-rate case. Of course, if it is a difficult technical piece-rate case it is a matter of local knowledge and experience.

332. *Chairman*: It is for the employer to make out a case for the granting of the permit, is it not?—Yes.

333. *Sir Arthur Pease*: How many cases altogether do you suppose there are?—A very large number. I have tried to get them out. I am told that there are 3,000 in the Boot and Shoe Repairing Trade alone. But I expect you will find the numbers are very considerably swollen since the war. The Boot and Shoe Repairing Trade, for example, is particularly helpful in taking on disabled men. Then you have two other quite minor functions, which are the registration of apprentices and the certification of learners. Both of those are similar; I mean there is no inquiry; the firms apply to the Boards and the certificates are issued. In the case of the certification of learners, it is a comparatively formal matter; the Boards do not make enquiries themselves, but they instruct the Secretary to grant certificates in all cases in which the applicant is within the prescribed limits of age and experience, unless there appear to be special reasons against this course, on the ground of doubt as to the other conditions of learnership being complied with; in that case they refer it to the Administrative Committee to which I have referred before, and, in fact, the Administrative Committees have had, I should think, very, very few cases ever put to them. The certification system—this is a point which is worth noting—has come to be a means of providing an accurate record from which the rate payable to a learner at any stage in her learnership can be accurately determined, and so of safeguarding the employer in cases where learners change their employment, and of enabling the Department to enforce the rate. That means that you have not to get a new certificate every time, but you do have to endorse the old certificate, and you have not to go round bothering the employer enquiring whether the rate is right or wrong; you have a fairly efficient system of registration. There are only two other points; the first is the question of scope, that is to say, demarcation; and the second is the power to make recommendations to Government Departments. You asked me, Mr. Chairman, earlier on, who had the power to decide whether a given man was or was not covered by the Boards, and I then explained to you that the position was not satis-

factory, because, nobody had the definite power. It will appear in evidence a little later that there has been some controversy between the Ministry of Labour and the Trade Boards on this question of scope. The questions which arise are nearly always questions which on the surface appear to be questions of fact, but are questions really of construction as well; therefore they are mixed law and fact. The result, therefore, is that to get a decision right, you want the special knowledge of the circumstances and you want to apply that knowledge within the four corners of your Order by legal methods. The present arrangement accordingly is that the Minister, as the prosecuting authority under the Act, reserves to himself the right to express his opinion to an *esquire*, but before expressing that opinion he submits the actual case to the Trade Board in every instance for their view. He does not undertake to be bound by it, but he hopes to be able to accept it. But that reference to the Trade Board is an innovation. That has resulted from the recommendations of a Committee which was appointed last November, of which I was Chairman, to inquire into the domestic relations between the Ministry of Labour and the Trade Boards. There had been considerable difficulties, and that Committee was appointed to attempt to solve them, and on this question of demarcation it came to the conclusion that whilst the Minister should retain the right to give a view, he should not give it without reference to the Trade Boards. That is the present position. Of course it does not settle it, because unhappily neither the Minister nor the Trade Board is able to pronounce a final view.

Finally, Section 10 of the Act of 1918 gives the Trade Boards the right to make recommendations to any Government Department on matters affecting its trade. I will hand in a table showing the sort of things on which recommendations have been made. (*Not printed.*) I think it is true to say the most important work under that sort of heading that the Trade Boards have done is to assist in training disabled men, in which they have done notably good work, and also in the Roll of Honour scheme for the employment of disabled men. I could mention one or two recommendations they have made. You will find a number of them deal with the Key Industries Act. For instance, the Brush and Broom Trade Board urged the prohibition of the import of brushes made in foreign countries where the low wages and the low rate of exchange produced conditions under which the British manufacturers cannot compete. The Button-making Trade Board made a recommendation to the Ministry of Health on the subject of out-workers engaged in the carding of buttons; the Fur Trade Board suggest that a duty should be placed on imported skins. They are all general trade recommendations which I will hand in. I do not think it is unfair or ungenerous to say that that particular section has not been very widely used, except in two directions in which there has been a very material work done in supervising the training of disabled men and in dealing with the Roll of Honour scheme.

334. *Mr. Poulton*: I take it you are going to deal with this report which was issued in the early part of the year?—Yes, I was going to deal with it separately.

335. Would the second recommendation in that Report with regard to the Boards having the right to get legal advice and then to have an opportunity of expressing their views to the Minister, come under the provisions of Section 10?—I do not think so. That proposal was quite definite, if you would like me to deal with it now.

336. You say that it does not come under that?—No, it is not under Section 10.

337. *Chairman*: We can deal with that later.—Yes.

SECOND DAY

Thursday, 13th October, 1921.

PRESENT:

The Right Hon. the VISCOUNT CAVE,
G.C.M.G. (*Chairman*).
The Right Hon. LORD WEIR OF EASTWOOD.
DAME ADELAIDE M. ANDERSON, D.B.E.
Mr. W. T. LAYTON, C.H., C.B.E.

Mr. E. L. POULTON, O.B.E., J.P.
Mr. A. PUGH
Mr. A. MACCALLUM SCOTT, M.P.
Mr. H. D. HANCOCK (*Secretary*).

Mr. HUMBERT WOLFE, C.B.E., recalled and further examined.†

338. *Chairman*: Now we might proceed with your evidence.—I described to you yesterday the steps that were taken to set up a Board. When a Board has been set up, its first business is to fix a general minimum time-rate. The actual statutory steps are the following: the Board have a meeting to propose the rates—they are required by Statute to propose the rates in the first instance. When the rates have been proposed, notice is given of the proposal, and two months elapse during which objections may be lodged. At the end of that period, as soon after the expiration of the two months as may be, the Board meet again for the purpose of fixing the rates. Before they fix the rates they are required by Statute to consider any objections which may have been lodged. If the Board are disposed to think that the objections are not substantial enough to make them modify the rates proposed, they fix them as was proposed, and forward them to the Minister of Labour for confirmation, and the Minister of Labour is required to confirm or refer back within a month, unless special circumstances exist. That is the statutory framework.

339. That applies to alterations as well as to fixing?—Yes, that applies to both stages, fixing and varying.

340. Let us have it once more: Supposing the Board have a rate which might have to be altered, then all the time is occupied again. First of all the Board must meet, of course?—Yes, the Board must meet in the first place.

341. Then it must make a proposal?—Then it must make a proposal of a rate which probably is a series of rates.

342. Notice has to be given of that; of course that takes a little time.—Yes. As the Acts stand, until the notices have been actually issued, that is to say, posters have been issued, the time does not count; therefore, if it takes a fortnight or three weeks, as it may very well be in the case of the Grocery Trade, for example, then it is two weeks before you start.

343. *Mr. Poulton*: Who has to give notice that they want a variation?—Anybody on either side in the trade may object to the terms of the notice of proposal.

Chairman: Mr. Poulton means earlier than that, to begin the proceedings for alteration.

344. *Mr. Poulton*: Yes. A rate has been fixed. Who has the authority to give the proper official notice to say that they want that rate varied?—You are at a later stage now; you are at the stage when a rate has been fixed and confirmed. Is that your point?

345. Yes.—Any person on either side of the Board, or any member of the Board can report to the Secretary that he wishes a meeting to be held in order to consider a variation of the rate.

346. Can anyone in that particular trade or industry or calling?—Anybody in the industry can state their case to the Board, and then it is for the Chairman of the Board to decide whether he will summon

a meeting to consider the variation. In most cases, if it is a substantial application, the Chairman would summon a meeting of the Board.

347. They have to consider whether it should be?—They have to consider whether a case has been made for variation. In the normal case, if I may revert to your question, Mr. Chairman, it would take a fortnight to three weeks in any event, before the actual statutory period of proposal starts. In the case of the Grocery Trade Board there are 130,000 employers, and 130,000 notices have to be printed, posted and delivered; and three weeks is not a very long time for that to be done.

348. *Chairman*: You say the proposal after application must remain for two months?—Yes.

349. That is the statutory period, I think?—Yes, that is the statutory period.

350. Is that two calendar months?—Yes, it is two calendar months.

351. Then during that time objections may be received and the Board must meet again to consider the objections?—That is right. And of course the Board may not always find it convenient to meet; the date for objections may have expired; there may be a further week or a fortnight there.

352. When they have considered all the objections, they may fix the rate?—Yes.

353. Has that to be published?—No. They fix the rate and forward it, as fixed, to the Minister, and the next publication is the Notice of the Order made by the Minister confirming the rate, if he confirms it.

354. Is there any time occupied between the fixing of the rate and the confirming?—Yes. You are referring to a case where they have fixed the rate?

355. Yes. I want you to state it in detail.—In a case where they have fixed, the Minister has a month in which to decide whether he will confirm or refer back, and that month may be extended in special cases. The average time taken by the Minister is, I believe, about 16 days; but I should say that the Minister regards it as extremely important that he should have the full month, because it may well be that after the fixing stage a number of objections may still exist, and it is very important that he should still be able to hear any further things that may have to be said.

356. Has notice to be given of the fixing publicly?—There is no statutory notice, but there is an announcement sent to the Press that the Board has fixed the rate.

357. Otherwise people would not know that it was necessary to object.—The associations who form part of the Board would know, and very often if one side of the Board has objected to the fixing, it asks to be heard, or the constituent associations ask to be heard.

358. *Mr. Poulton*: Did I understand that in the case of the grocery trade every individual grocer has to be notified?—Yes, that is the provision of the Regulations.

† For documents handed in by the witness and annexed to his evidence, see page 59 and following pages.

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[Continued.]

359. *Mr. Layton*: What is the nature of these objections which come to the Minister? Are they some objections that have been turned down by the Board, or are they usually from people who have not read the notice, or are late?—No, very often they are the same people. The Minister principally gets objections where the one side or the other has been defeated on the Board, and when that side wishes to put the same points to the Minister which they failed to make good on the Board.

360. He is a sort of Appeal Court?—He is an Appeal Court at that particular moment.

361. Is there any tendency for people to prefer to put their objections to the Minister?—I do not think so.

362. *Chairman*: The Minister gets these objections, and he has to consider them?—That is so.

363. If they are serious, he may order an Inquiry, but you say that that has not been done?—If they are serious he has to decide it himself. The Inquiry I mentioned previously is in respect of objections to the setting up of a Board in the first instance, or to withdraw the Board from the scope of the Acts.

364. He has to decide himself?—Yes.

365. Supposing he thinks that the objection is serious, and is not prepared to confirm the rate, he refers it back?—Yes, that is his only power. He cannot vary the rate.

366. Then if he wants to vary the rate he cannot do it?—He cannot do it.

367. The thing must be taken over again, so to speak?—Yes, it must be taken over again. In one or two cases he has referred the rate back, and the Board, on reference back, have refused to reconsider their decision, and it has come back to him again in the original form, and he has then had to consider whether he can refer back a second time. But normally, if he refers rates back, the Board reconsider their decision, and generally make a change.

368. Can the Board make a change?—The position is that there is no specific statutory provision with regard to departures from the terms of proposals; all that the statute says is that notice must be given of the rate which is proposed. If a Board in fact make a substantial variation of the proposed rate it is held legally that that is not the originally proposed rate, and that notice has not been given, and fresh notice must be given, and it may therefore be necessary to go through the whole procedure of notice of proposal again.

369. To go through all the preliminary steps and to take two months again?—Yes. I have figures to show the length of time that normally elapses. Of course, you understand that the whole period has been reduced by the 1918 Act, as opposed to the 1909 Act, but in any case I have tables (see Annex I, Chapter V, Table B) analysing for the second half of 1920 and first half of 1921 the period that elapsed after the decision of a Board to issue proposals (which may have, of course, involved more meetings than one), before the rates came into operation. There is also another table (see Annex I, Chapter V, Table C) which shows the time that elapsed between the date of establishment of Boards and the date of entry into operation of their first rates. The average time that elapsed during the period in question between the decision to propose and the effective date of the rates, was twenty weeks. The longest period was 40 weeks and the least 15 weeks. That is the period under present procedure. The average time between the establishment of a Trade Board and the coming into operation of the first rates was, under the Act of 1909, 23½ months, the longest period being 29 months and the shortest 15 months. Under the Act of 1918, it is six months, the longest time being 10½ months and the least 15 weeks. It is only fair to explain, of course, that under the 1909 Act there was the provisional period of six months, when the rates were in limited operation only, which was laid down by that Act; that, of course, explains the much longer time. But in any event it is not necessarily a criticism of the Acts

or of the Boards to say that the first rate takes a long time to come into operation. It may be a trade which has never had a general rate before, and the Board may have to negotiate and to go into all sorts of new territory. It may be better that it should take a considerable time in fixing its first rate rather than that it should rush into any initial mistake. But if that is true about the first rate, it is not as easy to defend the period which is required for subsequent variations. After the first rates have been settled it is difficult to defend taking three or four months to alter a rate.

370. *Mr. Pugh*: I would like to pursue that point. Take perhaps an extreme case, but at any rate it deals with the machinery of the Board; take the grocery trade. I understand that it is open to any individual grocer throughout the country to raise an objection to a proposed rate or revision of rate?—That is right.

371. Are there equal facilities, so far as the workpeople are concerned who are employed by that particular grocer, and how would they express themselves?—I do not follow your question.

372. Supposing there was an objection on the other side by the workpeople employed by that particular grocer, what facilities have they for expressing their views?—First of all, the notice has to be posted by statute in every shop, and therefore every worker in every grocer's shop knows what the rate is. If he thinks it is too low he can do one of two things: he can either write direct to the Board, which he seldom does, or he can write to his union branch, and the objection would come from the local branch.

373. Is there a substantial measure of organisation in the grocery distributing trade?—No; that is one of the reasons why the Acts apply.

374. Is not there sufficient organisation for the organised body to be representative of the trade to an extent that would enable them to speak?—Certainly in parts, but there is a very large unorganised body.

375. What I am trying to get at is whether it is possible to make better arrangements to facilitate the procedure and to prevent this apparently unreasonable delay in coming to a decision?—I think it is possible to cut down the time considerably. I mean it would not be at all difficult.

376. *Lord Weir*: With regard to the variations?—Yes. I should like, if I may, to emphasise that point—the distinction between the first rate and the subsequent rates. I think if anybody looks at the history of his own trade, even a well-organised trade, he will remember that it is not a question of three months or six months; it is a question often of years before you get to your first rate. You have to consider that here you are imposing on an unorganised trade a new system entirely, and I suggest that if you take 18 months or two years even, that is not an exorbitant time for your first rate; but after that, if you once have the trade in a condition that it can make rates, the period of two years is too long. I can only say on that that it is largely at the door of the employers that that delay must be laid, because they put great pressure on the Minister of Labour who was passing the 1918 Act to keep the period as long as possible, and the reason for that was quite obvious. Prices were bumping up, and they wanted to have, quite reasonably, some security when they were making their contracts. I will put in some tables showing the time taken in every case of the fixing of a first rate. (See Annex I, Chapter V, Table C.)

377. And also of the varying?—Yes, I have complete tables. I think I should just like to press one point about the time that the Minister takes. I gave you the average time taken by the Minister; I think it is about 15 days.

378. *Mr. Layton*: You gave 29 months for the first rates under the 1909 Act?—Yes, that was the longest time, not the average.

379. What was the average?—23½ months.

380. And under the 1918 Act?—The average time is six months under the 1918 Act.

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381. The only difference which you mentioned in your evidence was that the six months' probationary period has disappeared?—Yes.

382. How do you account for the difference of 17 months, apart from the six months probationary period?—The thing was much newer then; the trades were much more unorganised; it was an experimental stage, and the Boards went deliberately much slower than they have done lately.

383. *Chairman*: Was not the length of notice cut down?—Yes, the length of notice was cut down, which makes a difference of a few months. I think the length of notice was three months, as opposed to two months.

384. *Mr. MacCallum Scott*: Did you not say that the average was 23½ months?—That was the period for the fixing of the first rate.

385. *Mr. Layton*: But there is a very considerable difference, even when allowance is made between the two?—There is.

386. To what do you attribute that—to the improved mechanism of the Act or to the difference in the economic conditions?—Clearly to the second, and to the fact that before the war people were more content to have wages alterations settled more slowly than they are after experience of war conditions.

387. *Dame Adelaide Anderson*: What was the limit before the war, the effective period for a first rate?—Do you mean the limit of the probationary period?

388. A rate may not be altered now, unless it has been in operation for a period of six months?—That provision is a new one entirely.

389. And there was no limit before?—There was no limit before. Perhaps I had better explain that provision to the Committee. Under the 1918 Act when a rate has been fixed and confirmed it cannot be altered for six months without the consent of the Minister. As a matter of fact, if I may say so, it is a power which is not used to the Minister at all, because when the proposal to alter is put to him he cannot know what the view of the trade is at that stage, because their objections have not been heard. Therefore, he is asked to decide the question before it has been actually submitted to the trade, and he has therefore no alternative but to give his consent.

390. *Mr. Poulton*: Do you mean by that attempts are made to alter regulations oftener than once in six months?—Very frequently; the position now arises, and we have had it in the last three or four months four or five times, that we get a rate from the Board, and accompanying the rate which is being fixed a request to the Minister that they may immediately proceed to reduce it at the same time.

391. *Chairman*: A request by the Board?—Yes, a request by the Board, and in nearly every case we have refused it.

392. *Mr. Poulton*: At the same time that they are setting it up?—Yes.

393. *Mr. Pugh*: How do you deal with frivolous applications?—That sounds frivolous, but it is not, because if you consider for a moment they are fixing the first rate. They see the cost of living tumbling about, and they say: "We want to get a datum line which will be fair to work upon under the Acts, but that datum line must not remain in existence for a long time because it may affect the trade prejudicially." Therefore, they say: "We will fix 8d. per hour, to take a figure, as a figure on which we will work, but for the immediate purposes of the moment, having regard to the cost of living, we will fix 7d."

394. *Mr. Poulton*: Is not that a recent development since there has been a sort of downward tendency?—Clearly, when things were going up—we never had a proposal to fix a rate and another one to increase it at the same time.

395. *Mr. Pugh*: May we take it that the workman did not seek changes in that way when the trade was going up?—I am not prepared to give a general answer.

396. *Mr. Poulton*: But that is the effect, is it not?—As a matter of fact, if you will look at the Trade Board rates, as I shall hope to show you later

on, you will see that they have not increased disproportionately to the increase in other trades, and that they have been reduced pretty equally with the reductions in other trades. In other words, the Trade Board has supplied the organisation to fix and reduce wages which exists by agreement in more fortunate trades.

397. *Mr. Layton*: Is it not also the fact that it is the minimum rate you are discussing?—Yes.

398. And that you may get the actual standard rate above the minimum time rate; you cannot get it below.—That is true.

399. *Mr. Poulton*: But as a matter of fact they have in many of these trades a standard rate; that is understood.—I am not prepared to answer that, because I am afraid I do not know what a standard rate is.

400. In other words, the Trade Board set the minimum rate?—That is what they are supposed to do by the Acts. There is only this much more to be said on this point, that what I have said now is what the Minister knows what the Boards do. Naturally, the Minister's officers are not present at the meetings of the Board. It is true that the Minister supplies a Secretary or Secretaries for the Boards according to statute, but in so far as they act as Secretaries of the Boards they are the officers of the Boards and responsible to the Boards and not to the Minister. If the Committee would like, I can read to them a statement which the Secretary of the Boards has supplied to me, showing what the Appointed Members do during the meetings of the Boards, and what the Secretary does. I do not know whether you would like to have that from the Boards themselves or not. I mean this is not first-hand; it is second-hand; it has been supplied to me by the Secretary of the Boards who is an officer in my department, but in this particular regard is under the orders of the Boards.

401. *Chairman*: I think we should like to have it unless the Boards would object.—I do not think so. It is not controversial in the slightest degree.

402. *Mr. Pugh*: Is it intended to put in any witnesses who are Secretaries of Boards, or are you going to cover the whole ground?—I am going to cover the whole ground as far as the department knows it, and I have a full statement from the Secretary of the Boards setting out what his work is. He is required to tell me that as my officer. On the other hand, he is not required to tell me, and it is not right that he should, any private concerns of the Boards; that would be for the Boards to tell the Committee in such a way as they thought fit.

403. *Chairman*: Is it a perfectly general statement?—Yes, it is perfectly general.

404. I think we should like to have it.—Before I come to that, I should like to explain that there are two methods of voting on the Boards: one is one man one vote; that is to say, each member on both sides has a vote.

405. *Mr. Poulton*: Supposing there are unequal numbers, then one drops out?—Yes, there is a provision by which, if there are unequal numbers present on the two sides, the Chairman may invite the preponderating members of the side to withdraw, and if that is found to be impossible the Chairman may adjourn the meeting. On the Ready-made Tailoring Trade Board a method of side voting has been adopted; that is to say, each side has one vote. The object of that originally was to prevent divergent interests on either side, as it were, giving away the position to the other side. I do not think that is an unfair way of putting it. It is a system which the Minister does not like at all.

406. It is a block vote?—Yes, it is a block vote, and he has taken the view that any Association on either side of the Board should be entitled to its vote, and should be able to record its vote by voting, and not merely by speeches. There was one Board under the old system, the old Tailoring Trade Board, which had this voting system, and when that was dissolved and made into two Boards the Minister

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was strongly pressed by both sides of the Board for the ready-made tailoring trade with equal vigour to allow the principle of side voting to continue on the reconstituted Board, and in the circumstances he said he was prepared to do that, but it was not to be regarded as a precedent.

407. *Chairman*: It seems a pity to have side voting, because it drives a member to take a party view.—Not only that, but if there is a divergent interest on either side the majority can always submerge the minority. As to the actual procedure, I have told you that the Acts provide for a Chairman and Appointed Members, and I have told you that the function of the Appointed Members is largely the following: first, to bring the two sides together by conciliation, to see that the facts on both sides are properly placed before the Board, and, in the last resort, to cast their votes according to the facts elicited in the course of discussion. The Appointed Members do not belong to either side, but they each of them possess a vote—not a casting vote, but just an ordinary vote like any other member of the Board, and if they care they can vote on opposite sides. As a matter of fact, in almost every case they vote together.

408. *Mr. Poulton*: Have they ever had a block vote?—Yes, I think so. Then you come to the question of the Secretaries, and later on in my evidence I shall have to discuss the position of the Secretary, because it clearly is a difficult position for any officer to have two masters, and such is the present position of the Secretary. But all I wanted to do here was to set out definitely what the Secretary tells me he does on the Boards, not under my instructions, but under the instructions of the Boards. As a matter of history, from 1909 to 1919 there was a single Secretary to all the Trade Boards; since that date there has been a separate Secretary appointed for the Irish Trade Boards. These officers have always been full-time officers. In 1919, in view of the increase in the number of Trade Boards, in addition to a Secretary and Deputy Secretary, the Treasury authorised on a sliding scale a number of additional secretaries and assistant secretaries, so many to each ten Boards. There is no statutory definition of the duties of the Secretary. In practice, the functions of the Secretary include the work of arranging for and summoning meetings of the Boards and Committees, preparing the agenda and other papers for the meetings, attending the meetings and taking notes of the proceedings, drafting and circulating the minutes, drafting and issuing notices proposing and fixing minimum rates, issuing communications as to the Boards' proceedings to the Press, dealing with correspondence, the periodical amendment of the list of employers and issue of permits of exemption, the issue of learners' certificates, the registration of apprentices. As regards the more important matters, such as the issue of notices relating to minimum rates, the procedure in respect of which is prescribed in the Acts, the Secretary receives formal instructions by resolution of the Boards or Committees. As regards the other matters including the great bulk of the correspondence, the Secretary receives no detailed instructions from the Boards. It is the practice of the Secretary, in so far as he is able, to advise the Boards as to their powers under the Acts, and any other legal questions arising. He is at the disposal of the Boards, or of any section of the Boards, for advice and assistance when called upon, and he endeavours to keep the Boards right in the matter of procedure, and to suggest methods whereby effect can be given to their intentions. He frequently suggests, from his experience on other Boards, methods of overcoming difficulties which arise in the course of proceedings. He is especially at the disposal of the Chairman for any assistance which he can give throughout the negotiations. Thus, on most of the Boards the Secretary is something more than a mere clerk recording decisions, and takes a greater or lesser share in shaping the form of the

notice in which the policy of the Boards is ultimately embodied. That is a statement by the Secretary of what he in fact does.

409. *Mr. Poulton*: There is nothing in that to indicate under whom he acts. Does he act under the authority of the Chairman when the Board is not sitting, or does he do the work which he considers right?—In fact technically he is under the authority of the Chairman; in actual practice the Boards instruct him, and give him a sort of general commission to act on their behalf in a large number of minor matters, notably in dealing with correspondence, learners' certificates, and so on. If he is in doubt, he can refer to the Chairman; if the Chairman is in doubt, he can refer to what I called yesterday the Administrative Committee, which is the general purposes committee of the Board.

410. *Mr. Pugh*: I do not know whether this is the right place to raise the question of the Report of the Trade Boards Administration Committee, but I rather think the witness proposes to deal with that report later?—I do.

411. I would remind you that a very definite question was raised in the Report of that Committee.—That is so. If it would not be inconvenient to you, I would rather take it later. I will if I may return to the question of the procedure of Boards. Anybody who has seen an ordinary joint body making a wage settlement, or arriving at a wage agreement, knows exactly how these Boards work. There is no difference, though the Trade Boards' rates are compulsory, except in this respect, that as the three appointed members may solve a deadlock by their votes, naturally their views command considerable attention on both sides. But otherwise there is the ordinary backwards and forwards negotiation.

412. You say there is the ordinary backwards and forwards negotiation. Does that mean that you have the position raised on the Trade Boards where the parties may be separated and the appointed members act as a sort of medium of negotiation between the two sides?—Yes.

413. The whole procedure is not necessarily carried out round the table?—Not at all. To take a specific case, it may have been proposed by one side or the other that a rate should be fixed on a national basis. Both sides accept that national basis. Then the national basis is proposed, and perhaps somebody on the employers' side proposes 6d., and someone on the workers' side proposes 9d., just taking those figures for the purposes of illustration. Speeches are made on both sides which indicate no possibility of a settlement. Then perhaps one of the employers suggests that he will go to 7d. The workers then withdraw to consider the 7d. The employers on their side withdraw to their room. The appointed members may be considering by themselves, what they think would be a fair rate; perhaps they say: "Well, 7½d. will be fair". Then they may go to the workers' side and say: "We think that 7½d. will not be a bad rate". The workers say: "No, we think it is too low; we say 8d.". Then the Appointed Members might go back to the employers and say: "What do you think of 8d.?", and if the employers do not convince the appointed members, then the appointed members can say: "Well, we think it should be 8d., and if you cannot make an agreement we shall vote for 8d.". Then the employers will say: "We will agree to 8d. if you can persuade the workers that 9d. is too high", or they may say that it is too high, and then of course they have their remedy.

414. Then might we take it that appointed members are essential to Trade Boards as a mediating factor; because if so, why should there be that difference between the exercise of the functions of similar Wages Boards in other trades and the exercise of the functions of Trade Boards? Is it because there is not the same relationship, or the same traditions?—No, because there is not the compulsory element. These wages are compulsory, and everybody has to pay them, whether they like them or not.

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415. *Mr. Poulton*: I did not quite follow where the Chairman came in.—I was saying of the appointed members, that they generally act together. Perhaps they divide; the Chairman has a discussion on the one side, and two of the appointed members on the other, and then they meet and compare views.

416. *Chairman*: The Chairman is the principal appointed member?—Yes, he is an appointed member; the term "appointed member" covers the Chairman.

417. *Mr. Layton*: Is it reported to you whether the decision is arrived at by the votes of the appointed members or otherwise?—Always.

418. Is that often the case?—I have an account of the number of cases in which it has been arrived at by agreement. In a number of cases a decision has been arrived at by the votes of the appointed members. The vast majority of rates are settled by agreement. I will find the figures presently and give them to you. (See Annex I, Chapter V, Table A.) It is only lately that the proportion of decisions by appointed members has increased, owing to the greater difficulties.

419. *Chairman*: A decision which is reported to you by agreement may really have been brought about by the intimation of the appointed members as to how they would vote?—Constantly, and we have had cases in which the workers or employers have said to us: "It is quite unfair to describe this as an agreement; we only did it by force majeure because we knew we should be beaten." But on the whole that is not a frequent allegation, although we had it in the case of the Grocery Board.

420. It has frequently happened that the intimation by the appointed members of their opinion, would lead to what on the face of it was an agreement, but it was really a forced agreement?—I think that very often does happen, but it does not often rankle with either one or the other of the parties.

421. *Mr. Pugh*: The appointed members really represent an internal arbitration court between the two parties?—Not quite arbitration, because their principal function is to attempt to get the parties to agree.

422. *Chairman*: Arbitrators do that?—Very often it happens that they have not to do anything; I mean, you get cases where parties agree without any intervention at all by the appointed members. It is not always, as the Chairman suggests, that there is a hint from the appointed member. On the Tailoring Board we had a curious position; the employers and workers made an agreement outside the Board; the Unions and the principal Employers' Associations brought it to the Board for registration, and the appointed members heard nothing about it till the sides arrived with a duly signed and delivered agreement. We were rather shocked by that, and said we were not clear that there was any reason for the continued existence of the Board, if they could make their agreements outside.

423. I was just wondering whether the fact that the decisions are compulsory is sufficient justification for the existence of your appointed members. I do not want in any way to depreciate their services, but I just want to get at what is their special function and the grounds for their existence on the Boards. You speak about the thing being compulsory. It is true that you can get a legal decision upon it, but if we take the ordinary Wages Boards the decisions are equally compulsory; nobody there would refuse to carry out the agreement. That is broadly so, is it not?—I was going to argue this point generally later from the point of view of the public interest—the interest of the consumer—but putting it here, the main point that I would say in answer to you at this moment is that it is a compulsory body, and there is only one way of preventing a deadlock on a compulsory body, and that is to have an intermediate party. Voluntary negotiations may break down; there is no statutory compulsion behind. But here the object of the Acts is to protect the workers and to get a rate

for the workers. If there are no means of solving the deadlock, then the rate for the workers may never come, unless you have an intermediate body.

424. *Mr. MacCallum Scott*: You would never get a decision?—You would never get a decision, and if the Acts insist that you shall get a rate for the workers, you must have somebody there who can try to bring the parties together.

425. *Mr. Pugh*: I do not say that the appointed members are not necessary; I would rather put it that their existence is necessary?—I do not know whether the Chairman would prefer me to develop the argument now, or whether I should defer it; I would rather defer it myself.

Chairman: It is a very important point, and I think we should like you to deal with it.

426. *Mr. Layton*: Have the objections of either side ever reached the length of a trade dispute?—No. I do not think I know of a single instance of a trade dispute in the sense of either a lock-out or a strike resulting from a decision of a Board. On the other hand, you have something tantamount to a strike, in that we have had in a number of cases one side or another withdrawing from the Board as a protest against a decision.

427. In that case the decision stands?—Yes, the decision stands. I mean as long as there is a sufficient number of representative members and appointed members, the action of the Board is not invalidated by the withdrawal of one side or another.

428. *Chairman*: Although you do not know of a lock-out, do you know of any case where an employer has said: This rate is too high for me to pay; I cannot continue my business if it is enforced?—We have often had the allegation made, and later in my evidence I will give you the cases which we have investigated in which the allegation has not been borne out.

429. I should very much like to have that information.—I do not wish you to suppose that because I say our investigations have never borne out the allegation such results have not followed from the imposition of minimum rates, but in a number of cases which have been brought to our notice the investigations have not brought such results to light.

430. *Chairman*: Will you now go to the next point?—The next point is the confirming power of the Minister. I have already told you that the Minister cannot alter a rate submitted to him by a Board. I cannot insist too often that the rate is proposed and fixed by a joint body of employers and employed, and is not settled by a Minister or a bureaucracy. It is a trade act, decided by representative persons in the trade. The only business of the Minister is to consider the rates as fixed by the trade and to decide whether he will give them the force of law or refer them back to the Board for further consideration. He has a considerable discretion in that matter. The grounds on which he refers rates back are three: there are cases in which the procedure of the Board, or the actual Notice, is in itself *ultra vires*; it is technically incorrect, and the Minister cannot confirm it, even if he wishes to. We had a curious case of that sort which was not perhaps quite an *ultra vires* case; that is a case where the Grocery Trade Board considerably altered the terms of their Notice of Proposal at the fixing stage, and demanded that the rates should be confirmed as a whole. They left about seven-eighths of their proposals unchanged, and materially altered the other eighth, and they said: "We want the whole of these rates confirmed." The Minister said: "It is improper to confirm the one-eighth, because you have so radically altered it." The Minister said that he was not prepared to agree to the one-eighth being confirmed, therefore he had to refer all the rates back as *ultra vires*. Secondly, there are cases in which, although the procedure is technically correct, the Minister is not satisfied that sufficient weight has been given to the views of a minority of the trade, either on or off the Board; and finally there are

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the cases which have been more frequent lately than ever before, in which the Minister refers the matter back to the Board in order to be perfectly sure that no hardship would be caused to the general community, or to the persons employed in the trade, by reason of the fixing of the rate.

431. *Mr. Poulton*: On that second point, how is the Minister apprised of the injustice that certain people claim? Is notification sent to the Board, or is it sent to the Minister, or is it sent from the Board to the Minister?—During the proposal period, if objections come to the Minister he simply sends them on to the Board; he takes no official notice of them at that stage. But after the period of notice is over, and after the Board have fixed the rate, then the same persons who objected to the Board may object to the Minister, and may say that their objections have not been sufficiently considered by the Board. In that case the Minister has to hear them.

432. In that case the Minister acts as a sort of appeal from the decision of the Board?—Yes, in the sense that he weighs the evidence further than the Board has weighed it, if he thinks that necessary. I have a complete list of all the cases in which rates have been referred back since 1920. I do not know the exact number, but it is not very numerous. There only seem to be 12 cases of reference back since 1920, and in each case I have set out the reason for the reference back.

433. *Chairman*: Will you annex that to your statement?—I will hand that in. (See Annex I, Chapter VI, Table A.) I shall deal with it a little further, if I may, when I come to the Minister's powers, under Part II of my evidence, because there are certain controversial questions which arise on his powers in respect of the confirmation of rates.

434. *Chairman*: Then you were going to deal with enforcement and inspection?—If I may, I will just read the actual statutory provisions as to the sanctions provided by the Acts. Payment of the minimum rates may be enforced by criminal proceedings. Any person who fails to pay wages at not less than the minimum rate is liable on summary conviction to a fine of £20 and £5 a day for each day on which the offence is continued after conviction. The Court may, in convicting, order the payment of arrears. The Acts place upon the defendant the onus of proving that he has not paid wages at less than the minimum rate. Civil proceedings can be taken by an aggrieved worker for recovery of the sums due. These sanctions also cover (a) breach of the conditions upon which a permit of exemption has been issued; (b) failure to register apprentices or learners; (c) failure to give effective instruction to a learner or to comply with other conditions laid down by a Trade Board. In these three cases failure to comply with the conditions under which alone the lower rate for these special classes is payable means that the employer is liable to proceedings for non-payment of the ordinary rate, i.e., usually the ordinary rate for adults. Other incidental obligations on employers, which are enforceable, are as follows:—(a) Deductions from wages, even deductions which would be lawful under the Trade Boards Acts, are forbidden if they bring the rate below the legal minimum. The only exception is for deductions under the Insurance Acts or similar Acts. (b) "Contracting-out" is forbidden, and any agreement for the payment of wages in contravention of the provisions of the Acts is null and void. (c) No premium can be received in respect of an apprentice or learner except a premium under an instrument of apprenticeship. Then there are certain other minor provisions in respect of which proceedings can also be taken.

The Acts lay on the Minister the duty of prosecuting although in certain circumstances the Boards themselves may prosecute. In fact, throughout the history of the Boards I do not think there has been a single case in which a prosecution has actually been initiated by a Board. The Minister has to appoint inspectors for this purpose, and the work

of inspection divides itself into four main heads: the first is the ordinary non-compliance inspection, that is to say, inspection either on complaint or by routine to see that the Acts are in fact being observed. Clearly, when you consider the number of workpeople covered, and the number of inspectors available, it becomes obvious at once that 100 per cent. inspection is entirely out of the question. We have at the present moment some 3,000,000 workpeople covered by the Act, and we have at the moment not quite 33 full-time inspectors for the purpose. You will therefore see that on that basis we are not likely to do more than a 2 per cent. inspection throughout the year. But I do not want to suggest to the Committee that 100 per cent. inspection is right, nor that it is claimed by anybody. When you first inspect a new trade which is not accustomed to the Acts, you have to have a pretty thorough inspection in order to instruct the trade rather than to bring criminal proceedings. But when once the trade is familiar with the Acts, it is true to say that with very minor exceptions the employers tend to observe the Acts. In trades like the chain-making trade and hollow-ware trade, inspection is very infrequent and not very necessary, because you hardly ever come on any evasion except through a *bona fide* mistake. In the new trades the position is quite different, and on some occasions, in one or two of the trades to which I will refer, there is widespread and wholesale evasion which was due to the belief, with which we did not altogether disagree, that the rate fixed was too high and the trade could not pay it. I will mention them later, but there actually was a case where we did not enforce the rate because we felt that they had been fixed too high.

435. *Mr. Pugh*: On that point did the department decide that, or did they give their reasons and refer the matter back to the Trade Board?—Yes, we did. I went myself and explained to the Board. I appeared before the Board and told them quite frankly that evasion was very widespread; that it was something like 60 or 70 per cent. in the case of the learners' rates; that we were convinced that if we enforced them, unemployment would result, and in the circumstances we thought the Board might be prepared to reconsider the rates; and in fact they did; they reduced the rates considerably.

436. *Chairman*: It took them some time?—Yes, it took them some time, but in the meantime no great harm was being done, because the rates were not being paid.

437. But the law was being broken?—Yes, the law was being broken, and that put us in a difficult position. The Trade Board said: "Are you going to say to us that you will connive at a breach of the law?" I said: "Not at all, I am simply stating the facts and telling you what the position will be if I do advise my Minister to proceed further." I think the situation was met in a common-sense way by the Board themselves when they decided that they would prefer to reduce their rates.

438. *Mr. Pugh*: Surely that would be a very difficult position. You have representative people on both sides of the trade, employers and workpeople, meeting together with other persons who have experience of Trade Board matters, and they come to a conclusion, and after the thing has been decided it is found that it is altogether unsuitable for the Trade. Is there not some explanation for that? Did some new condition arise after the fixing of the rate which made it entirely unsuitable, or was that condition in existence when the rate was actually fixed?—I will give you the case; it was the Dressmaking trade, and the main trouble arose on the learners' rate. The Board had fixed that at 9s. in the country districts. No rate had ever been paid to learners at all at that age, or, if anything, only 2s. or 3s. per week. Many of the employers in country districts, when visited by our inspectors, said that they were not paying the rate. They were asked why, and they said they had not heard that the Trade Board's rates applied to them. When the

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notice was exhibited to them they said: "Well, if we pay this, we shall have to discharge our workpeople." We know perfectly well that sometimes some employers are less scrupulous than others about that sort of thing, when new legislation comes in. The people who were making these enquiries were not inexperienced; they were our most experienced inspectors, and they were convinced that this was not evasion, but that it was true. So we had a complete series of reports brought to us, and it then appeared that in the retail section of the dressmaking trade in 60 or 70 per cent. of the cases investigated the flat rate fixed for adults was being generally observed, but there was more widespread evasion in respect of young workers. We thought at the time that the Board had perhaps allowed itself to be too much guided by London conditions, and might perhaps have not attached sufficient weight to country conditions, and that perhaps as London was very strongly represented on the Board it might to a certain extent have overshadowed local conditions. On the Board the workers' side were particularly interested in factory conditions and much less interested in conditions in the small rural areas, and they themselves were not indisposed to think that in the country the treatment might be rather different; and when we put it to them that £s. was too high they said that they themselves had been considering the matter, and in fact they reduced it to 6s. That reduction was not based on the cost of living; it was simply, I think, the view of the Board that the original rate had been fixed too high. I like to give that case, because that and another are the only cases in which our inspectors have found any evidence whatever to show that Trade Board rates would, if enforced, have caused unemployment.

439. *Mr. Poulton*: That was in the case of learners?—There was in the case of the learners. There was another rather technical point in the case of the fully qualified bodice hands, where the Board had fixed 10½d. per hour as the rate, and they had intended it by the definition to apply to a person in a London workroom who does the fully skilled work. In fact, by the terms of the definition it applied to the ordinary hand employed by the village dressmaker. That was clearly a mistake; the Board had never intended it, and they were surprised when it was reported to them that that was the effect, and they amended the definition to make it clear that they had never meant it.

440. *Chairman*: What was the other case which you had in mind?—The hat, cap, and millinery trade. They were two of the clothing trade Boards, who both had fixed the same rates for learners. The Boards were very closely allied, and they had both in our view perhaps under-estimated the difficulties of the country dressmaker. As I have given some prominence to this particular case I am quite sure that the Boards themselves would wish to explain to you why they took the action, and probably why they took the view that we should have enforced it. I do not put this in a partisan way. We may have been wrong, but that was our view; we thought that the rate was too high, and we did not enforce it.

441. The other instance where you did not enforce it was in the hat, cap, and millinery trade?—Yes. In the same way we found there was great evasion in the case of learners there.

442. *Dame Adelaide Anderson*: That did in fact arise through different causes in those cases; in the first case the country village dressmakers had not been adequately represented on the Board?—We felt perhaps that they had not. We felt that it was very difficult to give them adequate representation, because the bulk of the employees were with the big people.

443. And they did not in fact know that they were called upon to pay these rates?—Very often not. That is one of our difficulties. Somebody asked me, "Have we to send notices to 150,000 grocers?" and I said, "Yes, the regulations provide for that." If a person has not actually had a notice notifying him of the rates applicable to workers at his establish-

ment it is difficult to secure payment of the rates. Of course I know that ignorance of the law is no defence, but it does influence the mind of the Court, at any rate, if you can say that you had never heard of the rates.

444. *Lord Weir*: Was that done under the old Act also?—Yes.

445. There was the same provision?—Yes, the same provision.

446. *Mr. Pugh*: I suppose what we shall get to know—if evidence is to be tendered by these Boards—is how there appears to have been an admitted mistake?—Yes.

447. And what was the difficulty in obtaining information or getting representation which prevented the Board from taking into account the whole of the factors before coming to a decision; that seems to me to be the interesting point?—Yes.

448. Because if you are going to have difficulty of this kind it rather tends to undermine Boards, does it not?—Yes. I said quite definitely that though our inspection is limited in number, yet it covered a very wide field, and these are the only two cases in which we can see that that sort of effect has been produced; and I am perfectly sure that the Boards will give you a very good reason, much better than I have given, for having done it; but I confess that it did not convince me at the time. The first business of our inspectors, therefore, is on complaint to inspect or to take a district and go through that as thoroughly as they can. The difficulties of inspectors are, of course, enormously increased when they have to deal with general minimum piece-rates, or any difficult piece-work trade. In the case of time-work the inspector's duty is very simple; he looks at the wages books, and if the worker is getting the rate, that settles it; if he is not, then the employer has got to make it up; but where it is a piece-rate case, then the question immediately arises whether the price fixed for the job is the sort of price which would have given the ordinary worker the necessary rate, and that involves definite knowledge on the part of the inspector of perhaps a dozen processes, and in a trade like the tailoring trade, where they have what they call log rates, you may have I do not know how many series of log rates, and the inspector has not only got to know all the log rates, but to compare one with another.

449. *Chairman*: He does not go everywhere, I suppose; he just picks out one or two places?—Yes; we have done it particularly on complaint. The trade unions or individual workers complain to us, and then we inspect. The second branch of inspection is special inquiry. If a Trade Board, for example, wishes to fix general minimum piece-rates, it often asks us to send inspectors round to inquire into the conditions obtaining throughout the trade in order to make a piece-list. That may take as long as six months, because any piece-list, as anybody who has drawn one up will know, is not easy to make, and when it is the first one in an unorganised trade it is overwhelmingly difficult. As I say—only a few trades have fixed general minimum piece-rates.

450. *Lord Weir*: I suppose the inspectors have to help the Board by getting the information prior to settling?—Yes, that is right.

451. Is it not done solely by the employers and workers?—No. It will very often happen that there are a lot of establishments which may have peculiar methods which employers on the Board may not know about; and you will understand that it is naturally not every employer's wish that all the other employers should know his processes. Our inspectors inspect in cases of applications for permits of exemption. That, as I told you yesterday, we were trying to get out of; we felt that with the limited staff which we had it was better that that should be done by the Boards themselves. That is a case where an employer says that a worker is either infirm, or owing to injury is unable to earn the rate, and if that can be proved he can have a permit of exemption to say that he is incapable of earning the rate.

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452. *Chairman*: Does an inspector see the man then?—Yes, and sees the employer, and, if necessary, examines the medical certificate; but it is so obvious and so practical a thing that it could be just as well done, if they had the time, by the members of the Board. Finally, our inspectors have to a certain extent appeared in Court and conducted proceedings—criminal proceedings—where the cases were comparatively simple. That has been rather altered now, and we are represented in nearly every case by either a solicitor or counsel. That is largely due to the fact that lately the cases have become rather more vigorously contested on the other side, and it has been not quite fair to send a person without legal training to meet King's Counsel, for example, as they might have had to do in certain cases lately. Therefore that particular part of their work has rather declined.

453. *Dame Adelaide Anderson*: It adds to the expense of administration, I suppose?—No, not necessarily, because we are not generally represented by outside Counsel; we are represented by members of our Solicitor's staff. Of course, if we have to take in Counsel that does add to the expense, but obviously we cannot dictate that. If the other side produces Counsel we are rather bound to follow their lead.

454. Of course in other Departments the inspectors do meet Counsel?—Yes, I know, and our people have done so in the past, but when the thing has reached the stage which it reached, for instance, in the Portsmouth case, it is necessary that we should be adequately represented.

455. *Mr. Pugh*: On this matter of legal proceedings, you say that the Boards may initiate prosecutions, but they do not. What procedure would be necessary for a Board to initiate prosecutions? Would they not still have to come to you?—Yes, they would have to come to us to get the money to do it. They have no money to spend. They have to get our consent.

456. If they were taking up the matter, what would be the procedure? Would you simply foot the bill?—We should foot the bill provided we were satisfied that it was a case in which action could properly be taken.

457. Then either they would utilise the Department's Solicitor, or have to employ their own?—Certainly. If a case ever happened in which the Board itself insisted on taking a prosecution, and we were satisfied that there was a proper case, and they applied to us to let our Solicitor act, I do not think we should have any difficulty, but what in fact is much more likely to be the case is that when we decided that it was not a suitable case for prosecution the Board would think that it was, and in that case, if there is a difference of opinion, we might in any event not be prepared to foot the bill.

458. *Mr. Poulton*: Supposing the workmen's representatives were satisfied that it was a very glaring case, have they authority if they think well to take the case themselves straight away?—No.

459. I mean assuming, of course, that they are prepared to pay?—I think as common informers, yes. They cannot appear, and they have no locus otherwise, but they could appear as common informers, I think.

460. *Chairman*: Is that the right term? Any member of the public can prosecute?—I am using an improper term, but I mean they could not appear as—

461. They could as members of the public?—As members of the public. That is what I mean.

462. *Mr. Poulton*: Could not a trade union as such prosecute on behalf of its member independently of the Board, or of the Ministry, if it paid its own expenses?—No, it has not got the locus. That is one of the points which have been suggested—that a trade union should be given that power, but they do not possess it at present.

463. *Chairman*: Could not any individual prosecute?—Yes, an individual could.

464. A trade union could put up an individual to prosecute?—They could pay the expenses of an individual.

465. If they were willing to run the risk of expense, they could always prosecute?—But I understood the question to be that the Trade Union could not themselves prosecute as a trade union. That was the question which you asked, was it not, Mr. Poulton?

466. *Mr. Poulton*: Yes. They could put up one of the trade union members?—Yes. For example, there is a case in which your own Union is interested and in which you have been pressing us for some months to prosecute, and we have refused resolutely, because you are wrong, if I may say so.

467. It is the Trade Board that is doing it.—We have suggested to you again and again that if the case is to go further there is no reason why you should not let the individual man prosecute, and you could pay for it, but it has been put to us definitely that there is a case for giving the trade unions as such the right to take proceedings, and that is a matter which the Committee may care to consider. There is another small point which arises on legal proceedings, which is rather a small technical one. It is this, that you have as well as criminal proceedings civil proceedings, that is to say that you can either go to the County Court or to the Magistrate, but the Minister can only take civil proceedings if it is not open to him in any case to take criminal proceedings.

468. *Chairman*: How can the Minister go to the County Court at all?—The Minister thinks he can. There is a doubt whether he can.

469. Surely the civil right is the right of the person employed to recover his wages?—No, the Minister can definitely take civil proceedings. He has that power.

470. There is something in the Act, is there?—It is a power conferred specifically. It is not, of course, a common law power. It comes in Section 9, Sub-section (2), of the Act of 1918: "The Minister may, if it appears expedient so to do by reason of the refusal or neglect of the worker to take the necessary proceedings, on behalf of and in the name of the worker institute civil proceedings before any court."

471. He does it in the man's name?—Yes, in his name. Of course there is the case where the Minister has gone to the Criminal Court to ask for a conviction, and the Court, which has power both to fine and to award arrears, may have done the first and not the second, and then it is a question whether the Minister, if the worker still wishes to claim arrears and refuses to do so on his own behalf, has the power to go to the County Court to claim arrears; and I think that he has that power.

472. It is not a very frequent case?—No. We happen to have a case just at present, but it is not a very frequent one.

473. *Dame Adelaide Anderson*: Is not a complete statement published of the proceedings in the different cases—of all the prosecutions taken since the beginning?—I do not think so. I have never seen one. There have been summaries of all the recent cases in the Trade Boards Gazette. I do not know whether the Committee has had copies of that. If not, we can circulate it.

474. I have had a copy. I wondered whether they were all set out, or whether those are only sample cases?—No, those are all the cases taken recently. The number of prosecutions under the Acts has been extremely small.

475. *Lord Weir*: Are you giving us some information about that? Have you any figures?—I have not the numbers; I do not carry the figures in my head, but I think that during the last year, 1920, there were about 10 prosecutions, and there have been about 16 or 18 so far this year.

476. Could you give us a return?—I will give you a return.

477. *Dame Adelaide Anderson*: Some of the cases will be extremely interesting, I am sure?—You will

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understand that the vast majority of the work is done by way of writing to the employer and asking for arrears, and in perhaps 99 cases out of 100—I will not say 99, but 90 cases out of 100—a letter is sufficient to elicit the arrears.

478. *Chairman:* You might give us a list of the actual proceedings?—If I can get that I will. (See Annex I, Chapter VII, Table A.)

479. What is your next heading of evidence?—The next heading is the relations between the Minister of Labour and the Trade Boards, and if I may I would rather like to make this purely historical, and then to take the controversial points in the second part, if it is equally agreeable to the Committee. The respective functions of the Minister and the Trade Boards are these. The Minister's powers are to apply the Acts to the various trades, to amend the Special Orders where experience shows that they require amendment, the periodical reconstitution of the Trade Boards in accordance with the regulations, to set up District Committees in cases where a Trade Board has decided to establish such committees, and the consideration of minimum rates with a view to either confirmation or reference back. These are the statutory duties of the Minister. The statutory duties of a Trade Board are: fixing, varying and cancelling rates, registration of apprentices, granting certificates to learners and permits of exemption to workers who are incapable, by reason of infirmity or physical injury, of earning the minimum rates, and making recommendations to Government Departments relating to industrial conditions in their trade. Then you have got the disputed territory of prosecution and demarcation. The power to prosecute has always been exercised by the Minister of Labour and by the President of the Board of Trade, who was responsible before the Minister; and as a result of the exercise of the prosecuting power the Minister has felt it incumbent upon him to give advice as to whether individuals were covered or not by the Boards, because if he were to prosecute it is obvious that he must know in advance whether he thinks that a person is covered or not; he would not be prepared to prosecute an employer for not paying the wages when he did not think that the wages were due. Those are the powers.

480. What about inspection; is that one of his powers?—The inspection is the Minister's power as part of the enforcement. The actual history of what has happened as between the Minister and the Boards is as follows: The Acts empower the Minister to appoint a Chairman and Secretary to a Board. There is no provision in the Acts for a Chairman of Trade Boards or a Secretary of Trade Boards; but as a matter of fact under the 1909 Act with the original four Boards the Board of Trade appointed a single Chairman, and appointed a Secretary who was also a whole-time official, as Secretary of the four Boards. There were only four Boards and as was pointed out earlier in the proceedings they were extremely deliberate in their actions, and therefore, there really was not enough to keep the Chairman occupied whole time in dealing merely with the duties which properly fell to him as Chairman of the Boards, and therefore an arrangement was made, I think in 1912, by the Board of Trade, by which the Chairman was asked to make himself responsible as an officer of the Board of Trade, and not as Chairman of the Boards—and that is where the difficult duplication of functions started—for inspection and for prosecution, and he therefore, from that time had a dual capacity: so far as inspection and prosecution were concerned he was under the authority of the Board of Trade, and he made his recommendations to the Board of Trade, but so far as his duties of fixing and settling rates were concerned he was the Chairman of the Board. Naturally it was very difficult as time went on to distinguish those two personalities; I do not think the Chairman himself was able very clearly to distinguish them, and it is perfectly certain that the Boards did not distinguish them.

481. *Mr. Layton:* Was there not also a Department of the Board of Trade which dealt with the confirmation of rates?—Yes, there was.

482. That was separate?—That was separate.

483. He did not hold that office?—No, he did not do that. That power has always remained in the Board of Trade, and there was never a prosecution, for example, initiated by the Chairman; he merely submitted recommendations to the Board of Trade, and in that respect he acted simply as the Board of Trade's officer, and not as Chairman of the Boards.

484. *Chairman:* He ran the inspection, did he?—He ran the inspection.

485. From the Trade Boards office?—Yes. I think it was in Chancery Lane at that time. Obviously, as part of his functions, as Chairman of the Boards when he was in doubt either on a question of demarcation or a question of prosecution he consulted the appropriate Administrative Committee, and in that way quite properly and rightly the Boards were brought fully into the administrative machine; and it worked very satisfactorily as far as we can judge, looking back at it now. I am afraid that I was not concerned with the Boards at that time, but at any rate on the records it looks as though it worked very satisfactorily; but the number of Boards was limited, and the amount of work was extremely limited. There were two Chairmen appointed in turn as whole-time Chairmen, and on the death of the second, Mr. Aves, in 1917, it was decided that the time for having a single Chairman had passed. At that time I think there were 8 British Boards—four additional Boards had been added by Provisional Order procedure—and 5 Irish Boards, and in the *Labour Gazette* of July, 1918, the following announcement was made: "Mr. Aves was Chairman of all the Trade Boards, but the Minister has decided, after very careful consideration of the whole position, that it would not be advisable to appoint a whole-time Chairman to succeed Mr. Aves, and he has therefore, determined that in future each board or group of boards shall have a separate Chairman, and he believes that this will promote a sense of greater independence on the part of the Boards." In these circumstances, of course, you could not maintain the old position by which the Chairman directed the inspectorate and dealt with demarcation questions, because clearly as soon as there was more than one Chairman there was no single head left to the inspectorate; therefore at first there was an interim arrangement made by which the Chief Secretary of the Boards (who was also a non-statutory creation but created as a result of convenience), was made what was called Chief Executive Officer, and he as Secretary took over the functions previously exercised by the Chairman, of controlling the inspectorate.

486. Do you say "as Secretary"?—I should say as a Chief Executive Officer of the Department. He was in control of the Inspectorate, and decided questions of demarcation up to a point, but both those functions were withdrawn from the Chief Secretary and vested in the Minister of Labour himself (though as they had always been exercised by the Secretary as his officer, and not as an officer of the Boards) by a letter which was sent to the Boards at the beginning of 1920. That letter marks a stage in a period of considerable controversy between the Boards and the Minister, which terminated in a report, which, if I may, I will discuss a little later, of a Committee appointed, in November last year, of which I was Chairman. That Committee reviewed the position from the beginning. It was not a Committee like yours which is set up to go into the whole framework of the Acts, and decide what, if any, amendments are required; the Committee assumed that the Acts were to continue roughly in their existing form, and that being so that it was to inquire whether any arrangement could be made between the Boards and the Ministry of Labour which would produce a more satisfactory state of affairs. The Committee had reported to it the history, namely, that originally there was one Chairman, that when one Chairman disappeared and several Chairmen were introduced in his place it was no longer possible for the Chairman to maintain the same general control over inspection and demarcation, and that in consequence it had

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been decided to distinguish more clearly between the statutory functions of the Boards and of the Minister. The Committee came to the conclusion, as they were bound to, that there was no question as to the statutory division of functions, that is to say that the functions attributed to the Minister as I have set them out obviously were his functions. So far as the neutral territory was concerned, namely, inspection, prosecution, and demarcation, they were prepared to admit, though this was only admitted after a good deal of controversy, that the Minister must be finally responsible; but the whole of their proposals were designed to give the Board a full opportunity of knowing exactly what was happening on those matters, and of expressing their opinion and seeing that their opinion was not merely expressed, but really considered, and that they should have a full opportunity where the opinion was dissented from of going to the most responsible people, whether the Solicitor of the Department, the Minister himself, or whoever was responsible, and of putting their case. That, broadly, was the effect of the Committee's Report.

487. *Mr. MacCallum Scott*: Were the whole-time Chairmen salaried officials?—Yes, they were salaried officials.

488. And the part-time Chairmen?—The part-time Chairmen were feed officials. As I was Chairman of the Committee, that, I think I may say, is a fair general summary of their view.

489. *Chairman*: As regards inspection, how was it proposed to leave that?—It was actually proposed by the Committee that an Assistant Secretary—a person of the rank of Assistant Secretary—should be placed at the Office of Trade Boards and that he should have responsible to him there the Chief Secretary, who would remain the officer of the Trade Boards and a Chief Inspector, who would also be at the Office of the Trade Boards, but would be wholly responsible in all his work to the Assistant Secretary as an officer of the Minister.

490. So that the inspection would still be conducted by the Ministry?—Entirely.

491. But conducted from the Office of Trade Boards?—Yes, so as to keep in much closer touch with the Boards.

492. As regards prosecution?—That remained entirely with the Minister under the proposals of the Committee.

493. And as regards demarcation of scope?—As regards that, it was recommended by the Committee that no opinion on scope should be offered by the Minister without previously consulting the Board.

494. I rather gathered from what you said yesterday that you think some other tribunal might be set up as regards scope?—That is an opinion which is forced upon one to a certain extent when one reflects that neither the Boards nor the Minister really have the power to decide scope questions. At the best, our opinions are given and may be over-riden at any moment by a Court of Law.

495. There is no reason why you should not still give opinions?—No.

496. Or the Trade Boards, either; but the decision must be with some tribunal or other?—If I may give you an instance, under the Insurance Act there was an Umpire to whom the power to decide those questions was given; he had the final decision and no question could arise thereafter. Yesterday, I said that they were mixed questions of law and fact; I think Mr. Pugh put to me the point that they were generally questions of fact, but if I may just give you an instance you will see what the difficulty is. For example, very many of the Trade Boards give a list of general occupations, such as "warehousing, packing, dispatching and other incidental operations." By the legal phrase *ejusdem generis* the incidental operations must have some connection with the other operations mentioned, and there are constantly odd cases coming up to the Boards where there is no possible ground for asserting that they are *ejusdem generis* with the other operations mentioned. The Boards argue, "This particular operation is obviously

part of the trade, and therefore it is covered by the Order." We say, "We do not dispute that it is part of the trade, but is it part of the Order; is it *ejusdem generis*?" It is that sort of mixed question of law and fact which is extremely irritating to the Boards, because they can see that it is part of the trade and it is very difficult to persuade them that the legal point has any bearing. It would make the administration far easier if there were somebody whose view was final upon that type of question.

497. Whether it is law or fact it has to be decided, and when you have got overlapping Boards you cannot let either Board decide the question between them; there must be some independent authority?—Yes, there must be. Of course, on that, under the Insurance Acts, the final decision is now vested, in the Health Section, with the National Health Insurance Commission, and in the Unemployment Section with the Minister of Labour, subject to appeal to the High Court, but originally, so far as unemployment was concerned, it was with the Umpire, who was an entirely independent official.

498. *Mr. Poulton*: Without having recourse to the Courts of Law?—Without having recourse to the Courts—without any recourse. At present we can only say that we should or should not prosecute if the employer does or does not pay the rate.

499. *Chairman*: Have the Boards expressed an opinion upon that point?—No, but, of course, as I said yesterday, in ninety-nine cases out of a hundred the opinion we give is not disputed; but there is the hundredth case.

500. I suppose reference to the Industrial Court would be rather too expensive?—Yes. I do not think it is impossible.

501. There is a standing Industrial Court?—Yes, there is a standing Industrial Court. It is not an impossible solution.

502. *Mr. Pugh*: But surely if it is not so much law, what the Industrial Court can settle could be settled by the Trade Board, could it not?—No, the difficulty about leaving it to the Trade Board to settle is this: Assuming that a Trade Board were an impartial, judicial authority—and I am prepared to give you that—you get three Trade Boards overlapping, and they may all three claim, if they have final powers, that a given individual is covered by each of them. You must get somebody who is apart from all the Trade Boards to decide it. We have actually got a case where two Boards are both actively claiming the same work.

503. Would such a body as the Industrial Council become competent to deal with a question which involved partly law and partly fact unless it was given those powers?

Chairman: I did not say the Industrial Council, but the Industrial Court.

504. *Mr. Pugh*: Yes, I mean the Industrial Court?—I should not like to express an opinion upon that. I mean my view is that there is a good deal to be said for vesting it in some special authority. From some points of view the Industrial Court, which has got a legal Chairman, and which has got experts on both sides, might be able to do it; but as the Chairman himself suggested, it probably might not be quite the obvious tribunal to consider it; something more like the Insurance Act Umpire might meet the case.

505. *Mr. Poulton*: There is no reason why that should not be adopted?—The umpire?

506. You see no reason why that should not be adopted?—None whatever.

507. *Dame Adelaide Anderson*: As regards the organisation of the Inspectorate, is there any published report on the organisation in the earlier stages when the Chairman of the Trade Boards directed the work of the Inspectorate?—I do not think so.

508. I understood from you that that worked very satisfactorily?—Yes. I ought to qualify this to this extent, that it disappeared during the war. What nobody allows for is this, that there was a very efficient Inspectorate up to about 1914, and it then dis-

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appeared. Those officers either went into the Army or they went to other Government Departments, and when the war ended it is literally true to say that there were only five inspectors surviving.

509. But had they lost their direction?—No.

510. But so long as the Inspectorate really lasted in full strength the system worked very satisfactorily?—Very satisfactorily.

511. I ask you, without suggesting anything about it, whether it had ever been considered possible to direct the Inspectorate by a Board of Chairmen, so as to retain the old spirit of control of the Inspectorate by the Boards?—Yes, that definite suggestion was made. It was suggested by Miss Tuckwell, I think, about 1913 that a Board of Commissioners should be set up who would be the Trade Boards Commissioners.

512. I meant really that the Chairmen of the Trade Boards themselves would form a Board with officers to direct, say a Chief Inspector or an Assistant Secretary, or whatever it is called?—I forget how many Chairmen there are, but I think there are about 38, and there are different Chairmen for Scotland, Ireland and England, and you have at present to apportion out your inspection between the three countries. If you asked me for my opinion, at this moment I do not think it is administratively possible.

513. Mr. Poulton: Not with that size?—I do not think it is administratively possible.

514. Dame Adelaide Anderson: Unless you break up into different countries.—Into groups, and then it would be extremely expensive, because each group would wish to have its own inspectors, and the essence of cheapness in administration is to pool.

515. I am only asking in order to elicit information.—Certainly.

516. And to compare with the effective administration when the Boards themselves really controlled it.

517. Mr. Poulton: You could have a panel, could you not?—Yes, you could have a panel, but then the difference between the two periods was that in the old period there were four or eight Boards with roughly 300,000 or 400,000 workers under them, while to-day you have 62 Boards with about 3,000,000 workers under them, and you cannot apply the same administrative machinery to the two things; at least, my view is that you cannot.

518. Dame Adelaide Anderson: My question was only directed to the point that the Chairman of the Boards or the Board controlling had proved effective.—That is perfectly true. There is no doubt about that.

519. The spirit was satisfactory?—Yes; though there was some friction.

520. Mr. Layton: Will you complete your statement of the duties of the Assistant Secretary?—Of the Assistant Secretary as recommended by the Committee?

521. Yes.—He was to be put in charge of inspection and prosecution. The Chief Secretary was to report to him, and he was to have control in respect of all questions of scope so far as the Minister was concerned, and to be generally responsible for the discipline and conduct of the Office of Trade Boards.

522. Have the members of the Committee got copies of that Report?—I do not know whether it has been distributed. I will have them here this afternoon.

523. Has the Recommendation been carried out?—No. When that Report was presented to the Minister, the Minister announced to the Boards that he was prepared to accept all the recommendations except the one as to the housing of the Assistant Secretary at the Office of Trade Boards. There was one other recommendation which I have not mentioned; it was the creation of a permanent advisory committee to the Minister, consisting of representatives of both sides of the Boards. The Minister accepted everything except the housing of the Assistant Secretary at the Office of Trade Boards. The Boards took the view that that was an essential

part of the Report (as indeed it is fair to say that it was) and that they were not prepared to accept the rest of the recommendations without that one, and therefore, when they were invited to nominate representatives to form an advisory committee, both sides of the Boards refused to nominate such representatives; and, therefore, to that extent I am afraid it is true to say that this Report is a dead letter.

524. Chairman: What has happened as regards the internal administration?—Since the Report only one big change has definitely been made, or rather, two changes have been made: the first has been that all scope questions in fact at this moment go to the Boards before an opinion is offered by the Minister. That is to say, if the Secretary of the appropriate Board knows the mind of the Board he sends it back to us with the Board's view without consulting them; if he does not know the mind of the Board he puts it to the Administrative Committee. In addition, the wish of the Committee that there should be a Chief Inspector has to some extent been met. Of course, at the present moment it is not a good time for appointing a large number of additional staff; it is not enthusiastically cheered in any quarter; and therefore, though we have made administrative arrangements the officers in question have had no increase in salary or status, but we have in fact set up a Chief Inspector who is in charge of all the inspection, and he is helped by three deputies. One of the deputies is a woman, and she is in direct charge of all the inspecting staff. She is one of the old Trade Board woman inspectors. Then there is another deputy in charge of the special inquiries, and a third deputy in charge of enforcement.

525. They work where?—They work in Montagu House. They have not been transferred to the Office of Trade Boards for various reasons. The Office of Trade Boards is housed in the Old Bailey now, and the accommodation has been criticised in the Press as being hideously expensive, and by those who have to use it as being hideously uncomfortable. I do not know whether the first accusation is true; the Press has multiplied the expense by six; the second accusation, I am afraid, is true, and we have not yet sent the inspectors down. In fact we rather thought that on that point we should defer taking action until this Committee had reported.

526. Mr. Layton: Who is in charge there?—Do you mean at the Office of Trade Boards?

527. Yes.—The Chief Secretary of the Boards.

528. It is really his office?—Yes, it is really his office, and he is in charge. He is responsible to Mr. Nicholson, the Assistant Secretary who is sitting here. The other proposal of the Committee was that there should be two Assistant Secretaries set up for the Trade Boards Branch. The Trade Boards Branch manages both the Headquarters work and the Office of Trade Boards work; and there is a Principal Assistant Secretary in charge of both branches and some additional work. The Minister accepted that recommendation and appointed an additional Assistant Secretary, but because of a series of changes which have happened in this office (which have no connection with this Report) at the moment there is only one Assistant Secretary; for a time there were two.

529. Chairman: You have also a statement about staff, which involves a great many figures. Would it be sufficient to put that in?—I think it would be sufficient to put that in. (See Annex I, Chapter IX.) I think I would like to put one figure, so that it is in your minds: that the total expense of the Trade Boards, including the cost of the Boards themselves, for the year 1920-21 was £120,000. That includes the whole of the expense of the staff, the whole of the expense of the meetings of the Boards, the fees of the Chairmen and travelling.

530. Mr. Poulton: And subsistence?—And subsistence. That is the whole expenditure first and last in respect of Boards which cover three million work-people; and it is very likely—our staff figures show—that this year the total expenditure will be nearer £100,000 than £120,000.

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551. *Mr. Pugh*: Have you left this Report entirely?—I was coming to it later, but if there is any question you would like to put—

552. I do not want to deal with it now if you are coming back to it later.

553. *Chairman*: You are coming to it in the second part of your evidence?—Yes.

554. Does that conclude the first part of your evidence?—That concludes the first part.

(Adjourned for a short time.)

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555. *Chairman*: Will you come now to the second of the two main branches into which you divide your evidence? You propose to deal with the criticisms of the Acts?—Yes. I have tried to make Part I largely historical. Of course, as a result of questions it became a little more than historical, but in Part II I have tried to set out for the information of the Committee the main criticisms which have reached the Department. I shall not try to answer the criticisms; I shall simply make some comments upon them and leave the Committee to weigh the evidence which they receive afterwards. Before I actually answer the criticisms, I just want to remind the Committee of the main achievements of the Boards, the actual constructive achievements. So far as the criticisms are concerned, they divide themselves into two main classes, those which could only be met by drastic amendments of the Acts, and those which could be met merely by an alteration of procedure. The first class of criticism is advanced by three groups of critics. There is one group of critics who want to get rid of any form of wage regulation, and to revert to a system of settling wage questions between individual employers and employed. A second group of critics contend that while anti-sweating legislation is necessary, any other form of statutory wage regulation is mischievous. They base this contention on the ground that the existing legislation, particularly, as they think, the 1918 Act, involves too much interference with trade, and in their view actually leads to unemployment. The third group of critics are those who accept the principles of the Acts, both as regards anti-sweating and wage regulation, if it may be so described, but who think that the Boards themselves should be more autonomous; that the powers of the Minister should be entirely removed, or very drastically curtailed. The second type of criticism is advanced by persons who accept the Acts as they stand as far as the Minister's confirming authority is concerned, but make the following points: that the machinery is unduly cumbersome and leads to protracted delays; that insufficient attention is paid to local necessities and conditions, and that the Boards are not sufficiently representative of districts; that the composition of the Boards is open to criticism in respect of the appointed members; and in respect of excessive official representation, and of the presence of unorganised representatives on both sides. Then there is a very strong complaint of failure to enforce the Acts owing to inadequate inspection, and there is a further complaint that the definition of the trades is faulty. Then there is the complaint with respect to the difficulties which arise as between the Minister and the Boards, to which I have already referred, and which, if I may, I should like to deal with rather more fully; and there is the general criticism which comes chiefly from Labour quarters that the Acts have not been extended sufficiently rapidly, at any rate, lately; and the counter criticism from the employers' side that the extension has been too rapid.

556. *Mr. Pugh*: Before you proceed to discuss the matter, when you say "failure to enforce the Acts," is that from both sides?—Yes. Before I deal with that, I just want to touch on the actual achievements of the Boards in respect of the improvement in wages conditions; the improvement of organisation among the employers and employed; and the improvement in industrial relations in the trades to which the Acts have been applied; the effects of the Boards on industrial efficiency; the effects of the Boards' legislation on juvenile labour. If I may, I will

deal with wages first. As I have said several times in evidence, the object of the Acts is to give protection to the workers, and the Acts would have failed if the wages level which they have established were not substantially better than the wages level which existed before the Acts were applied. It is not a criticism of the Acts to say that there has been a considerable increase in rates of wages, because the Acts would not have been applied unless a considerable increase were required. For example, if you take the earliest trades of all, the first rates in the chain-making trade which were fixed by the Chain Board involved an increase of at least 100 per cent. The rate actually fixed was not an alarmingly high one; it was 2½d., but 2½d. in the chain trade was at least 100 per cent. in excess of the rate per hour previously paid in the trade. The fact that the Trade Boards have brought about a considerable increase in wages is obviously not a ground for criticism. On the contrary, they would have failed in their duty if they had not effected an increase.

557. *Chairman*: As far as sweated trades are concerned?—Yes, as far as sweated trades are concerned. I have had figures taken out to show the following points: First, the relationship between the rates of wages actually obtaining in the Trade Board trades, and trades of a similar character; that is, trades covered by Joint Industrial Councils and the less skilled workers in the highly-organised trades. (See Annex II.)* Then I have had figures taken out to show the relation between wages fixed by various classes of Boards. (Printed in part only—See Annex III.) And I have had figures taken out to show the relative increases in the rates of wages fixed by Trade Boards as compared with the increases in comparable trades. (See Annex IV.)

558. Have you a copy of these figures?—I am going to hand them in.

559. Could you hand them in before you comment upon them?—I have only one copy and I am afraid it is an enormous document, but I am just going to pick out some figures. I will take first the comparison of the actual wages level in the Trade Board trades and the allied trades. (Annex II.) So far as the adult male workers are concerned, the great majority of the rates fixed by Trade Boards range from 1s. 1½d. per hour to 1s. 4½d. per hour. In outside Joint Industrial Council trades and trades of that type the chief range is between 1s. 2½d. and 1s. 6d. per hour; so that in so far as there is a difference the advantage is with the outside trades. The trades that I have in mind are not trades like the cotton trade, the steel trade, the coal trade, or any of the big organised trades, but the smaller trades which are better organised than the Trade Board trades, the type that are covered by Industrial Councils.

560. *Mr. Layton*: Such as?—I will give you a list of them, if I may. To give instances, the metal trades, bobbin and shuttle-making, pen-making, needle-making, screw-making, harness furniture making, gold and silver work. Then there are the food-preparing trades, oil-cake milling, rice milling; then there are the pottery, drug and fine chemical trades, explosives manufacture, and brick and roofing-tile making. These trades are not of the broad staple character. Then if you come to the staple trades like building and dock labouring, you find that the labourers' rates vary from 1½d. to 1s. 7½d. per hour. The majority of rates in outside trades are between 1s. 2d. and 1s. 4d. per hour, so that on the whole the Trade Board rates

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as they stand at this moment are certainly not excessive as compared with the rates for comparable classes of workers settled by voluntary agreement outside.

541. *Chairman*: Is the building trade rate by agreement?—Yes, entirely. The building trade basis is fixed by Conciliation Boards district by district.

542. *Mr. Layton*: Are you referring to the current rates in the building trade?—Yes.

543. *Mr. Pugh*: But 11½d. is rather low for labouring work in the building trade, is it not?—Yes, it is low, but it exists. I do not know what area it is in. Of course, you know that each District Committee fixes its own rate. I have a complete list of figures.

544. I should have thought that 1s. 7½d. would have been somewhat low.—These are labourers, 1s. 7½d. is a fairly high rate for a builder's labourer, is it not?

545. It is about 3d. or 4d. below the bricklayer; I thought they were about 1s. 9½d.—That probably is a reduced rate. You will remember that there was a considerable reduction in the rates two or three months ago.

546. I have taken that into account.—I think you may take it that this is perfectly reliable. I will just get the actual figure for you. I am sorry; you are quite right; it is 1s. 2½d.; but it does go to 1s. 7½d. I do not think any higher rates than 1s. 7½d. are shown.

547. *Mr. Poulton*: Not for labourers.—Not for labourers. In the case of dock labourers it starts at about 1s. 7½d. and goes up to 1s. 9½d., but the rates for builder's labourers do not go higher than 1s. 7½d.

548. *Mr. Pugh*: The dock labourer would be under the recent reduction?—Yes, that is so. So far as women are concerned, it is roughly true to say that there is very little distinction between the rates payable to women in the Trade Board trades and women in allied trades outside the operation of the Acts. Although the figures do not quite indicate this, it is probably true to say that women in Trade Board trades are better off than women in non-Trade Board trades. As a matter of fact, the summary shows that they are identical. 8d. to 9½d. is given as the average throughout (see Annex II), but I think that is unduly favourable to the women in the non-Trade Board trades. It is merely a statement of fact so far as the non-Trade Board trades are concerned. It is perfectly open to a critic to say it may be true that as they stand the rates are not unduly high, but that does not prove enough. If they had been unduly raised that would prove that the Trade Boards had moved too quickly. I have had the figures taken out, so far as they can be taken out, to indicate the relative increases in Trade Board and non-Trade Board trades. (See Annex IV.) The average percentage increases for men in the Trade Board trades range from about 113 per cent. to about 200 per cent., averaging, I think, somewhere near 140 per cent. The average increase in hourly rates in organised industry since July, 1914, is estimated to average at least 150 per cent.; so that the average increases in non-Trade Board trades have actually been higher in respect of adult men than they have been in the Trade Board trades.

549. *Chairman*: Since what date?—As between the pre-war period and the present. That is the result of increases in the cost of living. So far as the women are concerned, there is no doubt that the women in the Trade Board trades have had a higher increase than the women outside. Their percentage increases are higher than the men and they are higher than women in other industries. The women's increases range from 143 per cent. to 214 per cent., and the women's increases in industries not covered by Trade Boards range from 100 per cent. to 200 per cent. There is this much to be said, that where the rate was unduly low it is not unnatural, or, indeed, improper, that there should be at least that increase. You have this kind of criticism in respect of the corset trade; it was freely alleged in the Press that the increases in that trade were 700 per cent. over the pre-war level. This would have meant that the

pre-war rates for fully trained adult workers were between 1d. and 1½d. per hour. Of course, the allegation was not anything like true, but in that case there has been a very considerable increase, because the rate before the war was a sweated one. There were two points in the Press statement: the first was that I think they said 600 dressmaking and corset firms had gone out of business in Hampshire, and the fact was that there were only about 400 firms all told in that area when the allegation was made, and the second was that the rates had been increased 700 per cent., which would have meant about a penny rate pre-war. We wrote and pointed out that to them, but they did not pay much attention to us.

550. *Lord Weir*: There were very low rates paid, and the percentage increase is large?—Quite so.

551. Is it not true to say that the Munitions Orders had some effect in bringing about these increases? Is it right to put it all down to the Trade Boards?—That is a very fair point to put. The Trade Boards very often took over the rates fixed by Munitions Orders.

552. Would you say the Munitions Orders exercised a preponderating influence in raising the women's wages?—They had a very considerable influence. The Munitions Orders changed the whole basis of rates of wages.

Mr. MacCallum Scott: In which branch of the trade does that apply?

Lord Weir: It is just the general influence of the Orders made during the war.

553. *Mr. MacCallum Scott*: But I understood it to be said that in non-Trade Board trades the wages of the women had risen more than they had risen in the Trade Board trades?—No, it was the other way; they have risen less. But it is true to say that the influence of the Munitions Wages Orders applied right through industry. L2 fixed 6d. per hour, which was almost an unheard-of rate then.

554. *Mr. Poulton*: That would raise the rate, would it not, altogether apart from the Trade Board?—Undoubtedly, so that the whole of the increases cannot be attributed to the action of Trade Boards.

555. *Mr. Pugh*: I suppose the effect of the Government Orders would be the same over the whole trades so far as women are concerned, so that if we find that the ultimate result is that in other trades the percentage increase is less, the conclusion one may arrive at is that that is because the basis rates or the original rates of the workers in the Trade Board trades were so much lower?—I think that is a fair conclusion, because you can assume, although you cannot take it as complete, that it is the less highly paid trades that have already been covered by the Trade Boards. There are certain special rates fixed by the Trade Boards which go very high. In the perambulator trade I think there is a rate which is fixed at either 1s. 11d. or 2s. 1d. per hour; that is a skilled man's rate, and in so far as there are skilled men's rates fixed by Trade Boards, the increases and the levels compare exactly with the rates of any other skilled men in any other industry. There are obviously not a great number of rates of that kind in the Trade Board trades, but where they exist they generally follow the ordinary industrial conditions. Therefore, if I have established my point as far as I have put it, it is to show that if there have been excessive increases in rates in Trade Board trades that is only because the rates from which the increases started were unduly low. Where they have been normal rates to start from, Trade Board rates they have kept pace with, the general tendency of rates of wages fixed voluntarily throughout the country, and therefore an allegation that the Trade Boards have unduly upset industry cannot be sustained if those figures are correct, in my view, for what it is worth. Then, in the second place analysing the Trade Board rates it is interesting to note that as between the Trade Boards themselves there has been a certain variation, indicating that the Trade Boards have in fact fixed rates which each trade might be expected to bear and

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have not fixed uniform rates for all trades. We have taken out figures to show the variation in rates as between Trade Boards which have fixed flat rates and Trade Boards which have fixed a number of rates for different classes of workers. We have shown the variation of rates within groups, and we have tried to show the variation between one group and another. (*Printed in part only. See Annex III.*) When I use the word "group" I mean, say, a clothing group and a metal group; I mean the variation as between the metal group and the clothing group. So far as the rates for general workers (*i.e.*, workers other than those belonging to special classes) are concerned nothing of very great interest emerges. Where Boards have fixed flat rates to apply throughout the industry the range in the case of adult male workers is from about 11d. to 1s. 4d. per hour, while, where Boards have fixed a number of rates for different classes of workers the range in the case of general workers is from 1s. 1½d. to 1s. 5d., with an average of 1s. 2d. to 1s. 3d. Therefore, it appears from that, that whether the Trade Boards have fixed series of rates or a single flat rate, they have got at very much the same sort of figure.

556. *Chairman*: What do you mean by "series"?—I mean they had ranges of rates, as distinguished from flat rates, a range by classes. But within the groups, what is rather interesting is that allied trades have found it necessary to fix rather different rates in occupations which seem quite alike and yet because of slight differences cannot be paid in the same way. For instance, so far as male workers are concerned, the ready-made tailoring and wholesale mantle and costume rates range from 1s. 3d. to 1s. 9d. for the skilled classes, and the retail bespoke is 2d. per hour higher for the lowest classes than in these trades, presumably because of the higher skill required. A flat rate fixed for the whole lot would have hit the worker in the retail bespoke trade.

557. He might have bargained for that?—Yes, but he would not have got it compulsorily. By this method the retail bespoke man had an advantage which he was probably entitled to by tradition and by special trade skill. Then you have differences—I am still dealing with males—where special rates have been fixed for the most skilled workers. For example, in the dress-making trade and the cloth hat and cap section of the hat, cap, and millinery trade, special rates ranging from 1s. 7d. to 1s. 9d. have been fixed for cutters, while 1s. 3d. to 1s. 7d. has been fixed for such workers in the corset trade. There is a considerable variation in rates, and yet the actual work to an outsider, which is all I can profess to be, does not sound very different. In other words, within the allied group themselves they have found it necessary to differentiate.

558. That has nothing to do with sweating?—No, it has nothing to do with sweating.

559. It is pure wage regulation?—It is in a sense wage regulation, but it indicates, at any rate, that the Boards have adapted the rates to suit their own trades.

560. *Lord Weir*: Could you give us the extreme minimum over all trades?—For men and women?

561. No, for adult men for example—I can give you the actual minima. Do you mean the average or the actual lowest figure?

562. I want to see the range in the minimum.—The lowest rate for men is 11d., and the lowest for women is 7d.

563. Over the whole of the trades 11d. for an adult male is the lowest minimum. What is the highest?—You will remember, of course, the Chairman's point rather applies when you get to the highest rate. I do not think anybody could describe it as a minimum, because it applies to a very skilled man, and I think you would probably get as high as 2s.

564. *Chairman*: That is for a skilled worker?—Yes, for a skilled worker.

565. What is the lowest Trade Board rate for a skilled male worker?—The lowest Trade Board rate for a skilled male worker is 1s. 5d.

566. What is the highest for the unskilled?—1s. 5d.

567. And the woman?—The women's lowest is 7d. and the women's highest is approximately 9½d.

568. That is explained by the habit of the trade and the profit-making capacity?—That is right. I mean it does raise a very fundamental point. It may be urged that 1s. 5d. is more than a minimum—I mean more than what is required as the minimum. On the other hand, it will be asserted that if the trade can bear to pay 1s. 5d. as the minimum there is no reason why it should not fix it compulsorily, and it may be urged that if you were to fix a flat national minimum and were to choose as your minimum the lowest minimum that any trade can pay, the guaranteed rate would be of no value to a really organised trade.

569. *Mr. MacCallum Scott*: What is the meaning of the word "minimum" in this connection? Does it mean that different rates are charged for different districts?—No, it means a flat national minimum for that trade.

570. Would not it be better to leave out the word "minimum"? Are they all "minimum"?—They are all "minimum," it is true, because the Trade Board cannot fix anything else by statute, and, as the Chairman put it to me, some of the rates fixed as minima are in fact so high as not to be minima.

Chairman: It all comes back to the discussion we had the other day: Is it subsistence or is it wage regulation?

571. *Mr. Pugh*: I suppose the point is this, that if you are fixing a minimum for the steel trade, that would necessarily be different from the minimum fixed for the making of rag dolls?—Certainly, in favour of the steel trade; but, of course, it might be said that there is a certain rate common to the steel trade and the rag doll trade which should be the lowest possible rate which you should pay to any person working. The criticism which has been made of that suggestion is that if you got to that figure it is a figure which would be absolutely useless in the steel trade, and probably useless in 80 per cent of the trades in the country, and therefore would be no protection to the worker except in a trade like the toy trade; and it may be useless in some of the associated trades just on the borderline.

572. *Dame Adelaide Anderson*: In every case now there is a standard week of so many hours?—Yes, nearly every Board declares a normal week for its trade. There are one or two, however, who have not declared a normal week.

573. So that it shows what is the ordinary weekly wage?—It depends on the amount of time.

574. Supposing they are working ordinary time?—If they are working 48 hours, which is the normal week in the majority of cases, earnings can be definitely ascertained. On time work there is one other figure which we tried to get out and could not get out; that was, a comparison between the different groups, *e.g.*, as between the textile group and the clothing group. We could not do it because there are so many marked variations. For instance, in the textile group the rates differ in their basis, and then there is a considerable divergence with regard to the age at which the rates are applicable. It should be remembered by some of you that we made a great departure in the Munitions Orders by fixing the adult age for women as 18. There is a long history behind that, but, at any rate, it was done, and the tendency has been rather for Trade Boards to copy that.

575. *Mr. Poulton*: For the purposes of the fixing of rates by Trade Boards, was the adult rate in the jute trade for males 18 or 21?—Twenty-one.

576. Seeing that that is the lowest rate for a male, do you know whether the fixing of that comparatively low rate had anything to do with the fact that there were so many women engaged in that particular industry?—No, I do not think so; I can honestly say I do not think that is so. Jute was always largely a woman's trade. Of course, as I said at the very outset yesterday, the figures for jute were signally low; in 1906 the rates paid to both men and women were extraordinarily low.

577. *Mr. Layton*: You did not give us the trade which the 1s. 5d. applies to.—I am afraid I have not got the information here at this moment, but I can look it up. I am not quite sure what trade it

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is, but I can find out, because I have the whole list here. It is the perambulator trade.

578. That is a small trade, I imagine.—Yes, it is a small trade, and, of course, a rather highly-skilled trade; but this is an unskilled rate in that trade, though, of course, the work is probably semi-skilled as compared with similar work in other trades. Those are the only points I wanted to make with regard to rates of wages.

579. Mr. Poulton: In fixing some of these later rates, were they fixed, do you know, upon the basis that it was wise to fix rates in the trade, not because they were sweated trades, but because it was a wise thing to regulate a trade?—I can only say on that that we applied the Trade Boards Acts because the trade fell within the meaning of the Acts, namely, that they had an ineffective organisation, and that, in addition, the wages were such as warranted the application of the Acts. What the idea of the Board was in fixing a specific rate I am afraid I could not answer.

580. Chairman: It is quite likely that the reason was what Mr. Poulton has said.—There may have been some tendency in the Boards lately to alter their functions.

581. Mr. Poulton: To widen them?—To widen them; but it must not be forgotten that under the old Act the Boards had ordinarily the same powers as regards wages. They are very nearly the same powers as under the 1918 Act.

582. Lord Weir: The provisions of the 1909 Act existed, and there would be very few evils which it could not redress.—I think that is true, providing that you knew what you meant exactly by "exceptionally low"; those are the words of the 1909 Act. You could only apply it to wages which were exceptionally low, and it is a little difficult to say what the words meant exactly.

583. Chairman: You construe the words in the 1918 Act as meaning "practically too low"?—Yes.

584. Lord Weir: It was, however, making steady progress in the trades.—Yes, it was making steady progress in the trades to which it had been applied. It was applied, for instance, to the tailoring trade. This has completely changed in character since the 1918 Act was applied.

585. Mr. Pugh: The passing of the 1918 Act surely was due to the representations, partly at least, coming from the trades themselves.—It was largely due to the generally expressed fear that when the war was over there would be a considerable wages slump, and it was necessary to make some provision to meet that.

586. Chairman: And the Whitley Report?—Yes, and, of course, the Whitley Report, and there was the Report of the Hills Committee to which I referred.

587. Mr. Poulton: Would not Sub-section (2) of the Section in the 1909 Act be quite wide enough to cover the whole of that point?—It depends on the extent to which sweating is general. I do not wish to hold the chain trade up to opprobrium; I have no such object in mind; but supposing the chain trade was exceptional in paying the 1½d. per hour, you could apply the Act under the wording. But if it was 3d. you could not say it was exceptional because it applied to a large number of people, and therefore you would be restricted by the mere wording of the Act.

588. It goes on to say "as compared with other employments"?—Yes, but if rates in a lot of employments were all at 3d. per hour it would not apply.

589. Dame Adelaide Anderson: Was it not the intention to avoid the decline in wages that would be very likely to occur, that they should not be dependent only on a comparison with other employments?—I think that is true, and of course it should be remembered with regard to the Act of 1918 that although the wording was much wider, it was not so very wide after all; because you had to establish two things: you had to establish not only a low rate of wages, but you had to establish ineffective organisation. So you had not a free hand.

590. Chairman: It does not say the rate of wages?—You must have regard to the rate of wages; it does not mention the word, I admit.

591. It must mean that?—Yes, that must be the implication. Of course it almost follows that if you have a very inadequate organisation, you are likely at least to have pockets where low wages are paid. I think the only industry which is not organised which has succeeded in getting high wages is domestic service, and they have not any organisation.

The second point that I had to make as to the achievements of the Board is as to the effect of their existence on the organisation of employers and workers; that is, rather an interesting point, because the Whitley Report recommended the Trade Boards as a half-way house between the anti-sweating machine and the Joint Industrial Council. On the other hand, it was felt widely in some labour quarters that the effect of the Trade Boards might be to interfere with organisation; that the workers might think they had all the organisation they needed in the Trade Board and would not continue to join Trade Unions. It is difficult to state the position with certainty because everybody knows that during the war at any rate, the unskilled organisations increased very rapidly in numbers owing to war conditions, but allowing even for that, it is perfectly safe to say that so far as the Unions are concerned, there is no doubt that where a Trade Board exists they have not suffered; and not to translate a *post hoc* into a *propter hoc*, it is certainly the fact that in every Trade Board trade, as far as we can gather, the Unions are better off from the point of view of organisation than when the Trade Boards started.

592. Have any of them emerged from the state where there was deficient organisation?—We do not like to say so with certainty, but, for instance, the United Garment Workers' Union have changed pretty considerably. They are a very strong Union now, and they have been able to make agreements outside the Ready-made Tailoring Trade Board with the employers, who are equally well organised; and although we do not say that the position has been reached when the trade should be taken out of the Trade Boards Acts, it is getting near to the stage when it is open to question.

593. Chairman: Perhaps it has reached the stage when you would not have put it under a Trade Board?—I think that is possibly true, excepting that you never know what pockets of bad payment might not have existed, say, in the East End; and it is a difficult trade to deal with, because there is so much garret work.

So far as the employers are concerned, there is no doubt that the creation of a Trade Board does increase association. The moment a Trade Board is set up in a trade, the first thing we hear is that a new association of employers, generally with the same secretary, has been formed. I think there is no doubt that Trade Boards have tended to strengthen organisation on the employers' side.

594. Dame Adelaide Anderson: Is there any evidence easily accessible showing the growth of the different industries in organisation—I mean as regards numbers? The Hills Committee, for instance, gave a tabulation of the increase of organisation of women over six or seven years?—We have in the Department the trade union membership figures over a certain number of years, and we can show the trade union membership of the unions of these particular Trade Boards, but it will not prove anything because the causes of the increase or the decline may not have been directly associated with the Trade Board. All that I am concerned to establish is that the facts are that in Trade Board trades there has not been a decline in organisation as was feared, at any rate on the trade union side, would happen. I am reminded that the figures have been obtained confidentially, and I cannot communicate them except as confidential information.

595. Mr. Poulton: Which figures?—The figures of the membership of the unions on the Trade Boards.

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596. *Dame Adelaide Anderson*: If you remember, there was a summary table given?—Yes, I have that. Those are generally published figures which were sent to the Ministry of Labour Statistical Department. If the Committee would like the confidential figures, I can get them out.

597. *Mr. Poulton*: What would be the difference between those figures and the figures, for instance, which are published in the Trades Union Congress reports?—I am not quite sure. When we are making an investigation into a Trade Board trade we ask the union what its actual membership is in various localities in order that we may arrive at an estimate of the representation required, and it may well happen that the figures given to us at that stage are a little optimistic, or perhaps a little pessimistic—generally, I am afraid, the former—and they are not always found subsequently to agree with the Congress figures. The Congress figures are available to everyone, and they can be put in, and the figures which *Dame Adelaide Anderson* has can be put in. I do not know whether the Committee want to raise any other point at this moment upon that, but the next point I think, is industrial relations.

598. *Mr. Poulton*: Yes, there is just one point. You made a statement just now which I thought conveyed the idea that the department was considering whether the time had arrived to withdraw Trade Board support and regulation from certain industries; that is to say that their organisation had become such that they would no longer be entitled to the protection of the Trade Boards?—Yes.

599. I should like to know whether you have considered the other point; if that protection is withdrawn, the possibility of the employers' associations particularly falling to pieces, and the same old bad conditions coming about, and the whole of the machinery having to be gone through again?—That is a very pertinent question, but what we have got to look at is the statutory provision upon that point. Section 1, Sub-section (3) of the Act of 1918, says: "If at any time the Minister is of opinion that the conditions of employment in any trade to which the principal Act applies have been so altered as to render the application of the principal Act to the trade unnecessary, he may make a special order withdrawing that trade from the operation of the principal Act." We have only had, I think, three or four formal applications for withdrawal; I mentioned the most important from associations in the jute and flax trades, and I think the Merchant Tailors of Scotland have made an application; but it is interesting to take your point as showing that we have examined that. In the jute trade what the employers put to us was this: they said, "We are 90 per cent. organised," and *Mr. Sime*, who is the leader of the workers, said that the workers were at least 80 per cent. organised. The rate of wages in the jute is, it is true, low; as we said a minute ago, it is 11d. for the men, and it is one of the lowest rates fixed for the women, but even so, there is a very high degree of organisation. It would be difficult to say that the rate of 11d. which now obtains is in itself, taken with an 80 per cent. organisation, such a rate as would warrant the imposing of a Trade Board. In fact, as the Chairman said earlier to-day, if we had found those conditions existing it is improbable that we should have applied the Trade Boards Acts. When the employers put it to us strongly that we should withdraw the Trade Board, the workers said, "If you withdraw the Trade Board the whole history of the jute trade shows that we shall get back to the conditions in which we were before there ever was a Trade Board; we do not believe that any conciliation board would have satisfactory results in the jute trade"; and in fact they went so far as to say that they would not be parties to a voluntary conciliation board if the Trade Board were withdrawn. On those grounds and on certain other grounds the Minister was not satisfied that the conditions were sufficiently altered to enable him to withdraw the Acts and he did not; he refused.

Mr. Poulton: It is a point that ought to receive very careful consideration, because I have some small

experience of it, even in my own trade, which is highly organised. The employers, or some of the worst employers, say that now that the war is over they can get their labour free, and they need not belong to the organisation, and the result is that we are unfortunately having strikes as the direct result of that. We are not going to submit to their getting better conditions than anybody else, so that they get outside, and the result of their getting outside is a strike.

600. *Mr. Pugh*: Was that a post-war application?—Yes, it was post-war.

601. *Mr. Poulton*: It needs to be very carefully considered?—Yes. On the other hand, although we were quite clear there, the ready-made tailoring case which I mentioned in connection with the strengthening of the United Garment Workers' Union was different. There was no application to us for removal from the Trade Board; far from it, when we tentatively suggested that there might be a case in view of the nature of the agreement reached off the Trade Board, both sides repudiated the suggestion as an insult. There you have the case of big associations of employers and employed meeting and arriving at a complete agreement off the Board. It is true that it left out of account some of the smaller districts, but still there was an agreement reached before they came to the Board. When we put it to the Board that possibly it was worth considering whether they had reached a state of organisation which made a Trade Board unnecessary, they put it to us that they only represented a proportion of the trade, and that if the Trade Board were withdrawn the rates would go down again in all the unorganised parts of the trade.

602. Is not the answer to that also the fact that although there may be a number of people outside the organisations of employers and employed, nevertheless if they come to an agreement they will accept the agreement arrived at?—Yes, only so far as the people who are parties to the agreement are concerned.

Lord Weir: You see a little doubt of the wisdom of what the Whitley Council recommended, where they said "pending"?

Mr. Poulton: Yes.

603. *Mr. Pugh*: In the application of Section 1, Sub-section (3), I suppose the Minister would consider it at least desirable—or shall I put it more strongly, and say consider it necessary—to have some sort of agreement from the employers' and the workers' sides of the Trade Board as to the application of Section 1, Sub-section (3) before he actually applied it?—He is under the same statutory obligations in withdrawing a Trade Board as in setting one up: he has to give the same Notice of Intention, and allow the same period of objection, and if objections are made and are not withdrawn he has to have an impartial inquiry in just the same way as he would have to have one when setting up a Board if objections were maintained; and in any case, of course, he would consult with both sides, and the plain fact is that he never has withdrawn a trade from the Trade Boards Acts yet.

604. Do you interpret this clause as implying that if the Minister so chose he could, irrespective of the opinions expressed by both sides of a Trade Board, withdraw the trade from the operation of the Acts?—If I were interpreting it legally, I should say certainly that is the meaning, but I do not think the Minister in practice would fly in the face of the united opinion of both sides unless he had very good grounds for doing so.

605. *Chairman*: He would have to give notice and all that?—He has to take exactly the same steps as when he sets up a Board.

606. And I suppose he has to deposit the Order in the House?—He has to give Notice of Intention; then there is a period of objection, and then if there are objections and they are not withdrawn, he has to hold a statutory inquiry.

607. And if he makes the Order he has to lay it before both Houses?—Yes, I suppose the same procedure applies to the Order; and either House can move to have it invalidated.

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608. *Mr. Layton*: You see, in fact, no sign of any of these trades growing out of the Trade Board stage, as was contemplated in the Whitley Report?—I do not say that: I would not say that. We have some doubt in the ready-made tailoring, though at the present moment compliance with the Trade Board's rates is not very satisfactory. It would be disappointing to admit that in no case has a Trade Board so improved conditions as to get near the Whitley stage. I think the best instance, though even that has not quite reached the point, is the ready-made tailoring trade.

609. You have no evidence as to whether the opinion among employers or employed on a Board accepts the view that the ultimate development should be to go out of the Trade Board?—We have no indication that they are ready to adopt a suggestion that they should go out. You see the employers have had the advantage of seeing their competitors compelled to pay the rates, and the workers have seen the employers compelled to pay the rates to them, and I do not think either party is particularly anxious to relinquish that advantage.

610. *Chairman*: Of course, the members of Trade Boards themselves would not be very desirous of laying down their duties; they are very interesting?—No, they are not. You will find, if you examine the expressions of opinion which have been given lately, that a number of Trade Boards have passed very strong resolutions in favour both of their own existence, and of the existence of Trade Boards generally.

The next point I had was the effect on industrial relations, which is very much linked up with this point; and again it is not possible to make too high a claim on behalf of Trade Boards. It is true, roughly speaking, that there have been hardly any trade disputes of any kind in the Trade Board trades. It is not completely true: there have been one or two, but of course it is fair to say that the trades were unorganised, and you are much less likely to have serious trade disputes in unorganised trades, not because Trade Unions cause trouble, but because, when you have got an organised trade you can get a broader basis for determining your view. But apart from that, it is very noticeable that in the Trade Board trades interruption of work has been very small indeed in any of them throughout, and I think that is a very noticeable thing, and a fact which should be borne in mind in estimating the value of the Trade Boards as an instrument in dealing with industry at all.

611. That is so even in those which have become more organised as time has gone on?—Yes, it applies throughout. There must have been occasions—I have not got that noted—where actual disputes have occurred, but they have been very few and far between.

612. *Mr. Poulton*: So that it has had the effect, not only of setting up a standard of wages, but also the effect of steadying the industry from the standpoint of an employer not having his business upset?—We think so, certainly.

613. *Mr. Layton*: Have you followed out that point in the history of those trades before the Boards became effective?—We did that with jute, and my impression is that the jute trade was much more uneasy before it had its Trade Board than it has been since, but I am not prepared to say that definitely. I do want to qualify that, as I did at the beginning, by saying that they were not trades, at any rate, in which trade disputes were common, because they were unorganised, but certainly the general spirit seems to have improved steadily since the Trade Boards have existed.

614. *Mr. Pugh*: I suppose we may take it, though, that if an attempt had been made by those low-paid workers by any form of organisation to raise their wages to the point which has been reached by the Trade Board, that could not have been carried out without considerable disputation in the trade concerned?—I think that is a very true saying, yes.

I think they would have had to fight very hard by the ordinary industrial methods to get the position which they have got by the decisions of the Boards.

615. And without disputes?—And without disputes.

616. *Mr. Poulton*: And that agreement has been advantageous to both sides?—I should think so, because the employers have not had their business interrupted.

617. *Chairman*: Some employers think that wages are too high?—Of course I had that qualification in mind. Some of them would say that the absence of disputes is more than counterbalanced by the chaos introduced in the wages bill.

618. *Lord Weir*: The real truth is that they have removed wages from the field of trouble?—That is really what it comes to.

619. You have still all the other causes of industrial trouble?—Yes.

620. Or do you suggest that even in connection with them the Trade Board spirit—the atmosphere—improves them?—I do not want to be cynical, but I think that if you can settle the wages trouble in a trade, you have gone a long way to make it happy.

621. *Mr. Pugh*: That is consistent with our experience.—There are two other points on achievements which I do not want to treat at length, but one is a curious point, and that is the effect on the industrial efficiency of the trade. It is rather a surprising and unexpected thing, but it constantly happens that when our Inspectors go round—of course we have very few competent enough to do this because the War robbed us of so many of them—they find that workers employed on piecework are not earning at least the amount of the basis rate applicable, and it is quite clear that the piece-price fixed is not high enough, but the employer points out that his competitor does not seem to be paying higher piece-prices, and yet his men are earning the right amount, and asks what is the matter. Our Inspectors have constantly gone round, particularly in the corset, lace-finishing, shirt-making, paper-box and laundry trades and indicated to employers that if they make alterations in machinery, or if they make some alteration in the way of carrying on their work, they can, without any difficulty, pay higher rates, and get a higher output; and it is surprising, particularly in the lace finishing and the corset trades, how much has been done in that direction. I will hand in some notes of a few cases which I have here. (See Annex V.) That is one of the rather unexpected developments which, I think, is admitted by employers in those trades. Then, so far as juveniles are concerned, I meant to deal with them, but I think I dealt with them rather at length yesterday, and I do not think I need cover the ground again. The Boards have, as I pointed out in some cases developed a very elaborate apprenticeship system; they have dealt with learnership in other cases on very sound lines, and they have, to some extent, helped to mitigate the evils of the blind-alley employment which were so notorious and so much canvassed in the public Press.

622. *Chairman*: They have not, except in the case which you mentioned this morning, prevented the employment of younger labour?—No, they have tried to strike a balance so as to fix a rate not high enough to scare employers from employing juveniles, and not so low as to interfere with the employment of adults. I think you will probably not want me to go further into juveniles, but those are the positive achievements of the Boards which must be borne in mind at a time when they are being exposed to so much criticism. They have actually done these things. Then, if I may, I will come to the criticisms. The first criticism is the broad one put forward by critics who object to statutory interference with wages of any kind, and I think I am entitled to say on that, that the objections under this head are not made widely though they are often implicit in more moderate proposals; it does not follow because such a suggestion is not stated explicitly by a person who makes proposals that he may not hope that the result of his proposal may be to remove all statutory interference with wages. But I think that the people

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who propose to get rid of even anti-sweating legislation could only carry through their proposal on the assumption that no sweating exists at the present moment. It is not likely that anybody would seriously recommend that the sort of conditions which Trade Boards have removed should be allowed to continue or to be revived, and I think it is final, as far as that sort of view is concerned, to say that we still find—I admit in very isolated cases—wages of 3d. and 4d. per hour being paid to adult women at this time, and that 5d. per hour, though by no means common, we have discovered to be quite comparatively widespread in one particular trade. If you deduct from that, as you are entitled to do, 100 per cent., which is 20 per cent., or at least about 18 per cent., less than the present cost of living figure, you get then rates in pre-war values of 1½d. and 2½d., which begin to look very like the old sweated rates. It is no good pretending or believing that there are not bad rates still being paid in the country at the present moment. There are; we know there are.

623. There is also the possibility that even if there are not, there would be as soon as Trade Boards were abolished?—That, I think, is only too true. It is quite likely in some cases, with very heavy unemployment, and I might say as to that, that one of the great contentions of the employers so often is—and it is a very just one—that their workers are willing to take lower rates than those fixed by the Trade Boards. I think most of us would be willing to take less than the law prescribes if the alternative was unemployment, and it very often is presented to the worker in that way. I do not mean that the employer is necessarily tyrannical, but, after all, he is a man of business, and he has got to make the best bargain that he can. We had a notorious case recently at Portsmouth, where a petition was presented by the workers protesting against their being given, I think, 8d. per hour or 8½d. per hour rate. It struck me as a little unusual that workers should object to be paid 8½d. per hour.

624. Were the grounds of the objection stated?—I think they thought that it was too princely a payment. I can only imagine that.

625. *Mr. Layton*: Is that a case in which there is, for example, already an increasing amount of unemployment?—You suggested that it was in deference to a threat of unemployment?—I did not say specifically in that case.

626. That was the implication.—I cannot say that. I have not a shred of evidence to say that there was any threat.

627. It would obviously make a difference, would it not?—But there was, I believe, nothing to show that the relative rates of unemployment in Portsmouth in that industry were higher than in any other town in England.

628. Then they are to-day, you mean?—Of course, there is a great deal of unemployment, but the point which I was going to put on unemployment rather is that if you examine merely figures you will see that there is no distinction in unemployment as between Trade Board trades and any other trades. I do not want to pay too much attention to that, because I think there are so many causes of unemployment that if you try to fix on one you are liable to fix on the wrong one.

629. *Lord Weir*: Was that proposal submitted, for example, on the basis of really maintaining employment?—I do not think so.

Chairman: Do you mean in the Portsmouth case?

Lord Weir: Yes.

Witness: Then I misunderstood you.

Lord Weir: I meant in the case which you mentioned.

630. *Chairman*: It must have been in the minds of the workers who sent that petition?—Yes, I think the workers thought—

631. That the option was between having the rate offered and going out of employment?—I do not think it was specifically stated, and I am not entitled to say that the employers had ever suggested that, but

I think the workers might have quite well come to the conclusion, on their own initiative, that the firm could not afford 8½d., or whatever the rate was, and that if the rate were enforced, the employers, not because they wished to, but because they would have to, would dismiss them. I am not alleging that in that case the employers had threatened to dismiss their workers, but I think a knowledge of the ordinary laws of supply and demand would indicate that there may be occasions when that happens. It is not the only case where we have had notices of petitions by workpeople that the rates were too high, and in one case the trade unions in a flax case definitely stated that the workers had signed under threat. That again I do not take responsibility for, but the unions made that statement.

632. *Mr. Pugh*: Was that rate of 8½d. (if that was the rate) a rate which had been settled by a Trade Board?—Yes, it was a Trade Board rate.

633. And is being paid by the other employers in the trade?—Yes.

634. *Mr. MacCallum Scott*: Is it a rate for adult men or women?—It is a women's rate.

635. *Chairman*: Was that the case where the summons was dismissed?—There was a nominal fine imposed for failure to post notices; the other summonses were dismissed under the Probation of Offenders' Act.

636. *Mr. Poulton*: In that case did not the firm submit an alternative scheme which they said was a better one?—They may have said so. I do not remember it. I do not want to drag the Committee into the Portsmouth case, because the Portsmouth case did arise on the 10½d. point too, which I mentioned just now, and there was a real difficulty there.

637. *Dame Adelaide Anderson*: Had they appealed to the Trade Board?—It was stated in Court that the Portsmouth representations had not been taken into account by the Trade Board—I do not know how far that was true.

638. *Chairman*: There was a real point: the 10½d. case was a case where a mistake had been made in fixing the rate?—Yes, it was a real point to some extent. There were some people who were liable to the 10½d. rate even in Portsmouth, and that arose upon that question of definition which I mentioned this morning; and I think they were entitled, at any rate, to doubt whether they need pay the rate.

639. *Mr. Pugh*: But still there is ample machinery provided for dealing with any question of doubt or objection?—Yes. The Portsmouth employers could have gone to the Board; that would have been the normal procedure.

The second class of criticism, which could only be met by amendment of the Acts, is put forward by critics who assume that provision must still be made against anti-sweating, but distinguish between that and what they describe as compulsory wage regulation; they say that the latter is inelastic and therefore burdensome; and bureaucratic and therefore expensive; and they draw attention particularly to the creation of unemployment as the result of legislation of this kind. I propose to deal with the unemployment point, if I may, separately. You will find, I think, that you will have put to you as a constructive proposal from some quarters that the remedy is a national flat minimum, not applying to one trade only but to all trades, below which nobody should be paid. I do not myself propose to offer any view upon that at this stage. If later the Committee wish to hear the Department upon it, they will be very glad to give evidence. If it is put to you, of course you will form your own conclusions upon it.

640. *Chairman*: That will be on the footing of what is necessary to enable one to live, I suppose?—Yes, it may be something approximating to what was laid down by the Minimum Wage Commission Bill, which was recommended by the Joint Committee of the National Industrial Conference, which recited in the preamble that there should be an adequate living wage, and then provided for the setting up of a Commission to discover what the living wage should

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be. But I would like to take the last point, that compulsory wage regulation is necessarily inelastic. Of course, any wage that has to be paid by everybody in a trade differs from a wage fixed by agreement, but assuming that a wage fixed by agreement is really going to be paid by everybody the additional elasticity of the voluntary agreement is rather in a lack of a sense of honour than anything else, because you have got to pay the rate just as much if you had made a voluntary agreement as if you are compelled by law. But what I think is at the back of everybody's mind is that by voluntary agreement you do get—that is the experience of industry generally—much more district variation than you have had under the Trade Boards Acts.

641. *Mr. MacCallum Scott*: More local variations?—Much more local variation. There is a great deal of criticism to the effect that the Trade Boards have not sufficiently availed themselves of the power to fix district rates. I prefer, if I may, not to discuss that at too great length. I have already explained, I think, that some of the Trade Boards have not wished to have district committees, and undoubtedly with a statutory machine district committees may cause difficulties. I mean if you have 60 Trade Boards, and each Trade Board had 12 committees, the country would be rather full of Trade Board committees when you had set them all up; I do not suggest that that is final against increasing the number of district committees, but I do say that the Acts as drawn permit of the creation of committees, and the Trade Boards have not wished at present to have committees, no doubt for good reasons, and I think this Committee will wish to know why the Trade Boards have not set up committees, and will wish to inquire, if they are in favour of the continuance of Trade Boards, whether something more might not be done with committees than has been done in the past.

642. *Chairman*: Who will tell us that?—I am not quite sure, now you ask me that question. I think you might get it from some of the employers' associations.

643. Shall we have any witness representing the Trade Boards?—It would be very easy to get them.

Mr. MacCallum Scott: You mean some of the chairmen?

644. *Mr. Poulton*: Do you mean in favour of district committees?—I am not prepared to say that.

645. I can get them in favour of abolishing the few that you have.—There is no doubt, as Mr. Poulton suggests, that on Trade Boards there has been no disposition widely to adopt district committees, and I am bound to say that it is not for want of hints dropped by the Minister as to the desirability of having district trade committees that they have not been set up.

646. *Mr. MacCallum Scott*: Will any chairmen of the Boards be giving evidence?—Certainly, if the Committee so wish it will be very easy to arrange. In fact, some of the chairmen have already told me that they would like to give evidence.

Chairman: I think it might be an advantage.

647. *Mr. Poulton*: Apart from the fact that there might be some complications, which I will not go into just now, would not that have the effect of very considerably increasing the expenditure, which is one of the points levelled against the Department as such?—I am not sure. We had thought of that. I am not sure that to set up district trade committees would really materially increase expenditure, because, to begin with, if you meet in your own locality you have no travelling expenses, and you probably have no subsistence allowances, and those are two very heavy items. With district committees there might be a little more expense in printing, and there might possibly be a little more expense in chairmen's fees, but I think one would rather counter-balance the other. I do not think that the expense would be much greater.

648. *Chairman*: Still, you would have the Trade Board also, would you not?—That is one of the big points: what powers would you be prepared to give

to the district committees? At present a district committee has practically only advisory powers, although a Trade Board must pay attention to what the district committee has decided. It is very difficult to see how you can make it more than that, because if you let the district committee actually fix a rate you might get different rates fixed in contiguous counties which bore no relation to each other. In fact, you might have a repetition of the Agricultural Wages Board's difficulties.

649. *Mr. Poulton*: You would be practically setting up rival authorities?—You might be setting up rival Trade Boards. On the other hand, it is possible that if you did increase the number of Boards which had district committees you might find a solution of some of the outstanding difficulties. Take the grocery trade; there was a real feeling that the rates which were at one time proposed—not the rates which are now in the proposal stage; I know nothing of those. I mean the rates which were before the Minister originally. Cornwall and some of the seaside places said, "These rates simply will not do for us." The Grocery Board fixed three scales: London, towns over 10,000 inhabitants, and towns below 10,000 inhabitants. From some points of view it would have been a far easier solution to have taken Cornwall and Devon and to have fixed separate rates for that area. However, that view did not commend itself to the Board. Naturally, it was not our business to enforce it on the Board. There are certain very obvious advantages in district committees. On the other hand, as I say, they have not commended themselves to the Boards, and I think you will find the reasons why they have not commended themselves to the Boards given in great detail by representatives of the two sides who come before you; but, if I may say so, I hope the Committee will not fail to examine this matter further, and if at any stage they want further evidence from us as to the defects of district committees or the possibilities, we shall be very happy to supply a memorandum or to appear again.

650. *Chairman*: That is as to elasticity?—That is as to elasticity. Then as to bureaucracy, I would like to say upon that what I have said before to-day: that the Boards themselves fix the rates. They propose the rates and fix the rates, and they consist of representative employers and workers; and the only complaint of bureaucracy must either be against the Appointed Members or against the Minister. The Appointed Members are not bureaucrats; they are independent persons appointed by the Minister in a judicial capacity—I mean they have a sort of judicial standing, and they are not officers of the Minister; they have an absolutely free discretion to decide as they choose; they vote as they choose, and they need not vote all together. They have been criticised from time to time by employers as being pro-trade-union. I am happy to say that they have been equally criticised by the trade unionists as being pro-employer, and on the whole I think they have steered a very fair middle course. They have had a very difficult task, and not a highly rewarded one, and not a task for which they have been much thanked, but I do not think they can be described as bureaucrats.

651. *Mr. Pugh*: They have been equally satisfactory to both?—In some cases they have been equally unsatisfactory to both, which has been almost as good.

652. I suppose you must please both or offend both, so I say they are equally satisfactory to both.—Whatever else is said, for or against them, they are not officers of the Government; they are simply members of the Board appointed by the Minister. Then as regards the Minister's power, I hope to deal with that separately. That goes to the very root of the constitutional difficulty.

653. *Mr. Poulton*: The Appointed Members are not in any way tied or instructed by the Department?—Not in any way. We are very careful indeed not to express views to them except in the presence of other members of the Board.

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[Continued.]

654. *Mr. Layton*: You made a statement this morning, and you rather repeat it now, that the wages fixed are fixed by representatives of the trade. I am still not quite clear how far that is the case?—You mean because the Appointed Members may—

655. Because of the Appointed Members. I am not quite clear how far the rates fixed are really fixed by methods similar to those of direct negotiation?—It is perfectly true to say, as the Chairman said to me this morning, that there must be a number of cases in which one side or another accepts a position which it perhaps would not have accepted under voluntary negotiation, because the Appointed Members are there with their decisive vote; but equally, I think, it is true that without ever exercising their vote, or the threat of their vote, they have been able to secure agreement in just the way in which on a conciliation board an impartial chairman, who has no compulsory powers, has been able to secure agreement.

656. My point is as to the proportion of cases in which really the solution lies in the hands of an outside body, because in these cases the system of wage regulation which you put up is external regulation of wages after hearing both sides, and I am not sure if that is really what is happening in the bulk of cases or not?—My answer to you, of course, is not conclusive, I admit, but I can give you the number of cases where the results have been by agreement. (See Annex I, Chapter V, Table A.) You are perfectly entitled to say to me, "I do not know what went on behind the scenes."

657. Having said that, I find it difficult still to form an opinion.—I cannot pretend to answer that question with certainty, but my belief is that we should have far more trouble than we do, to put it no higher than that, with the Trade Boards if in the majority of cases it was the Appointed Members who made the rates, and not the representative members. I cannot believe that the Trade Boards are in a large measure submitting to having rates imposed upon them. My experience of them is that they are not docile to that degree.

658. *Lord Weir*: I noticed that this morning you said, "decided by those in the trade," and I came to the same conclusion as Mr. Layton.—I was trying, at any rate, to make it perfectly clear that no Minister decides the rates.

659. That is so.—I think you are making a perfectly good point in saying that the Appointed Members have a considerable influence, but then I put it that if you did without the Appointed Members what would be the position? The object of the Acts is to provide protection for the workers. If the Appointed Members were not there, at any rate you might have constant deadlocks, and no rates would ever be fixed. I do not want to press that too far, because from the other point of view clearly it would establish your case if I made too much of it. I simply say that I think a great deal of the work of the Boards is really the result of agreement between the two sides—

660. *Mr. Poulton*: Even then they only act in the same way as under a voluntary agreement; if both sides do not agree, they put it in the hands of somebody else to settle it?—But that is by agreement to get somebody to impose a settlement from outside, and I was suggesting that it was done from inside; and Lord Weir and Mr. Layton were rather challenging that point.

Chairman: I do not understand, Mr. Poulton. A Whitley Council settles wages by agreement of both sides.

Mr. Poulton: They do not. They have an independent person, it may be their chairman, or it may be an umpire, or it may be a conciliator, whichever term you like to use.

Chairman: That is because they choose to do it.

Mr. Poulton: Yes, they choose to do it, but still the fact remains that he is there, and he has the deciding voice, and they accept his decision.

661. *Mr. Pugh*: The point of Mr. Layton's equally seems to me to be this: to what extent, failing

definite agreement between employers' and workmen's representatives, do the Appointed Members act as mere conciliators between the two disputing parties, and to what extent do they impose their own will in the sense of having a right to say what it shall be?—Quite. Honestly I am guessing to a certain extent in this answer—I must be—and I think the best way to settle it is to ask some of the chairmen and some of the Trade Board representatives what the answer is. I shall be surprised, I am bound to say, if you find that in the majority of cases the chairmen do impose their will on the Trade Boards.

If I may, I would rather argue the question of the Minister's power when I take the suggestion that the Trade Boards should remain, but should be more autonomous than at present, which is the third main criticism to meet which amendment of the Acts as they stand would be required.

662. *Mr. Layton*: Do you pass from the question of elasticity altogether?—Yes.

663. Are you going to take the point as to elasticity over a period of time, not as between different places?—Do you mean because it takes too long?

664. Yes.—I am going to take that later on machinery. On the question of greater autonomy there are three proposals: the first is that the Boards should have compulsory powers without any independent members at all, and, of course, with no State interference; the second is that they should have compulsory powers with some sort of independent element, but still without any interference by the State; and I think the third—I do not know whether it has been made very widely, and I do not know whether it will be put to you—is that you should have Boards like the Agricultural Wages Board with compulsory powers subject to appeal to some impartial Tribunal which would finally settle any points in dispute. Again, I do not want to prejudice the view of the Committee, but with regard to all these points I would like to say generally—this applies to all the three—that you do get to a fundamental constitutional question here. Parliament has considered this matter, and it has said that certain employers shall be compelled under penalty to pay certain rates; the Acts, therefore, involve a compulsory change in the habits and businesses of a number of citizens; and Parliament has said: "As long as we give that power we must have somebody responsible to us to render an account of the way in which it is exercised," and therefore a Minister—originally the President of the Board of Trade, now the Minister of Labour—is held responsible to Parliament. Any person who is aggrieved has resort first to the Minister, and if dissatisfied with the Minister, to Parliament. If you withdraw the Minister you withdraw the constitutional control of Parliament, and you withdraw the constitutional remedy for an aggrieved person. That, I think, is the big constitutional point which emerges, and in any proposal to take away the Parliamentary powers, that has to be considered. Apart from that, you have in less degree the question of the public point of view: how far the consumers' interest is to be consulted; how far the general public point of view is to be consulted; and under the first of the proposals there would be no provision whatever for that. Under the second and third proposals there would be some provision. Taking the first, however, what it really comes to is a demand that the Whitley Councils shall be given compulsory powers, that is to say, that a body, consisting only of employers and employed, with no appointed members, and no State interference, shall regulate the wages for its trade.

665. *Chairman*: It is not quite the Whitley Councils, because these will be selected members, not appointed by any organisation.—I think they would probably expect that it should be a nominated body. I do not know the way in which they consider it, but at any rate a concrete proposal which is before us, and has been put to us from time to time, has been that Whitley Councils as they stand should be given compulsory powers.

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[Continued.]

666. *Mr. MacCallum Scott:* Does that apply to those unorganised trades?—No, because the Whitley Councils are supposed to apply only to trades which have a measure of organisation, but it would be suggested, no doubt, that the same principle should be adopted in the unorganised trades. The difficulty—I do not say it is decisive—which presents itself, is, first of all, that you would have no means of solving deadlocks; secondly—one is bound to say this—that if there were no foreign competition there would really be no check on the wages fixed by the Board, except the pocket of the consumer, and it might well be that unduly high wages—I say this with great deference, but still one is bound to face it—might be fixed without reference to what the consumer really ought to be asked to pay. Practically I do not think that it would be easy to defend giving these compulsory powers without any person, or body of persons, there to look at the thing from the point of view of the general public interest. I do not say that it is decisive, but it occurs to me that that is a real difficulty in the proposal. On the second proposal, which is that you should have practically the analogy of the Agricultural Wages Board, now defunct, you have, of course, the constitutional difficulty as your first difficulty, and you have this other factor which, of course, did not arise in the case of the Agricultural Wages Board: the Agricultural Wages Board applied to an industry which was a lonely industry; there is no other, except in a very small degree, overlapping or competing with it in this country; and therefore you do not get a great tangle of wages; you have one straightforward series of problems. But when you come to the Trade Board trades, you have, as I say, 62 Boards and you have inevitable complications. If each Board were free to fix its own wages, without reference to any other—though one does not want to insist on uniformity too far, yet some measure of co-ordination is not undesirable—you might get yourself into a very complicated and difficult position. Again, I do not say that this is decisive; I simply say that it is a point which is worth bearing in mind. Then you have the third proposal which allows for that possibility, and says: "Well, have some Tribunal superimposed over all existing Trade Boards which would decide ultimately between the rival interests on individual Boards or actually between the various Boards." The difficulty of that proposal, as it appears to us, is that first you still do not have any Parliamentary control, and secondly, you practically have a body re-hearing again and again things which have already been discussed by a body which was better able, by virtue of experience, to form an opinion, than the Authority. Therefore, I do not dismiss any of these proposals—they will be urged, I daresay, with considerable force—but I do suggest to the Committee that there are difficulties in the way of adopting any of them at the moment.

That was all I wanted to lay before the Committee on this matter, but I want to deal now specially with the question of how unemployment is caused by Trade Boards. Unemployment, of course, is the point which has been urged most generally in the Press and elsewhere, as the reason against extending Trade Boards further, and as a general reason against having Trade Boards at all, particularly in the distributive trades. I would like to make two general observations upon that at the outset: the first is that it is extremely difficult for anybody to say with certainty what the cause of the present unemployment in any trade is. If anybody knew I think it would probably cease to exist. It is rather an audacious employer who asserts generally that the unemployment in his trade is due to a Trade Board. That is the first general point. The second general point is that it would be absurd to pretend that a Trade Board could not fix a rate which would smash its trade. Of course it could. If they liked to commit suicide—the employers who were in the trade and the workers who have got to work in the trade—they could fix a rate which would put the whole trade out

of business; but it is not likely that they would do it. However, I gave a case this morning where, though they had not got to that length, they certainly had endangered the prosperity of a part of the trade. Those are the two general over-riding considerations. If I liked to use what would not be a fair thing from my point of view, I could dispose of the whole of the case against Trade Boards on the grounds of unemployment, by reading out the percentages of unemployment in the trades covered by Trade Boards and the non-Trade Board trades. The actual statistics are the following:—The percentage of unemployment in industry generally at 16th September, 1921, was 12.4; in Trade Board industries, 10.2; and in non-Trade Board industries, 13.3. It would, therefore, appear to follow that the one way to avoid unemployment is to have a Trade Board in your industry. I make no such claim on behalf of Trade Boards, because I began by saying that it is not fair to attribute unemployment to any single cause, but I think one is entitled to say, having regard to those figures, that at any rate at first sight there is nothing to show that a Trade Board by its operation does, in its own trade, increase unemployment.

667. *Mr. Poulton:* Upon that point, have you any special cases where the allegation has been made regarding a particular industry, so that you can test that?—Yes, I was coming to that. I have. I was coming to the point which Mr. Poulton has just put. It really becomes a matter of taking specific allegations and seeing whether in fact they are borne out on investigation. First of all, you have the general allegations made by a number of Chambers of Commerce and Chambers of Trade, which are generally uniform in character, and recite that Trade Boards cause unemployment, but they usually do not add figures in support, so I do not think one need examine their allegations further. The cases where serious allegations are made are more interesting for this reason: first, that they do not apply equally to all Trade Board trades; it is a curious thing that in only about eight or nine Trade Board trades is it ever suggested that unemployment has been caused by the operation of Trade Boards. I do not want to imply by that that the employers in other Trade Board trades do not feel the same, but at any rate they have not said so yet. The trades in which the chief allegations have been made are dressmaking, millinery, corset, jute, flax, laundry, and, I think, retail tailoring. I do not think that the allegation has been made at all widely in respect of grocery. It has been mentioned in grocery, but I think it would be rather a curious allegation, because no rate has yet been fixed in that trade. In regard to the other trades we have had specific cases given us where we were told that actual unemployment had been caused. We have investigated certain cases in Hampshire, Hereford, the Hertfords, and Salisbury, in respect of dressmaking and millinery. Before I give the cases, which all show, in our view, that the allegation was not substantiated, I want to say that what I said this morning still holds; that if the rate fixed for learners had been enforced, we think a good deal of unemployment would necessarily have been caused.

668. That was only for the learners?—That was only for the learners, but, of course, it affected the recruitment of the whole trade, and if it had been persisted in it might have been rather prejudicial to the trade as a whole. The 10s. rate was also a factor in the dressmaking trade. If I might take the dressmaking trade the Chairman of the Hereford Juvenile Employment Committee stated that he had reason to believe that at Hereford the Trade Board rates in dressmaking, millinery, and retail bespoke tailoring, were gravely prejudicing the employment of juveniles. As a result a special investigation was carried out in Hereford in December, 1920, in the course of which nine firms engaged in these trades, employing about 120 workers, were visited. It was ascertained that since Trade Board rates had entered

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into operation (in the Spring of 1920) (1) Two adult workers had been dismissed (one a subsidiary worker), in a dressmaking and millinery establishment; (2) Three learners had been dismissed in a millinery establishment; (3) One firm had engaged two additional learners, a dressmaking and millinery establishment; net loss—three. While, however, the inquiry showed that the immediate effect on employment of the operation of Trade Board rates was slight, and that the total number of dismissals was negligible, it did also reveal what I have mentioned before, namely, a growing reluctance on the part of employers to engage fresh juvenile labour, because of the learners' rates.

669. I suppose that was the reason given?—Yes, that was the reason given.

670. It might conceivably be due to the fact that trade generally was bad?—All the way through that is a possible factor, but in the millinery and dressmaking cases the attitude to these rates for young persons was very marked, and it was not limited to employers who were likely to be misleading the inspectors.

671. *Chairman:* And the inspectors thought it was true?—The inspectors thought there was good ground for the attitude. To take one more dressmaking case, in the Hartlepoons, the Hartlepoons Textile Traders' Association complained to the Minister in January, 1921, in very specific terms, that the rates fixed by the Dressmaking and Millinery Trade Boards were ruining their trades; that members of the Association were only employing half their former staffs, and that young girls who did not show special skill were being discharged. It was stated that one member of the Association, who formerly employed 80 hands, had closed down his work rooms entirely since the Trade Board rates came into operation. A special inquiry was carried out in the Hartlepoons in February, 1921, in the course of which the six largest firms in the retail dressmaking and millinery trades were visited. At the date of the inquiry these firms were found to be employing 80 workers. According to the statements made by the firms they had in May, 1920, employed about 45 additional workers, mainly juveniles. Of those six had been temporarily suspended, and the remainder dismissed. The dismissals appeared to be due, firstly, to the operation of Trade Board rates, secondly, to seasonal depression in trade, and thirdly to particular circumstances in individual cases, e.g., in the establishment in which the largest number of dismissals had occurred, they appeared to result from a heavy falling off in custom following upon the retirement of the head dressmaker. This was admitted by the employer in question. The part which follows is rather striking. The allegation that a firm employing 80 hands had been closed down owing to the operation of Trade Board rates was specially investigated. It was ascertained that the firm in question was a firm of wholesale women's and children's light clothing manufacturers, which had closed down in September, 1920. At the outbreak of war this firm had been employing 80 workers, but by 1916, owing to the loss of skilled hands through the demands of national service, the firm found itself in difficulties. In the subsequent years loss of contracts through a prolonged illness of the proprietor, deterioration in equipment, which could not be replaced owing to lack of capital and difficulty in obtaining materials, increased these difficulties. In June, 1919, only 40 girls were employed, working part-time; by May, 1920, when the Trade Board rates came into force, this number had been reduced to 27, still working short time. In September, 1920, when the firm closed down, 20 workers were employed. In this case it had been definitely alleged by a responsible body, that 80 workers had been dismissed as a result of Trade Board rates. In fact 20 had been dismissed, who had been working part-time, and who probably would have been dismissed in any event.

672. *Mr. Poulton:* Was the result of that Inquiry communicated to the person who was responsible for that inquiry being made?—I imagine so. I cannot be sure, but I dare say that was done. I do not

think I need weary the Committee by reading the other cases. (For other cases see Annex VI.) I do not say that these results are conclusive, because it is quite likely that in some cases, particularly in millinery and dressmaking, unemployment has been caused, but it certainly is the case that when we have had specific allegations made they have not been borne out when we have examined them.

673. *Mr. MacCallum Scott:* Were they not rather borne out in the Hartlepoons?—They were borne out to this extent, that it was ascertained that a certain number of dismissals were due to the rates. Upon that I should like to come back to the point which I made yesterday, that Parliament has laid it down that in trades where the operation of economic laws has not given the workers an adequate wage the State shall intervene to protect the workers in spite of those laws. The possibility that its intervention might cause unemployment was envisaged, and it was decided in effect that the advantages to the majority of a reasonable wage must in the long run outweigh the temporary loss to the minority. But by providing that wages should be fixed trade by trade by a body, half of the representative element of which consisted of employers in the trade, a guarantee was given that the dislocation, if any, would be kept within the narrowest limits. What I mean by that is that you cannot hope when you set up a Trade Board, not to cause some little dislocation; it is inevitable. You have in some trades employers so inefficient and employing such sweated labour, that if they have to pay a reasonable rate they go out of business. Parliament, I imagine, came to the conclusion that it was better that they should. If the trade is a trade which is likely to persist, it is not possible that the dislocation is going to last for a long period; and the result of better wages and conditions should be rather to increase employment in the long run than to decrease it. I do feel that very much which has been written about unemployment has not been proved. As I say, it is a charge which is as difficult to refute as to prove. I cannot refute it by producing my unemployment figures, because I say that I would not be using them fairly if I did. On the other hand, if employers appear before you and say that dismissals have been made on this and that account, I think it would be very difficult for them to prove that it is only due to the Trade Board rates. I should, however, just like very briefly, to mention the case of the jute trade. Employers in the jute trade asked for exclusion from the Acts because they said that they could not get on with their production at all because of the high rates fixed by the Trade Board. They said they required a 25 per cent. reduction in rates at once, and they said that that would make all the difference to them. I got out some figures when the application was made—they may be challenged—which indicated that a 25 per cent. reduction in jute wages would mean a reduction of less than 5 per cent. in the cost of production, and that on the other hand from March, 1920, when the price of jute was £64 a ton, it had gone down to £29 a ton in September, 1921. A great deal of material is held in stock—or at least, a certain amount—bought at the former figure, and the raw material forms 75 per cent. of the cost of production. If it is seriously suggested that a reduction of less than 5 per cent. in the cost of production is in those circumstances going to affect materially the employment position, I find it difficult to understand, and I think that if, as is possible, the jute employers put their case here, that would be rather an interesting typical case to investigate. It is quite likely that they will challenge the ratio of wages to the cost of production. I have got it worked out in detail here by our statistical people, and their bases may be wrong.

674. *Chairman:* Can you give us the material that you have—I do not mean to-day, but at some time or other—to enable us to test any cases which may be put before us?—I shall be very glad to. (See Annex VIII.) In the case of the flax trade, which is another trade asking for removal from the Acts, the change in the price of the raw material is almost

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unbelievable. It reached in March, 1920, £605 per ton, and dropped to £127 per ton in September. A 25 per cent. wages reduction or increase is not going to make a very alarming difference in these circumstances.

675. Still, when prices are falling like that it becomes important?—It becomes very important to reduce wages, obviously, but it is very unlikely that a wages reduction can in fact rectify the position, or prevent unemployment. In fact, it was reckoned that if you paid no wages at all in the jute trade you still could not get a market.

676. *Mr. MacCallum Scott*: Is employment said to be improved recently in the jute trade?—I think it is just beginning to look a little better.

677. *Mr. Layton*: Is not that perhaps rather under-estimating the importance of wages, not statistically but from this point of view: that after all, the competition which the jute trade has to meet will equally get its raw material at low prices, and the competition is in cost of production; the competitor gets the advantage of that fall of prices as well as the employer in question?—I think that is true, and I know that they have their Indian competition, which is very serious. Of course the rates of wages in Calcutta are extraordinarily low.

678. *Mr. Poulton*: Is not this the trade which we were told earlier in the day has actually got men at 11d. per hour?—That is the jute trade, yes. Of course jute has always been a trade which has not been able to afford very high wages.

679. It has always been a trade which has had a great deal of trouble as well?—I am not sure, but I think there was a certain amount of trouble.

680. *Mr. Layton*: Would not the inference be that along with rapidly altering conditions of trade you

want rapidly changing wages?—Yes, I think that is true.

681. And history would show that the procedure takes so long, because of the official machinery which has to be gone through, that it keeps the employer behind the market?

Mr. Poulton: Taking my own trade, my experience is the other way about; that employers want a very, very long period, so that they can stabilise their contracts.

682. *Mr. MacCallum Scott*: Is not the chief competitor in the jute trade Calcutta?—Yes. If I may say so, *Mr. Layton's* point is a very fair one, because the jute employers asked to be removed from the Board as much to get elasticity in the matter of changes of wages as on the ground that it would revive employment. Some of them said that it would revive employment, but if you put to them a straight question, "If wages are reduced 25 per cent., will you guarantee to employ one man one hour more," I am not sure that you would have got an affirmative answer; but they had a very strong case on the need for increased speed of machinery, and that was the next point that I was going to take, unless the Committee have any other points to raise on the previous question.

683. *Mr. Layton*: You are taking it in relation to this question?—Yes.

684. *Chairman*: Increase in speed?—Yes, the speeding up of the machinery.

685. I think that is rather a new subject?—I have finished the criticisms which involve the drastic amendment or repeal of the Act. I come now to criticisms in machinery.

686. We are getting towards the end of your evidence-in-chief, I expect?—Yes.

687. The members of the Committee will be prepared to put any questions to you that they wish to put to-morrow.—I think I shall finish my evidence-in-chief in about an hour to-morrow.

(Adjourned to Friday morning, 14th October, at 11 o'clock.)

THIRD DAY.

Friday, 14th October, 1921.

PRESENT:

The Right Hon. the VISCOUNT CAVE, G.C.M.G.
(Chairman).

The Right Hon. LORD WEIR OF EASTWOOD.
DAME ADELAIDE M. ANDERSON, D.B.E.

Mr. JAMES BELL, M.P.

Mr. W. T. LAYTON, C.H., C.B.E.

Mr. E. L. POULTON, O.B.E., J.P.

Mr. A. PUGH.

Mr. A. MACCALLUM SCOTT, M.P.

Mr. H. D. HANCOCK (Secretary).

Mr. HUMBERT WOLFE, C.B.E., recalled and further examined.

688. *Chairman*: You have given us the criticisms of Trade Boards on broader grounds, and you are now going to deal with criticisms which involve amendments not affecting the principles of the Acts?—Yes. I will try to deal with this as shortly as I can, because a number of the points have been covered already in the course of what I have said before. The first criticism particularly, which is directed against the cumbrous machinery, I do not think the Committee will wish to hear anything more about. That is the point about delays.

689. Do you want at this stage, or are you prepared at this stage, to make any suggestions with a view to shortening time?

690. *Mr. Poulton*: Or simplifying the machinery?—That is much the simplest amendment. I would rather not make suggestions on the other ones, but I should be prepared to on this one. On this I do

not think our view would be that there is any case for reducing the period in fixing the first rate. We think the first rate involves so many new conditions, and there are so many interests to be considered, that a long period is an advantage on the whole rather than a disadvantage; but we feel that so far as the period for variation of the rates is concerned, that could, and probably should, be reduced. At present it is a two months' period, and that could quite well, in our view, be reduced to one month. Moreover, you could get rid of some of the even more tiresome difficulties, by saying that the period of objection should date not from the posting of the notices, which may be three weeks after the decision of a Board to propose, but from the date of announcement of the proposal in the "London Gazette" or from the date of its appearance in public advertisement. That would save you.

† For documents handed in by the witness and annexed to his evidence see page 59 and following pages.

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in addition to your month, another three weeks possibly, or in some cases another month. It would very materially shorten the period.

691. That refers to notices?—That refers to notices.

692. Not to the variation in itself, but only to the notice?—In the case of the variation itself we suggest that a period of one month should be allowed for the lodging of objections instead of two months.

693. I mean you do not suggest that there should be a variation every two months?—No.

694. This refers only to the notice?—This refers to the statutory machinery for getting the notice out. The second point which we think might possibly be changed is the six months' period during which the Minister's consent is necessary to the proposal to vary a rate. As I said yesterday, there has, I think, been no case in which the Minister has refused his consent, and it is very difficult to see how he ever could, and we do not think that there is very good reason for maintaining that particular provision. If those changes, which are not at all drastic, were made, the speed at which rates could be varied would be very much greater. We do not suggest that the time during which the Minister is allowed to consider the rates when submitted to him for confirmation should be reduced. If it were reduced it would have one of two results: either the Minister would become a mere registration authority of the decisions of the Board—which is a view which is held in certain quarters, and is a view for the Committee to decide upon; but at the moment we resist it on the ground that it would have that effect—

695. He might take a month, but in practice he does not take so long?—No, he does not take so long. There have been a number of cases where he has taken more than a month, but the reason for that is simply this, that the Minister may find that if he negotiates with the two sides he may still arrive at an agreement which would avoid the necessity of reference back, whereas if he is compelled to decide within an arbitrary period he either has to confirm against his better judgment or refer back, when he may believe that by a little more negotiation a settlement could be reached. It is exactly the same position as arose during the war on the questions that were referred to arbitration. It was always wished that the Board of Trade should refer matters to compulsory arbitration very quickly. The Board of Trade always resisted that on the ground that if they could settle a matter before it went to arbitration, even if it took a week or so longer, it was better than sending it to compulsory arbitration too early.

696. Mr. Poulton: And ultimately quicker?—And ultimately quicker; and the same applies, in our view, in respect of the Minister's power of confirmation. That, of course, is subject to the assumption that the Minister is still to be a real authority for settling these matters. If there is complete autonomy, or if the Minister is merely a registration authority, then, of course, he does not need even a month; you can make it as short a period as you like.

697. Mr. Pugh: That month is allowed to enable any interested person to raise objections. I suppose that is really due to the fact that there is not sufficient organisation in the particular trade to enable the Board to speak collectively for the whole trade. Is that so?—Only in part. It may be to give one side or another a further opportunity of stating their case if there is a division of opinion, and a question has been decided by a vote of the Appointed Members.

698. Assuming a fair degree of organisation, is it really necessary to wait a month to give an opportunity for all sorts of interests to raise objections, even, it would appear, when they are really parties to the arrangements?—Supposing there is unanimous agreement on the Board, it is very unlikely that a month will be required; it may be possible to confirm at once; but in a number of cases you get one side or the other objecting to the decisions of the Board because they have been outvoted, and that side will wish to be heard. It constantly happens, for example,

that we get a notice from the Secretary of the Board saying, "This is the rate fixed," and by the same post we get a letter from the secretary of the employers' side or the workers' side asking for an interview to state their case further; and, in addition to the persons actually on the Board, you may of course get other bodies in the country—consumers or other interests—who wish to state their view.

699. So far as the objections come from the Board itself, then it means that under present arrangements the Minister holds the position of an appeal court to which either side may appeal against a decision come to by the Board itself?—It is not so much an appeal court, though it might be described as that, but it is to give the Board, if they care, a further opportunity of discussing the matter, so that if the Minister thinks it has not been sufficiently considered he can himself refer it back to the Board for reconsideration. Remember, he cannot decide it; he can only refer it back to the Board to be reconsidered.

700. Mr. Poulton: If the reasons adduced are weighty enough in his opinion to warrant any such procedure?—Yes, that is so.

701. Mr. Pugh: From the point of view of the utility of the Board, however, is not that really a reflection on the capacity of the Board or of the trade to settle its own affairs?—Not necessarily; if you take the view that the Minister represents a broader view than the narrow trade view, it is necessary that the public view should be taken into account. That is the point in the Minister's position; that he represents the view of Parliament and of the general public.

702. Is it considered that a month is really necessary in order to get the public view?—I think a month is not very long. You see, first of all the notice is issued, then associations have got to meet; then they may have to arrange for deputations to be heard. It is not a very long time.

703. Mr. Layton: Do you not consider that the appointed members are sufficient protection from the public point of view?—I think to a certain extent they are; but then the appointed members are in this difficulty, that they have got to live with the Board, and that they have got, as far as possible, to accommodate themselves reasonably to the Board. They cannot hope to have quite that dispassionate neutrality—I do not refer upon them for that reason; I think they have got to accommodate themselves to the Board a little, but they do not quite have the dispassionate neutrality—which a Department of State ought to have.

704. But the Board is essentially a three-party business?—Yes, although as I said, nothing in the Statute says that the appointed members are there in fact to represent the public interest. The principal reason, as suggested, for putting them there was in order to secure decisions.

705. But I understand that the Minister does not turn a rate down because he says, "This is the rate put up, but it is not in the interests of consumers to have this rate," does he? Has he ever consciously done that?—He has never done it for that particular reason, but he has continually lately, or rather several times lately, referred back a rate to ask the Board to consider whether it might not cause unemployment, even where the two sides of the Board have agreed to impose the rate.

706. That has only been done within the last two or three months?—Within the last two or three months, or perhaps the last six months.

707. Hitherto he has always said, "You have not weighed the evidence sufficiently, or given proper weight to the different parties"?—That has been the principal ground upon which he has done it hitherto, and of course on technical grounds—legal grounds; but it has always been open to the Minister—his discretion is not fettered—to consider all the issues.

708. He is absolutely free; he can refer it back on any grounds whatsoever?—I do not think there is anything fettering his discretion.

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[Continued.]

709. *Dame Adelaide Anderson*: Has it in fact led to revisions?—In nearly every case when it has been referred back—I think there are two or three exceptions—there has been a revision. (See Appendix I, Chapter VI, Table A.)

710. *Mr. Poulton*: Both sides have at different times taken advantage of that opportunity, have they not?—Very much so, yes.

711. They look upon it not quite as a court of appeal, but as a court of reference to ask that certain points which have not been in their judgment sufficiently considered shall be considered by what they look upon as an independent authority?—Perfectly; that is exactly right, and it has happened by accident that in one or two cases circumstances have materially altered between the date of the fixing and the date when the Minister would confirm, but that is a separate issue. I think Mr. Poulton puts it exactly.

712. *Chairman*: Have you considered another way in which the time might be saved, namely, in applying to the Board to amend a rate which has been proposed?—Yes, that is another very important possibility. As I said to you yesterday, and I think the Committee fully understand, if it is a question of making a substantial amendment in the rate originally proposed you have to go through the whole of the procedure again, and that involves months. We do not think that it really need be done in exactly that way. We think there might be far more latitude allowed to the Boards to make substantial alterations if they think the weight of objections requires it, always leaving some power, as long as the Minister is the authority, to the Minister to decide that in a particular case the alteration is so considerable that the trade ought to have another opportunity of looking at it before he actually confirms it.

713. That might make a substantial difference in some cases?—It might make a difference of months. For instance, in the case of the Grocery Trade Board rates, if the Minister had possessed that power, the rates would have been confirmed last March, and because he had not the power they have not been confirmed yet.

714. *Lord Weir*: That was the settling of a new rate?—Yes. What happened exactly in that case was that a certain number of towns which had been included in a certain scale in the proposal were put on to a lower scale at the fixing stage, and that was felt to be a substantial change, and therefore it had to be re-advertised.

715. *Chairman*: It would apply just as much to varying a rate as to making a new rate?—Yes, certainly.

716. *Lord Weir*: At present, if the Minister sends it back for revision, the whole machinery has to be gone over twice?—Yes, twice. If I may take two cases to make it clear, suppose the Board has fixed a 6d. rate, or rather has proposed a 6d. rate, and during the objection period it becomes clear that the rate is 1½d. too low; that view is expressed to the Board by all the objectors, and they come to the conclusion on merits that it is right, so they change the 6d. to 7½d., the Minister could not confirm that because it is a substantial alteration. Therefore it has got to be re-proposed; that is to say, it will take another two or three months. But suppose the 6d. rate has been fixed by the Board and sent on to the Minister, and the Minister had taken the objections, and had thought that they were good, and had sent it back to the Board, then the same thing would have happened if the Board had then altered their view: there would have been a still longer delay in that case; whereas if the Board had had the power to put on the 1½d. and if the Minister had thought on the whole that it had been sufficiently advertised and the trade did not need to see it again, it could have been confirmed at once.

717. It comes to amending a rate without notice?—Without giving further notice, yes. Of course there are objections; I mean either one side or the other may find imposed upon it a rate which it did not expect from the original proposal.

718. *Mr. Pugh*: Would that rule out the month during which objections may be raised?—It would not rule out the month during which objections may be lodged with the Minister. That would still remain, and, of course, that month would become even more important in that event.

719. But practically that would be the only delay following the decision of the Board?—That would be so, yes.

720. Assuming, of course, that no objections were sent in?—Yes.

721. *Chairman*: It would make that month much more important?—Yes, it would make the month much more important.

722. Could you not possibly have some way of giving notice—short notice, or notice by advertisement only—in cases of substantial variations?—You might. Of course it is very difficult then to be sure that it would reach everybody. You see, there are so many employers concerned in some of these trades, and they are such small employers very often that you could not be sure that they had seen it.

723. You might give notice in bulk?—You could, by newspaper advertisement.

724. *Mr. Pugh*: With regard to the matter of keeping the whole of the interested parties in a trade informed of what the Board is doing, could not that be simplified to some extent: I do not know whether it is the practice now, but could it not be simplified in this way? Of course the parties are all aware that the Board exists; that, I take it, is well understood by every interested person?—Not necessarily, I am afraid.

725. That, at any rate, could be made well-known?—Yes, after the first couple of years of a Board's existence, but not before.

726. Could not the fact that the Board was considering adjustments of rates, or the fixing of rates, be made known and by that means the interested parties kept in full touch with the Board and its proceedings, and so minimise the amount of delay which occurs after the agreement is come to? It seems to me that if interested parties are in a position to keep in touch with what is taking place, the same time for raising objections or the same procedure for raising objections is not necessary when once the Board has come to a decision?—On that there are two points. First of all, when you apply the Acts to a trade in the first place, it is very difficult to know all the employers in the trade, however much care you take. If you take the dressmaking trade, there is no record anywhere, either with us or with the Home Office or anywhere else, giving you all the dressmakers in the country, and I have known cases where you have started with a list of 7,000 employers, and when a Board has been in operation a year you find that there are 20,000 in the trade; so that is the first point which you have to clear up. It is, of course, much easier now because we are using the Employment Exchanges, the Home Office machinery, and all other machinery we can to get a complete list. Then in the second place, even when you have got a comparatively complete list, you have still the fact that the trade is unorganised as a whole, and it is very difficult to get at the individuals, both on the employers' and on the workers' sides; and it is important that they should all know. Unless you do it by some recognised statutory machinery by insisting that a notice is actually at the place of work where it can be seen, or at any rate brought to the workers' notice and the employers' notice, it is very difficult to say that they have in fact been kept in touch. You cannot secure it through any newspaper announcement. Our view is that you ought to cut each of the statutory periods as short as possible, and, taking the Chairman's point, to give much more latitude in altering the rates, but we do not think that if you make it less than that you can guarantee that the trade will really know what is happening, and as the rates are compulsory we think it is vital that they should know.

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727. *Mr. Poulton*: I take it that by that answer you mean that so far as it is humanly possible every individual employer, however small an employer, should be notified personally rather than by public advertisement, or using the Exchanges or using the Post Office, or any other public or Government buildings?—I think so, because if they break the law they will have to be prosecuted.

728. *Mr. Pugh*: Are you not giving very much greater consideration to the interested persons than would be given in an ordinary piece of legislation? They would be expected to know the law?—Of course this is a very individual matter and affects the general wages paid. It is not like a general law such as the law as to stealing. It says exactly what rates you have to pay, and you must know where you are.

729. Take the Hours of Labour Bill—

730. *Mr. Poulton*: Take the Compensation Acts?—I will take the Hours of Labour Bill, if I may. You mean as it was proposed?

731. *Mr. Pugh*: Anyhow.—The Hours of Labour Bill, after all, makes a general provision that a certain number of hours shall be worked throughout the country. It is not like calculating in each case the actual wages you have to pay; you know that if you are working beyond 8 hours you are breaking the law.

732. I am thinking of the question of applying it to a trade or industry. Take the coal mines; you may have small coal mines?—I know, but then it is such a plain provision, is it not?

733. Still the difficulty may not be less, but I think the principle is sound.—I can say this, that the Department would welcome any possible means of expediting the machinery, but it must be consistent with giving fair notice to the interested parties.

734. *Chairman*: What notice are you speaking of—notice before a rate is fixed, or notice after a rate is fixed?—I am much less concerned with notices at the fixing stage. I think employers ought to be told quite definitely that there is a proposal to fix a rate.

735. That is notice before the fixing of the rate?—That is notice before the fixing. They ought to have an opportunity of stating their objections, and it need only be, I think, in cases where the variation is very substantial that they need have a further opportunity of objecting.

736. I suppose that would not apply with the same force to a flat rate?—An alteration of a flat rate would be just as difficult and just as important from their point of view.

737. *Dame Adelaide Anderson*: I should like to ask whether in fact it is possible in such an occupation as dressmaking ever to notify all the employers?—No.

738. It is not possible, is it, to get anything like a complete list of all the employers?—No.

739. They change from week to week?—They change from week to week. You cannot get it complete, but you can get it 80 per cent. complete, I think, with reasonable luck, and sometimes even a bit more; and we rather think that it is our duty to get it as complete as we can.

740. *Lord Weir*: You do not believe that if you had 80 per cent. officially advised, their influence would be sufficient to look after the others?—The difficulty is that they are so scattered in these little trades, and you may well have a couple of dressmakers in a little village who know nothing whatever about what is happening in the neighbouring village or town. In fact, when we went round inspecting in the millinery cases, we were constantly met with perfectly *bonâ fide* statements by small dressmakers or milliners, that they just had not heard of the rates.

741. *Dame Adelaide Anderson*: Would not notification in a public place in every locality meet that difficulty?—It might.

742. I mean such as the post office and town halls. The Home Office had that method years ago?—But then, of course, it would not take any less time, or not very much less time. It would mean getting out your notice and posting that in just the same way.

743. *Chairman*: The printing would take less time?—That is so, but then when you have to deal with London it is a little difficult.

744. *Mr. MacCallum Scott*: Would the printing take less time?—Yes. Instead of having to have 130,000 separate notices for 130,000 employers, you would have slightly less.

745. *Dame Adelaide Anderson*: You could have parish notices?—All these things are well worth exploring. I have no particular view in favour of them; all that I want to be sure is that the people do know where they stand.

746. *Mr. Layton*: Is there any machinery or general practice among the Boards by which people who do not consider themselves properly represented on a Board, can be heard by the Board?—There is nothing to prevent the Board, if they wish, hearing the representatives of any interest or person who may wish to put their case before the Boards. In fact, that has been done on occasions.

747. Is it doné?—It is not very frequently done, but it has been done.

748. Is there any possibility of getting over this difficulty by getting notice before the Board meets—getting an intimation of the proposed change of rate before the Board meets—so that when the Board meets its decision would be final?—You see, the Board proposes a rate and the rate cannot be altered until the Board themselves have altered it.

749. But your objection is that objectors are not properly heard, or due weight has not been given to all sides of the case when the rate is fixed?—Yes, that may be the case.

750. In the main, apart from your special cases during the last two or three months, when on other grounds the rate has been held up by the Minister, broadly speaking, it is because a sufficient weight has not been given to the various objectors' cases. Could that be removed if you had a provision for giving notice before the Board commenced—that is to say, to have one period of notice, and give facilities for objections to be heard by the Board itself?—I do not quite know how you would do that. You see, the date at which the Board meets is fixed; the objectors all know that notice of proposal has been given; they all send in their objections within two months, and if they want to be heard personally, they can now be heard. I do not think that would alter the position much.

751. Does anybody who wants to alter the rate just give notice a day or two before the Board meets? Is that what happens in practice?—If they want to have a rate altered, do you mean?

752. Yes.—No, in practice they simply communicate with the Secretary of the Board.

753. It does in fact happen that considerable numbers, both of employers and of workpeople, might be quite ignorant of the fact that there was going to be any such discussion until they heard that the Board has decided to change the rate?

Chairman: Has proposed.

754. *Mr. Layton*: Yes, has proposed to change the rate?—Yes, I think that is possible. There might be in a big trade a meeting of the Board at somebody's request which would not be widely known throughout the trade, but, of course, it would be widely known as soon as the notice of proposal went out.

755. Quite; but notice of a proposal may be the first general intimation to the trade that the thing is being considered?—I do not know how far it could be done, but I think you might possibly have notice that the Board were going to meet to consider a rate.

756. If that were done would that meet a good deal of your objection to shortening the period very much?—The Minister's period?

757. No, it would do it almost automatically?—No, because I must not be taken to have said that the Minister only goes on the weight of evidence. He very often goes upon that, but he does definitely reserve to himself the right to consider on public and general grounds whether he ought to confirm.

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758. You do not think the appointed members have quite the same outlook in that respect as the Minister?—I do not think it would be fair to ask them to have the same point of view. They after all are conciliating the interests on the Board—they are also considering the public point of view—but the Minister is not called upon to conciliate interests, he has simply to decide the broad point of view.

759. *Mr. Pugh*: What is just precisely the limit of time which the Minister may take?—A month, excepting when there are special circumstances.

760. And if there is no objection in a month he can confirm?—As a matter of fact, the average period for confirmation from the fixing by the Board is, I think, 16 days.

761. *Mr. Poulton*: I should like to press my point about notification in the Press and at the post offices and other public and Government buildings. I can understand the difficulty in 1909 when the thing was absolutely new, but it is not at all new now; it has become really part and parcel of the ordinary machinery of the country, and inasmuch as we assume that every citizen knows every alteration in every law and he has to take his responsibility, if we give that sort of notice do you not think that that really would fulfil the purpose; because you admit yourself, and one can quite see it, that it is impossible to get at everybody in the smaller trades where one employer, two employers or three employers are in business to-day and are out of business to-morrow?—Upon that, first of all we asked the Post Office, for example, to exhibit our notices; the Post Office wrote back, very politely, and said that they could not: first of all, they had not room, but even if they had room they did not think the notices would attract any attention if they were in the Post Office because there were so many dozens of notices which they had up, and nobody ever read them. I am not at all indisposed, if the Committee think that that would be adequate notice, to say "Very well"; but then you cannot quite get all the objectors heard, that is all. As far as I personally am concerned I should be glad to accept anything which would reduce the amount of post that we have in this respect.

762. *Lord Weir*: To get a slight idea of this question of publicity, how many notices at any time would require to be put up, or might have to be put up?—Do you mean in a post office?

763. Yes.—A post office might be asked to have as many as 60 notices up. I do not mean that every Board would necessarily be fixing rates, but there might be tiny alterations in one Board, there might be a notice of proposal in another Board, and so on. I mean, you might really have almost a wall covered with notices.

764. *Mr. Layton*: Could you discriminate as to the post offices at which they should be exhibited, or would it have to be done throughout the country?—It would have to be done throughout the country, except in one or two localised trades, like chain-making.

765. *Dame Adelaide Anderson*: It would be more serious with the widely distributed trades, such as laundry and dressmaking?—You see, nearly all the Boards, with the exception perhaps of the chain-making and the Birmingham trades, are national trades.

766. Do you think that some sort of standing notice in every public place available—at town halls, and on parish notice boards and other places—containing a notification that such and such industries were liable, would not sufficiently direct the attention of every occupier to the duty of ascertaining the position before entering into business?—I think that would be a little difficult, because it is a very specific obligation that is put upon him, and he would not necessarily know when his obligations were altered and what they were at any given moment, and he might find himself constantly being called upon to pay arrears, which, in a small business, is a very serious matter.

767. Do you know that at one time there was an objection to exhibiting notices as to particulars of piece-rates for piece-workers under the Factory Acts; there was strong objection taken to plastering the walls of places with long lists?—Yes. On the question of notices I ought to say that there is strong objection among a lot of the Trade Board employers to having to post the notices. Particularly the shops are objecting. After all, a shop tries to make itself as attractive in appearance as it can, and if they have got to put up five large notices it is a great nuisance to them. As a matter of fact, we have thought that possibly in the case of shops we might meet the position by not requiring them to post the notices, but to have the notices and to get the signatures of the assistants on the notice to show that they have seen it. We thought that might be sufficient in a distributive establishment, but we do not quite see how that could be done in a factory with a large number of hands.

768. *Mr. Poulton*: Could not any of these notices, consistently with the law, be made simpler and considerably shortened? I know the machinery would have to be altered?—We have cut down the size of the notices almost by half lately, and nearly all the Boards, except the Rope, Twine and Net Board, have accepted that simplification. For example, we have left out all the sections of the Acts of Parliament which were printed. I think we only show now the actual rate, and not the rate from which it has been altered, which we used to show, and it is a much smaller notice. It was a great double notice, but I do not think it is very much bigger than a couple of sheets of foolscap now.

769. *Lord Weir*: Could you tell us for our information how many notices would have to be exhibited at any given date?—Yes, I could take any date you like.

770. And the area which those notices would cover?—Yes, I could easily take an arbitrary date and let you know what notices would be out, and what area they would cover. (*Not printed.*)

771. *Mr. MacCallum Scott*: This is only a question of the machinery for giving notice; it is not a question of whether notice should be given or not?—No, not at all.

772. It is a question of the amount of time that might be saved between posting the notice in every factory or workshop and exhibiting it in some public place. I do not think there is very much time to be saved between those two?—Not very much, as far as I can see.

773. *Mr. Pugh*: The point I am concerned with is as to saving time when once the Board has come to a decision. I am afraid I do not quite follow this: Where you have got a Board, a body which may be taken substantially to represent a trade and where all interests appear to be represented, whether it be the employers or workpeople in the trade, or the general public, why has there got to be such a tremendous amount of notice given and such opportunities afforded for objections to come in? What I am anxious about is that the witness should indicate some way whereby we can save what seems to me to be an unnecessary waste of time in consulting people after the Board has come to a decision, and whether all that is necessary with regard to the trade, or those concerned in the trade, cannot be done before the Board has made its decision, and why the fact that the Board exists and all interests are represented is not sufficient, so that when once a decision is given all that is necessary is inspection and confirmation by the Minister.

774. *Chairman*: If we adopt your view and make it one month from the date when the proposal is gazetted or advertised, then all this printing does not really waste time?—It does not waste time in the least. If you do not wait to start the period of objection from the time when the poster is actually delivered, but start it from the time when the Board proposes the rate—the time when you put it into the "Gazette"—the time wasted in printing ceases to matter.

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775. *Mr. Layton*: Did you not say that it might take you sometimes as much as three weeks to get it out?—Yes, it might well.

776. That leaves a very short time for objection, does it not?—Yes, it is a short time.

777. *Mr. Layton*: It is a week. Would you not really get better results by following the line I am suggesting of getting out the notification before you go to the Board?—You have two things there: In any case the Associations on the Board have had the opportunity of considering it from the outset, and you would give as much public advertisement as you could; and in the last period available you would give all the individuals time. I mean, the Associations would not feel the month because they would know about it from the Board; individuals would have a much less period, but then they would each of them have time to make up their own minds.

778. *Mr. Poulton*: In practice, have you had in any considerable number of cases very many objections from individual employers or employees apart from those who may be actually members of the Organisations?—In the case of the Grocery Trade Board's proposals I think we received 3,500 objections to the rates—I mention that figure at random. Of course, it was not a very large proportion of the 130,000 employers, but there were all those objections received. Numbers vary. In many cases they are as few as six, or four, or ten, but often there are over 200 objections.

779. *Lord Weir*: The more serious ones though are those at the initiation of a rate?—Yes, they probably would be.

780. They always would be more numerous than at a variation?—It is probable.

781. *Mr. Pugh*: Is not the method of utilising the machinery really a means of inviting objection rather than otherwise?—One must not forget that these are compulsory rates, and that it is not like a voluntary agreement. It is a thing which a man has got to do, whether he likes it or not, and we feel that he must have a real opportunity of expressing his view before it is imposed upon him.

782. *Mr. Poulton*: You have no means of ascertaining when these objections come in whether those objections come in from people who are actually members of the organisations who have come to the agreement on their behalf?—They very often are. It applies to both sides.

783. I know. It is very often, particularly in those unorganised trades, the very reason why the Minister is wanted, because you never can, *ex hypothesi*, get a Board which is really representative of both sides in the complete way.

784. *Mr. Pugh*: It does seem to me that you are giving opportunities of objection with regard to Trade Board arrangements which are not generally recognised as being necessary in the ordinary legislative decisions of the country, and I do not see why the distinction should be made, particularly when it is a cause of friction and objection to Trade Board machinery?—I think on the big point of speed, that if the suggestions which I have ventured to make commend themselves to you, you cut at least in half, and even less than that, the time taken. That makes your system more elastic. On the point of principle whether the Minister should have the time, that, I think, is a broad question for the Committee to consider, but I say quite definitely that if the Minister is to remain really the authority for finally settling the thing, he must be given a reasonable time in which to act. If he is merely a registration authority you can cut off another fortnight or three weeks easily.

785. *Chairman*: Then I think you have dealt with the question of delay?—Yes. The next question on machinery is that insufficient attention is paid to local necessities and conditions. That really has two aspects: One is district committees and the other is the constitution of the Boards themselves. I do not think you will want anything further from me on district committees; I have put it to you, I think, once or twice in the course of my evidence, and I do not want to add anything further upon that here, unless anybody would like to raise a further point

upon it. If not, then the other point is the constitution of the Boards. It is sometimes said that we do not give sufficient weight to country or local interests as opposed to metropolitan or large town interests. Our difficulty there is, of course, very considerable. The Associations tend to centre in the big towns, and it is often very difficult to get anybody at all who will serve, or who could serve, from the rural areas. Moreover, it is perfectly obvious that you cannot get every large town or every rural district represented, because your Board would become perfectly unwieldy if you did, and as the trades are unorganised it is extremely difficult to get proper representation from all parts of the country. What we do as a matter of fact is this: When we write to an Employers' Association saying that we want so many members, we not only tell them the number we want, but we tell them the districts we want. Practically the only time we ever reject a nomination from an Employers' Association or from a Trade Union is when they do not give us a nominee for the right district. Very often we have a difficulty; perhaps a Welsh representative resigns, and then the London people put up a London member, perhaps a very distinguished member, of their trade, but we say: "We cannot have him, we want a Welsh man;" and we may have difficulties upon that. But it is very difficult ever to get a Board which will satisfy all views, because of the great difficulty in an unorganised trade of getting all areas represented. The difficulty applies particularly to Scotland. We are always told in regard to the Scottish Boards that we only have Glasgow and Edinburgh in, and we are always told that we have forgotten the country districts; and we get a great deal of correspondence from Scottish Members of Parliament pointing that out. But we try very hard to get Argyllshire and Perthshire and the far North in, but for one thing they do not very much like to come down to Glasgow, and for another thing it is very difficult to find individuals. That is the difficulty: the weight is always in the big towns; and, of course, London tends to be very heavily represented on all Boards.

786. *Chairman*: It is not a matter upon which any changes in the law can have any effect, it is a question of discretion in constituting the Board?—Yes. Of course, that would be automatically altered if you had district committees more frequently. Then the Central Board would be of less importance.

787. *Mr. Pugh*: Do you think that would be met to some extent by an extension of district committees?—Yes, I think so.

788. *Dame Adelaide Anderson*: Would it be possible to define more absolutely the duties of district committees? They are very optional at present?—I think if you have district committees—if you contemplated an extension of the system—you would have to consider more closely what their functions would be, certainly.

789. *Lord Weir*: It would, of course, seriously increase the time?—It would. That is a very important point. If you introduce a district committee it increases the time which it takes to fix the rate, always.

790. *Mr. Poulton*: And is more likely to increase friction?—It may or may not.

791. *Dame Adelaide Anderson*: Unless a definite question were remitted to them for a prompt reply?—It is a matter you will consider, of course, but if a rate first has to be considered by a Committee, and then has to come to the Central Board, and possibly the Central Board before putting it to the Minister might wish to consider the view of other Committees, it might lead to a considerable delay. But I do not put that as in the least decisive against the Committees, I simply say that it is one of the points.

792. It is a question of detail—of prescribing a reply within a given time?—Yes, a very important detail, because it is on the point of delay that so much criticism has arisen.

793. *Chairman*: I suppose you would rather reduce the objections to district committees if you lessened the number of Boards? If you were able to combine several trades or branches of a trade in one Board, then they would be content with one committee in each district?—I have not thought this over, and I must not be taken to be expressing a view, but you

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might have combined district committees for the trades—all the trades under the Boards—who might just consider the thing from a district point of view, apart from the question of the particular trade; but I am not putting that in as a considered view at all.

794. Are there any cases where the number of Boards might be reduced, or where several trades—say, several distributive trades—might combine in one Board?—Yes, I think that is possible. Of course, the great difficulty there is the question of the numbers of members on the Central Boards. There is, for example, the trade which I am always mentioning, the stamped or pressed metal wares trade in Birmingham; you might make a substantial reduction in the number of Boards in that area if you cared to do so. For instance, there are four Boards there now, you could make them one Board. You would have very vocal outcry from the buttons and the pins and the other minor articles of attire, and coffin furniture.

795. Take the distributive trades, is it really necessary to have a separate Board for each distributive trade—one for the baker, one for the butcher, one for the grocer, and so on?—It is a very difficult and big point. If I may give you the whole history, we began by wanting to have one Board for the whole of the distributive trades; that was the Ministry's point of view. We put that to the highest legal opinion that we could have, and we were advised that the Acts did not permit of that. They said, in short, that if you could have one Trade Board for distribution, then you could have another for manufacture, and therefore you could have two Trade Boards to cover the whole trade of the country. We were bound to accept that opinion, which is obviously good sense. Then when we discovered that we could not have one Board we discussed with the interests affected the number of Boards, and we discovered there were the very sharpest views in the trade itself as to being associated with other branches of the trade. It was not only that the grocers were perfectly unwilling to have anything to do with the butchers, which is perhaps not unnatural, because their interests are clearly different—they buy in different markets and they sell in different markets—but you have, for instance in the drapery trade, the drapers refusing to have anything to do with the men's outfitters, and the men's outfitters refusing to have anything to do with the drapers; and you got a position when it looked as though, if you were going to consult the trade point of view, you would want 30 Trade Boards covering the distributive trades.

796. Mr. MacCallum Scott: Were they willing to have one distributive Trade Board?—At one time it looked as though they would be willing, but supposing you had one single distributive Trade Board—supposing the Acts were altered to make it possible—you would still have to have at least 30 committees for considering each trade if you were going to fix a series of wages, because the wages as between the drapery trade, the fish trade, and the butcher's trade have varied very materially in the past. Therefore, at best you would have a single Board, but you would have to work by committees.

797. Chairman: Variations between trades are matters of history and trade custom and so on, and do not depend in any way on subsistence? If you were going to fix a subsistence wage, of course, you could combine the distributive trades much more than you do?—I think you could if you were simply aiming at a subsistence wage, but then you would have to decide what you mean by a subsistence wage.

798. Of course; and you have to decide what you mean by sweating?—I do not know whether you could do it, but if you could simplify the actual wages scales you might be able to have fewer Boards.

799. In that case the objection to district committees would not be so great?—No, I think certainly not.

800. Mr. Poulton: Do you not think that in practice if you do set up district committees, however, you may attempt here centrally to define their functions, they will tend to confuse the issue; because naturally if they are meeting in smaller bodies rather than in a national body here, they are almost bound to look at a matter locally, and therefore it seems to me that

the Minister would have all these conflicting views, and instead of accelerating settlements it would accentuate difficulties, which ought not to exist?—That is a perfectly tenable point of view. On the other hand, you have trades like the building trade, which have worked most happily through their district system. I do not know whether the coal trade can perhaps be cited as a trade in which the district system has operated with great success, but in the building trade, certainly, it has. Of course I admit that that is voluntary, and, of course, the whole basis of the Industrial Council system is the district, and even the workshop, committee.

801. But they settle a national basis?—It is not invariable, is it?

802. Not invariable?—It depends on the basis of the trade. It may be that the central body merely retain the right of veto. That is the arrangement in about 12 or 14 of the Whitley Councils.

803. In some of the trades where you have district committees, and therefore have some experience, have they not already asked that they should be abolished?—I think in at least one case, yes; but then it might be fair to answer that the areas chosen were so obviously inappropriate that they would be bound to fail in any case.

804. Chairman: Was that the case where they chose the population basis?—No. I think Mr. Poulton has the boot-repairing trade in mind.

805. Mr. Poulton: Yes.—The Chairman had in mind, I think, the grocery and milk distributive trades, but there are cases in which district committees have not been, I think it is admitted, a great success. It has been suggested that perhaps if the Boards had made the original areas a little more appropriate they would not have been quite so liable to failure; but I do not know.

806. Lord Weir: What has been the cause of the failure?—They have just done nothing, roughly.

807. Mr. Poulton: I understand the complaint is that they have increased the expenditure and accentuated any friction?—But you will admit, if I may put it to you, that the boot- and shoe-repairing trade has had singularly little friction.

Mr. Poulton: I quite agree, but instead of helping they say that the district committees have been a hindrance, and both sides have asked for their abolition.

808. Chairman: Then I think you were going to mention—?—Inspection is the next thing I have.

809. Have you dealt with the composition of the Boards?—I have dealt with the suggestion that the composition of the Boards did not pay enough attention to local necessities, but I have a further point, on the personnel of the Boards, which, if I may, I will take later. I can take it now if you prefer; perhaps it fits better to take it here.

810. It comes next in your summary?—My papers had got out of order. On the personnel of the Boards, there are a number of points raised, and they are all very important. The first point raised—it is raised particularly by the employers—is that there is a tendency to professionalism growing up on the Boards; that is to say, that you get on one side or another an individual recurring on Board after Board. In one case there is, I think, an official of the workers' side on as many as sixteen Boards, and on the employers' side there is one, I think, eight Boards. It is suggested that that really is not consistent with the object of the Acts which is to see that each trade is separately represented, and it cannot be that one gentlemen, however gifted, can represent sixteen trades on the one hand or eight trades on the other. The difficulty of altering that is that it may well be that the particular persons are not on because of their knowledge of the particular trade in every case, but because of their knowledge of Trade Boards in general; and further, because they command the confidence of one side or the other, and because it is considered a good thing to have a connecting link on one side and the other between the various Boards.

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811. They are not appointed members, are they?—No, they are representative members. There is one, I think—a workers' representative—on sixteen Boards, and there is one official, a secretary of a number of employers' associations, on at least eight.

812. *Mr. Loyton*: In what sense are they separate Boards? For instance, in the Birmingham trades you have four Boards. It is really sixteen separate trades?—It is not sixteen separate trades, but there are eight or nine quite separate trades; there is no possible connection between them. The position really is that he goes through the lot. He is on some groups as well.

813. *Chairman*: He cannot know the trades except indirectly?—No. They are not on as directly representing the trades, but rather as being good Trade Board representatives in both cases, both of employers and employed. It has been represented that that is not right—that it tends to professionalise the Boards. I simply put it as a criticism which has been made. It is very difficult for us to refuse to make the appointments in those cases. For instance, in the case of the Sack and Bag Board, which I told you will be set up in a day or two, one of the workers' representatives is put on, I think, for the eighth time. It is a lady in this case, and I think she is on seven Boards. I may be over-stating the number, but it is certainly one more Board. We discussed the question there whether we should put her on again, and we decided that we could not very well refuse because she was obviously a suitable person, and it was difficult to get a better representative, and, secondly, we did not want to give as the ground for refusing to put her on that it was professionalism, because it was one of the points that we were going to put to this Committee.

814. Is it necessary to say that? It does rather surprise me. I thought that when you appointed representatives of a trade on any Board, either on the employers' side or on the workers' side, you appointed an employer engaged in the trade, or a worker engaged in the trade?—We do not quite get that, because it may be that on the employers' side there is no association in existence—

815. But apart from associations, you could find individuals in the trade?—We should prefer that ourselves, but then associations are rapidly set up, very often as the Board is established, and it frequently happens on the employers' side, for example, that a person who has been the secretary of employers' associations in other trades reappears as the secretary in this trade, and is immediately nominated by the association, to whom we are bound to write, as their representative. It is a little difficult for us to write back and say, "This gentleman knows nothing of the trade." After all, if the employers in the trade are prepared to say that he does, it is really not for us to challenge it.

816. *Mr. MacCallum Scott*: What is the objection to these people? Is it that they are not able to state the case properly?—I am not stating this as the Ministry's view.

817. But what is the objection?—The objection is that they do not in fact represent the trade, and that you get the position that a Trade Board view as such, instead of the view of the particular Trade Board, tends to prevail.

818. *Mr. Poulton*: Is it not as a matter of fact not because they cannot represent the trade, but that they represent it too well? I am very interested in this point, and I wondered what was meant in connection with a certain industry recently, when employers in Scotland were objecting to what they termed too many professional trade unionists being on Boards. I wondered what a professional trade unionist was. I begin to see some light in the matter now.—There is a different point there.

819. There may be, but it is a very relevant point to this.—Yes, it is. There is the other point taken, that trade unionists, as such, should not be on, because in these unorganised trades—and there is some force in this, remember—so often you have to put

the general unions on because they are the only unions which there are, and yet there may be some special knowledge required of the processes in the trade, and the general workers necessarily will not know anything about it. I may say that the advent of the general worker does not always commend itself to the small craft union (if any) which may exist in the trade, because they take the same view as the employer; they do not quite know what these people are doing on the Board. But that is a different point, if I may say so, from this point, which is that the same trade unionist runs through a large number of Boards. The other point is that any trade unionist without special knowledge is on a particular Board.

820. *Lord Weir*: It is representation by counsel, almost?—That is really what it comes to. It is suggested on both sides that these professional employers' representatives and workers' representatives really are counsel on one side or another. I am not saying that it is wrong; I am simply saying that that is pointed out as a development of the system which is not perhaps regarded as satisfactory.

821. *Mr. Pugh*: Is there any real volume of opinion in this matter? Is the percentage of such representatives very large?—No. All the objections which I am reciting are objections which we have received in the Department, which we have had summarised and analysed, and this particular objection to plurality of membership is becoming rather more prominent lately on both sides.

822. *Mr. MacCallum Scott*: Who takes the objections?—I think this objection has only come from the employers.

823. *Mr. Poulton*: At the end of a period, are they not subject either to re-election or to some re-distribution? What happens then?—Always we are in the hands, quite properly, of the Associations who nominate these people, and if they re-nominate them, unless we have anything against them in the sense that they no longer represent a district, then it is very difficult to reject them. If you ask me, as Mr. Poulton does, "What is the harm in it?" I am not suggesting that there is any harm, but I suggest that you may, by getting these permanent counsel, as it were, on both sides, tend to create a little group of opinion which may, by virtue of its being always there as a nucleus, rather dominate opinion on the Boards generally. I do not say that that is bad. I do not say that it is good; but I say that it may happen even if you have a small number.

824. *Mr. Loyton*: Do you say that it tends to increase or decrease the prospects of agreement between the two sides? Is it possible that it tends to prevent agreement between the two sides on the ground that they are there as counsel, as it were, and that therefore an increased burden is thrown upon the appointed members as conciliators or arbitrators?—I do not think I could say that off-hand. I do not think so. Several of these people are skilful and admirable persons in themselves, and know how to conduct proceedings so that they will help rather than hinder, but they are bound rather to a point of view which is a general rather than a trade view.

825. Do you think that they carry the complete confidence of the people whom they represent? You were suggesting that these organisations are formed rather rapidly when notice is given of the establishment of a Trade Board, and the fact that somebody springs up and forms an organisation suggests that the official forming that organisation would hardly really carry the confidence of the trade as a whole, in a sense?—You cannot pretend, in a case of that sort, that the secretary of a newly-formed association begins to command the confidence of the trade, as is done by the secretary of a long-established association who has been their secretary for a long time; but if he is successful in getting their interests properly attended to on the Board, he very rapidly gets their confidence.

826. *Mr. Poulton*: Would it not also have the opposite effect: that a man who is cognisant with the procedure and methods of Trade Boards would be a

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very great help?—I think that is perfectly fair and true, but as against that there is the possibility which I put in answer to Mr. Pugh's question, that you get a small group dominating—possibly rightly, possibly wrongly—a great deal of Trade Board opinion.

827. *Lord Weir*: You are giving us an Appendix, are you not, from which we can see the extent of that. I think you are giving us an analysis?—Yes, I can give you that analysis. (*Statement handed in—not printed.*)

828. *Mr. Bell*: Can you tell us what percentage of representatives on these Trade Boards actually work in the trades, and can you also tell us whether those who are actually working in the trade make better representatives, or even as good representatives of what is wanted by the Trade Boards, as those who are not actually working in the trade?—The first question means a little research. I will get the answer out. (*See Annex VIII.*) We have tried, as far as we can, to get workers in the trade, either trade unionists, actual trade union officials working in the trade, or actual workers in the trade, but of course we have a large number on every Trade Board of full-time trade union officials not working in the trade. But I will get that analysed. If you ask me which are the better, quite clearly as advocates there can be no doubt which are the better; obviously the trained man must be better than the untrained; but whether the trained man always gives as much help in the sense of having direct knowledge of the trade conditions as the other, is not quite so clear. You see the suggestion made by employers, for example, is that in a number of these trades the only unions which really run into them are the general unions which there may be in each, and a small craft union, which, because its membership is small, is only entitled to a small representation. You have got one of these General Unions sending in their representatives who has been on plenty of other Boards, and it is suggested by employers that he comes in in ignorance of the trade conditions, and is not helpful—is not as helpful as would be the case if, in addition to the craft union of the trade, you had the actual workers in the trade. That is the allegation.

829. I suppose you are well aware that even in the case of a well-organised trade every one of the representatives on the workers' side of the Joint Board which settles the rates of wages in the trade will be a trade union permanent official?—Quite so.

830. And not one of whom at the present time may be working in the trade?—Quite.

831. But who have been chosen for their official position by their fellow-workers, because of their knowledge of the trade, and because of their fitness for advocating the claims of the workpeople?—I quite understand that, but, of course, you are not in the area of trades like, for instance, the cotton trade, which have a long period of organisation behind them; you are in trades like the distributive trades, where you have got perhaps 100,000 out of 2,000,000 workers organised, and that creates a very different position, naturally. In your statement you say that they are chosen by their fellow-workers because of their knowledge of the trade. The objection here is that these general union officials have not got the knowledge of the trade, and would not have been chosen by the workers in the trade on that ground. I am not stating this as a view which has been expressed. We have tried to hold the balance even in administration between the two extreme views; that they ought to be all trade unionists, and that there ought to be a large majority of non-unionists. We have in practically every case got a large majority of trade unionists on the Trade Boards, but where there is a real lack of organisation we have a small number of non-unionists on. I will say this: In practice you do not find that the presence of non-unionists leads to division on the labour side; you do not get the non-unionists voting with the employers against the trade unionists, and very often the representative of non-unionist men is a trade unionist himself, though not an official.

832. And very often the more unreasonable of the two?—I am not prepared to argue about that. The

only other point I had on this is the criticism of the appointed members. I think we have been into that several times. I do not know whether you want me to touch upon that again?

833. *Chairman*: I think we have probably heard your views about that. Then you pass to inspection?—Yes. There, again, you have heard a good deal from me upon that, and I do not think you will want to hear very much more. The only fresh points I would like to make are these: The first is that Dame Adelaide Anderson put to me a question the other day about the older history of the inspection, and I said then, what is true, that the inspection was very satisfactory so far as our side of it was concerned; but it is not true to suggest that it was satisfactory to the critics of Trade Boards at that day—the friendly critics. I believe in a book by Mr. Tawney, there is almost violent criticism on the lack of inspection, in the old trades. The truth is that we never had, and have never aimed at having, complete inspection, and so far as we are concerned now, having regard to the need of public economy, we do not think we can safely suggest that we can ever hope to do more than 2 per cent. inspection with 350,000 employers.*

834. Apart from complaints, I suppose?—No, that covers both—complaints and routine inspection. I have had it worked out. (*See Annex IX.*) These figures must be taken with great qualifications, because they are largely based on conjectures in a sense, but it is suggested that if we had 50 inspectors we could do rather more than 4 per cent. inspection; with 75 inspectors rather more than 6 per cent.; and with 100 inspectors we could do rather more than 8 per cent. inspection.

835. *Lord Weir*: I am rather ignorant about this. What does the percentage of inspection mean?—It means the percentage inspection of the whole number of employers in the trade.

836. *Mr. Layton*: Once a year?—Yes, per annum. With our existing staff we can inspect the premises of about 2 per cent. of the total numbers of employers covered per annum. The broad questions are, two: Ought the State to continue inspection at all; has the time come when it is no longer its business to enforce the Acts, but when it is sufficient to make rates compulsory and leave it to civil remedy by the workman, or his association, and withdraw the whole of State inspection?

837. *Chairman*: How much of the 2 per cent. is caused by complaints by workers?—The large majority.

838. Most of the 2 per cent.?—Yes.

839. *Mr. Poulton*: Did you say that that was put forward? Is the Department putting it forward?—No, I say it is one of the possibilities. I do not say that it has been suggested by the Labour party, for example, but it is a possible way of dealing with the position. I am not putting it forward as a suggestion; I am saying that it is a possible way of dealing with the position to withdraw inspection altogether, and leave it as a matter for civil remedy. I do not say that I advocate that for a moment, but I say that that is a possibility.

840. *Chairman*: Do you say: Leave it only to civil remedy?—Yes.

841. Not only to civil remedy?—I agree. You can have criminal proceedings as well.

842. *Lord Weir*: Every 50 years you visit an employer?—Roughly. That is the actual statement I have here—every 50 years. As a matter of fact if you reject *in toto* the suggestion that you give up inspection, because you take the view that these are essentially unorganised trades, and therefore the persons in them will have no trade union representatives to take their case, and even if they had, would be afraid that if their trade union representatives took the case they would be dismissed—if you, on those grounds, which are substantial, reject that idea, then you are driven to consider the other point: is so small an inspecting staff really worth having at

* The percentage figures given above are based upon the total number of employers affected in trades to which the Acts have been applied. Upon the basis of the number of employers in trades in which minimum rates are actually in operation the percentage of inspection possible would be appreciably higher.

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all; I mean is one inspection of an employer in 50 years (as Lord Weir says) any good at all? Of course, it does not really work out in fact like that. As I suggested the other day, what you do is this; when you have a new trade inspectors rather specialise in that trade, and when you have once really inspected the trade you hope and believe that the degree of evasion will not be very considerable; and, in fact, when you have casual inspections later that is borne out. It is also borne out by the incidence of complaints. But at the present moment we are really in the position of having to decide whether we are going to inspect on complaint only, or to try to do routine inspection as well.

843. *Dame Adelaide Anderson*: Inspection by sample?—Inspection by sample, yes.

844. In addition to inspection on complaint?—Yes, you will understand—particularly *Dame Adelaide Anderson*—the difficulty of complaint inspection only, because it is sporadic, it is very often ill-informed, and it may lead to waste of time.

845. And to victimisation?—Quite so, and to victimisation.

846. Have you had cases, for instance, which have been referred to the Industrial Law Indemnity Fund?—No, not that, but we had one most remarkable case when, as the result of an inspection, we brought an action before a magistrate to recover arrears, and the employer dismissed the whole of the workers concerned, and they are still out of work at this moment—a particularly bad case.

847. Then that, you would say, was rather against inspection largely by complaint?—Our view, if we are asked it, is that you have to combine the two. We cannot conceivably inspect on all the complaints we receive; we have not the staff to do it. On the other hand, if we limit ourselves to complaints, then we do not cover a district, and we can never satisfy ourselves that we really have got a grip of that particular trade. At this time one hesitates to suggest in any possible way an increase in any staff, but I do not think it is wrong to say that 36 inspectors are worth having, even if we have no more, but I think a small addition would make a considerable difference to the degree of efficacy of the inspection.

848. *Chairman*: What is the scale of remuneration of the inspectors?—That is under discussion at the moment with the Treasury, because we are under reorganisation. The actual scales at the moment are £200 to £300 per annum for third class officers, £300 to £400 per annum for second class, and £400 to £500 per annum for the first class officers; and the scales of pay are identical for men and women. It is the only instance in the Government service, and it is going to be altered.

849. *Mr. Poulton*: Do you not think that even with that small inspectorate if they were abolished there would be a tendency towards wholesale evasions?—I do.

850. Having regard to the older Acts—take our Factory Acts, for example—even after all these years we find it necessary—and very necessary—to have an inspectorate.—If I am asked my view upon that, I cannot believe that you could administer the Trade Boards Acts, at any rate, for some years, without a reasonable amount of Government inspection; but, on the other hand, I do want to make it clear that unless you have quite an incredibly large staff it is unthinkable in present conditions to hope to do anything more than a very small percentage inspection.

851. *Mr. Pugh*: Very definite recommendations were made in the Report of the Committee (Trade Boards Administration Committee)?—Yes.

852. I understand from you that the Department for the Minister was prepared to accept the recommendations of that Committee, with the exception of Recommendation 19, which proposed an Advisory Committee?—No, that is not quite the way to put it. He was not prepared to accept the proposal for

the assistant secretary to be stationed at the Office of Trade Boards, and, so far as the Advisory Committee was concerned, because that recommendation was refused, the two parties were not prepared to constitute the Advisory Committee; but if you are referring to the recommendations as to the inspectorate, they were accepted.

Chairman: That is No. 8.

Mr. Pugh: It really commences at No. 7, I think.

Chairman: Chief Inspectors; there shall be an additional 16 whole-time inspectors.

853. *Mr. Poulton*: Is it not the fact that, although you may have a very inadequate staff which can only cover a very small amount of ground, from the fact that there are inspectors, do you not think that has a very wholesome influence upon the employers who might be inclined to evade?—I am sure it has.

854. And also they can go anywhere, as a sort of routine, on the instructions of the Department, and nobody knows they are coming?—Personally, as I say, I do not think, in the present state of organisation of many of these trades, it would be possible to administer the Acts without a small body of efficient inspectors.

855. Do you think it would be possible to administer them even if you had no inspectors, having regard to our experience in the Home Office; because at the Home Office we have a great deal of experience, having regard to the number of cases that have to be attended to, judging from the Annual Reports? In this case, where you deal with wages as well as conditions, which is a very important matter, do you not think it is all the more necessary that there should be an inspector?—Of course, under the Wages (Temporary Regulation) Act, where the wages were standard wages as distinguished from what are here called minimum wages, you had no inspection. The only right under the Wages (Temporary Regulation) Act was a right of recovery by civil action, and if these rates ever became recognised as standard rates rather than minima, the point of view would be rather different. The object of inspection is to protect the worker who cannot protect himself. When it ceases to be that, the point may be different. But it does not seem to me that that is practical politics for the next two years.

856. *Mr. Bell*: Is there any reason why a breach of the law under the Trade Boards Acts should not be treated on exactly similar lines to a breach of any other Act?—There is no reason at all why it should not be.

857. Take the liquor law; the police prosecute for any breach of the law?—Yes.

858. Why could not the police prosecute for breach of the Trade Boards Acts?—They could, but I think they would find it rather difficult to find out if there had been a breach.

859. They could find out the rate of wages?—It is rather a technical matter, and a casual policeman going into one of our factories, even a metropolitan inspector, would not get on very well when he got on to piece-work. The general question, as I understand you to put it, is: Will not the State have the responsibility for seeing that the law is enforced? It depends on the nature of the law, to some extent. If it is conferring a right on a workman, it may be sufficient to give the workman the power to exercise his right. You need not superimpose upon that the power of the State to drive it home.

860. Our experience under the Particulars Clauses of the Factory Acts is not very helpful in that direction—Honestly, I would not for a moment advocate, if I may say so, the abolition of inspection.

861. *Mr. MacCallum Scott*: How does it compare with the position under the Insurance Acts?—There you have inspection on a very considerable scale. The difference there, of course, is that it is the money of the State which is involved, and not the money of private individuals. I mean the State expects to see that it gets its own contributions—I mean part of its insurance fund.

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[Continued.]

862. *Dame Adelaide Anderson*: And in the case of the Factory Acts, for health and safety?—Yes, and prevention of accidents.

863. Prevention of poisoning and alteration of hours?—Yes; but I do not think, Mr. Chairman, that I really differ from the views which I think Mr. Pugh and Mr. Bell hold, that you have to inspect. The only point which really seems to me to be important is the amount of inspection you can afford.

864. *Mr. Poulton*: At this stage, has the Department any proposals to put before us in connection with the suggestion in paragraph 21?—I believe we have put that into operation. Do you mean in the Summary.

865. On page 6 they are very clear about the inspection?—Up to a minimum of 50.

866. Yes.—I think it is true to say that roughly we have adopted that report as far as numbers are concerned, although we have not appointed the district inspectors which the report contemplated, on grounds of economy, we have actually got about 36 inspectors. This report said: Get rid of the part-time system of inspection through the Employment Department. That was one of its points that we have met. Instead of that we have a staff of Departmental officers who work full-time, and who are under our trained inspectors. The second recommendation was that a Chief Inspector with a Deputy Inspector should be appointed. We have done that. We cannot call them by those titles yet because we have not Treasury sanction, and the question of the persons is still an open point. But we have done that. The third recommendation was that we should have a good deal of decentralisation, and, with that end in view, and with the Home Office parallel in mind, it was suggested that we should have district inspectors corresponding to the Home Office inspectors to control the local staff. There has been a difficulty about that part of the scheme. It was felt that it was too expensive, and that the district inspectors should remain under the control either of the Chief Conciliation Officer or the Divisional Controller; but, apart from that, we have substantially adopted the recommendations, because you see this says up to 50 when you have got up to a certain number of Boards. Well, we have only added three Boards since this report was signed.

867. Does the accumulated experience of the Department upon this point show that there are those inspectors needed?—I think so, certainly. I will hand in a Table, if I may, showing what our view is of the state of compliance in all the Trade Board trades. I have a complete Table showing what the degree of compliance is believed to be at the moment. (*Not printed.*)

868. *Mr. Layton*: What do you mean by that?—The extent to which the Acts are being observed in the various Trade Board trades.

Chairman: It would be shorter perhaps if you put in a Table showing the extent to which they are not complied with.

869. *Mr. Layton*: Is it based on inspectors' reports?—Yes, it is based on inspectors' reports. For instance, the aerated waters, button making, and brush and broom trades are mentioned, and then it explains where we have got the information from.

870. *Dame Adelaide Anderson*: Is there any published report yet of any of the work of the inspectorate?—I do not think so. But I think I can safely say that since we have made the re-arrangement, and during the last year in any case there has been an immense improvement. The previous shortcomings were not due in the least, I am bound to say, to the officers, because they were simply killing themselves; but because we were left at the end of the war with only six officers who could deal with Trade Board inspection, and we had to build up the whole staff practically from the commencement.

871. Is it not possible to get back some of those?—Some of them have gone to get married, and others, I am afraid, will never come back. I hesitate to weary you again on the subject of definition, because

you had that put to you when I told you how investigation was carried out.

872. *Chairman*: You mean definition of the trade?—Yes, definition of the trade. It is one of the most difficult things that can conceivably be done in the ordinary official way. When I tell you that the grocery definition covers three pages of print, you will understand.

873. There are three pages of print to define a grocer?—Yes. I can assure you it is a very difficult task. You see, the grocer's interests are in so many things; he will sell eggs and fresh fruit. We had to identify the 12 staple articles which marked down the grocer, and it was very difficult.

874. *Lord Weir*: I take it that if you lay down to-day what is a grocer, there may be a difference in a grocer three years afterwards?—The grocer in London is very different from the grocer in Glasgow, and the grocer in Lancashire again is different from the grocer in the South-West. They deal in different lines of things.

875. *Mr. MacCallum Scott*: Can we call him an Italian merchant?—Then also you have to distinguish between the wholesaler and retailer. It looked as though it would be very simple to say wholesale on the one side and retail the other. Then you found that all the country grocers were distributing agents sending out their stuff by the same cart to the village grocer, and to the houses in the village, so that they were both wholesalers and retailers. The difficulties of definition are extraordinary, and when it is ambitiously suggested that you ought to put this in, or leave that out, you may take it that in every case it has been discussed at inordinate length with the trade concerned; that we generally have 14 or 15 drafts submitted to our solicitor before we reach a final definition, and no piece of administration with which I have ever been associated has been done so thoroughly or caused so many difficulties.

876. *Chairman*: There was a question whether the confectionery trade included fish curing—I am not going to weary you with the stamped or pressed metal wares trade again, but I may mention that I sat with representatives of this trade for a week trying to settle their definition. They said that wherever you stamped or pressed anything by cold stamping, that should be covered by the Trade Board. Ultimately I put this sort of case to them. Take assembling: there is a little man who lives near me in Kensington High Street, from whom I get electric lights occasionally. Parts of the electric lights are stamped or pressed, and sometimes my electric light goes wrong, and sometimes he does the work in the house and sometimes it is done at his own house.

876a. That man under the extension proposed would be covered thus bringing in the whole electrical trade. Would that principle carry you further?—Yes; that brings in the engineering trade, the moulding trade, the cycle trade, the electric lamp trade, and we practically cited every trade we could think of. Then we had to try to draw a line, and we had to get at the articles manufactured. I think we have got at something like a definition now, but, as I say, it took very nearly a week of solid talk to get at it.

877. You have no suggestion to make on that?—No. As long as you are going to try to define separate trades, it will mean the most definite investigation, and most difficult.

878. *Mr. Poulton*: Might I suggest to you on that point that the Department, to simplify that matter, ought not to go into elaborate statements, because when you have got to the end of it you have got altogether confused as to what the grocer was?—The trouble is this: We started under the 1909 Act with very simple definitions, and as time went on we found that it caused so many difficulties of interpretation—at least that is our view—that we had to make them very elaborate. It is not like the Insurance Acts, where you simply say that engineering trades are covered. After all, in that case an employer may have to pay small arrears of subscrip-

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tions, but when it is a question of paying thousands of pounds of wages back, you have to know where you are before you start.

879. I suppose it is a practical way of avoiding future disputes?—Yes; practically going through the processes by which the articles are manufactured from the beginning, and tracing them right through and describing them at every step.

880. *Lord Weir*: Is not that rather dangerous for the future? Would it not prevent changes in technical development in processes; it all tends to stereotype?—There is that danger. On the other hand, of course, if there are changes, then you have to amend your definition, and provision is made for an annual revision when necessary.

881. *Dame Adelaide Anderson*: The kind of difficulty you indicate is with regard to a process, a process which runs through a number of industries. Take, for instance, stamping; you would run into ever so many trades?—Of course, it was alleged by those who took the view, that you could make the trade mean a process. We did not accept that. But there are other complications, apart from an extreme case like that. The only other point that I want to put to the Committee, apart from the suggestion that we proceed too slowly in setting up the Boards, on which I think I have already said all we have to say, is the question of the relationship between the Boards and the Ministry. I do not want to delay much on that, because I personally think it is a minor point, and that too much importance can be given to it, if one bases oneself on that Report. I would like to put it in this way: in the first place, this particular Report of the Committee of which I was Chairman was necessitated really because there are two distinct points of view which this Report attempted to reconcile. There is first of all the point of view which I have mentioned in the earlier part of my evidence, that the Boards should be more autonomous, and almost if not entirely free from any control by the Minister. There is the other point of view that constitutionally the Minister must remain, because of the responsibility imposed upon him by Parliament. In this Report an attempt was made to reconcile those two points of view, and as long as the Acts remained as they did, I as Chairman of the Committee thought that that was as good a solution as we could get. But I think it is quite fair to say, and I am sure any members of the Committee who appear before this Committee will agree with me in this, that none of us liked the Report, neither the employers, nor the employed, nor the officials, but we accepted it as a compromise between two points of view. The moment that the conditions which underlie the Report, namely, the Acts as at present framed disappear, I personally, and I think the other members of the Committee also, will regard the Report as no longer binding. It relates to the Acts as at present framed. If the Committee decided that the existing Acts were to remain unchanged, then the Report would again be of importance.

882. *Chairman*: It is really a staff question?—Yes, it is a staff question, but you must not under-rate the importance of the feeling behind it. There is no doubt that the Boards felt that the Minister was attempting, or some portion of the Boards felt that the Minister was attempting, to interfere with their jurisdiction.

883. *Mr. Poulton*: In the way of limiting it?—In the way of limiting their jurisdiction. In my view that was largely due to a misapprehension, in this way. As I have said earlier, originally there was one Chairman for all the Boards, who was also an officer of the Board of Trade. He had certain functions as an officer of the Board of Trade, and certain functions as Chairman of the Boards, but he was one man, and it was not human to expect the Boards, or anybody else, to realise that he was doing one set of things as an officer of the Board of Trade, and another set of things as Chairman. In other words, the Boards got it into their heads that they in fact had these functions through their Chairman; in point of historical fact they never had; in point of prac-

tical fact, as they were consulted by this man, and as he was always working on the premises where they met, they had them. The theory always was that the power was vested in the Department; in fact, the Boards felt that they were exercising them. With the death of Mr. Aves, the last of the single Chairmen, the position became quite different. Then we set up a large number of new Boards. Shortly after his death the 1918 Act was passed; we no longer had the eight or nine English Boards which were all there were, but we began to add Boards in fives and sixes, until there was a great variety of Boards, and different arrangements for the Chairmanship has therefore to be made. Having done that, you had to consider whether, if you had not got a single Chairman, you could leave the questions of demarcation and inspection, which are matters which obviously require a single authority, whatever it is, in that place. The Minister of Labour thought not, and he wrote to the Boards and said he had decided to take demarcation and inspection back to the Department. The letter which was written in 1920 gave great offence; it was particularly regarded as an invasion of their privileges by the old Boards, and in fact I think it is fair to say the Boards never tried to see if it would work. They never tried it; they simply said it would not work and asked for deputations to be received to prove that it would not work, before it had ever been put into practice. I do not think for a moment that there was not a real feeling with regard to it; I do not say perhaps that the letter was premature; I am not arguing that; I am simply saying that at that stage some change was necessary to meet the position. When the Committee met, we were all very anxious to try to smooth out the difficulties, and we looked first of all at the question of demarcation. But before I put that I would like to say that there is no doubt that the real opposition, such as there is, between the Boards and the Minister, depends upon the Minister's power to confirm. As long as the Minister may upset the Boards' decisions on that point, so long there must be a conflict; in fact, the Minister is there in order on occasion to disturb the Boards. You cannot get away from the conflict as long as the Minister is there; remove that power of the Minister and the real differences between the Boards and the Minister disappear. But assuming the Minister's powers remain, you get the minor questions of demarcation and inspection. So far as inspection is concerned, it seems to me that there is no question whatever; it is purely an administrative matter; that you cannot leave it to 30 people to direct, nor can you leave it to several people to direct; it must be in one place and in one person; and if the Minister is required to enforce the Acts, it is his business to see that the inspection is adequately done, and that is what the Report recommended. So far as demarcation is concerned, there you reach a very difficult question: the Trade Boards know the facts very much better than anybody else, but they do not know the law better than anybody else; nearly every question which arises on demarcation is mixed law and fact, and it is very difficult to say that a representative body is going to give the best judicial decision on questions arising, quite apart from the difficulties of overlapping. Therefore, the compromise that the Report suggested was that the Minister should decide, subject to consultation with the Boards in every case. Finally there was the proposal which the Minister never accepted, that an Assistant Secretary with only one administrative subordinate should go to the office of the Trade Boards. That is very difficult to decide, and it seems very difficult to say why a Committee composed, except as regards the Chairman, of eminent men, should have devoted so much time to the trifling matter of the geographical situation in which this officer was to sit. If it had only been that, they would not have bothered. In the view of some of the members of the Committee (and they made it clear at a big conference they had with the Minister) they wanted complete autonomy, and they felt that if they got an important official down there, that would be one step towards that end. From my own point of view, having no view for or against complete autonomy, I was disposed to agree to that without

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prejudice to the future, but it was felt by the Department that it would prejudice the future definitely to put an officer down there, and would be a recognition of a new state of affairs, I think you will hear more about this later, but I honestly do not think it is of first-rate importance, if you are going to amend the Acts. It is of first-rate importance that the Boards should have confidence in the Minister; it is of first-rate importance that the Boards should do the work which they are intended to do; but what is necessary, I think, to clear it up really is to decide first whether the Minister's confirming powers must stay. If that is so, there is no question but that from time to time he will be in conflict with the Boards. In the second place, it is necessary to settle whether the Minister is to decide demarcation questions, whether the Boards are to decide demarcation questions, or whether some third impartial authority is to decide demarcation questions:

884. What kind of demarcation?—Whether or not a person is covered by a Board. I have suggested once or twice that I am not sure that possibly an impartial authority outside both the Minister and the Board is not the right solution there. Then you have to decide the merely administrative question: who is going to look after the inspectorate? If it is not the Minister, if you have 40 English Boards, as you have at present, you cannot have 40, or even 10 or 12, Chairmen doing it; you cannot have a Secretary doing it, because a Secretary is responsible to nobody; and you cannot have a Secretary responsible to 14 or 15 different Chairmen directing a staff. Therefore, you are driven to the conclusion that you have to institute a single permanent Chairman. A single permanent Chairman would then take the place of the Minister, and the effect of that would be to create a new Government Department. Complete autonomy, in my view, involves from an administrative point of view a new Government Department.

885. *Chairman*: Do the Acts say anything about giving to the Boards any duties other than the duty of fixing the rate?—Yes, the Boards have power to take proceedings in certain circumstances.

886. *Mr. Pugh*: What about the Advisory Committee? Would not some machinery of that kind form a valuable connection between the Boards and the Minister?—I think the Minister would welcome that. He issued the invitations to both sides to form it, and both sides refused entirely to form the Committee because the Assistant Secretary proposal had not been accepted by the Minister. They said that that knocked the arch out of the structure. Do not take me to be under-rating that contention. It was a very important part of the scheme that there should be one man at the Office of Trade Boards who really could represent the Trade Board point of view, and by taking that man out of it you do substantially alter the picture. It would be very unfair not to say that. I think myself that if the Committee can settle the big questions of principle, these questions which are in part personal and in part administrative, which arose and which necessitated the previous Committee, will disappear.

887. *Dame Adelaide Anderson*: We are not without precedent as to the control of the staff by a numerous body, because in regard to local government in County Councils and Borough government there are Inspectors and Medical Officers of Health, and so on, who are controlled, I suppose, through the Town Clerk?—Yes, but that is a Government Department. What I say is that complete autonomy would mean the creation of a new Government Department side by side with the Ministry of Labour.

888. For one purpose, inspection?—For inspection and for control of the whole of the staff. You cannot have Assistant Secretaries and Secretaries of Trade Boards without a head who can direct them. I mean it would not be a big office, but you would have a staff of about 50 or 60, probably.

889. Would it be, in fact, something similar to that which you had with the single Chairman?—You would

have something very similar to that, on a larger scale, on so much larger a scale that it would be different in kind.

890. *Mr. Poulton*: Surely that is not inconsistent with trying to meet the reasonable requests of the Committee, and also of the Department as well without setting up some more machinery?—You must face the fact that there is a real desire for complete autonomy—I mean to get rid of the Minister altogether. I do not challenge that; I do not argue against it; I simply say that it exists, and if you do not read the Report in the light of what was openly stated as part of the reason for the attitude of certain members of the Committee, you will not get at the root of this problem. It seems to me to be a problem of administration, and not of principle at all. Personally, if I thought there was going to be no alteration of the Acts, if there had been no question of this Committee, I should still be in favour of the Report as presented. I signed it as Chairman, and I still hold to it, but I say that it only met a certain set of specific circumstances; that if you go back to the first principles you can cover all the points by settling the first principles. That is all I want to say about it, and that is the whole of my evidence.

891. *Mr. Poulton*: With regard to that last point about the Inspectorate, I was just turning up to see how the Report dealt with that matter. It seems to me that it ought to be a comparatively easy matter to reconcile what appear on the face of it to be conflicting views. You used the word "autonomy." I was just trying to find the word here, and I cannot find it.—It is very carefully not there; I would not have signed the Report if it had been.

892. I was wondering what is meant by their phrase here; whether it really amounted to autonomy?—No, there is no proposal in that Report, and I would not have signed it if there had been, to create complete autonomy. But it was an attempt to reconcile the views of those who wished to have complete autonomy with the statutory provisions which existed. There is no difference at all about the inspectorate being housed, for example, if that is preferred, at the Office of Trade Boards, provided it is controlled from one place; but so far as the Home Office inspectors are concerned, they are all on a definite administrative basis under a single administrative head, and there is no question of duality. One of Dame Adelaide's Inspectors did not get instructions from her one day, and the next day from a group of employers, or from a group of employed; they had their instructions from one place; and if you are to have an administrative system you must have it at one place.

893. *Dame Adelaide Anderson*: You will remember what was done by Mr. Aves?—That was carried out simply because they got all their instructions from him.

894. My point just now was that you have an analogous body in Local Government bodies, and the single direction is secured by the Town Clerk.—Perfectly, but then he is a considerable public official, with a considerable public Department. I mean it takes the place of another Department. It may be right, and it is quite possible to say that you ought to set up a separate Trade Boards Department, not under a Minister, but under a Chairman. I do not dispute that, but you cannot have it both ways.

895. He was autonomous in Mr. Aves's days. The difference really lies in the kind of work.—He was not autonomous in fact as Chairman of the Boards. As far as the Boards' fixing powers were concerned, he was completely autonomous just as the Boards are now, but so far as prosecutions, demarcation, and the direction of the inspectorate are concerned, he was an officer of the Department. He would not have had enough to do as Chairman, and so he was given the other functions to fill up his time.

896. *Lord Weir*: Could you tell us whether there was any strong body of criticism of the working of the Acts up to wartime?—None that I know of.

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[Continued.]

897. There were no very great difficulties?—There were obvious difficulties as to some of the provisions. There was a feeling that you wanted to amend some of the provisions. But the sort of feeling which has been engendered latterly did not exist.

898. *Mr. Poulton*: I was wondering what the Committee really meant when they say on page 6, Clause 19: "We take the view that enforcement, that is, the control of the inspectors and the decisions as to prosecutions, is a matter for the Minister."—That is right.

899. "But we think it is of vital importance that this duty should be carried out in the closest possible association with the Trade Boards." Surely there cannot be any disagreement there?—None whatever; that is what we accepted, and we still do accept; but what I want to make clear is that this was a compromise which did not carry out the views of some of the Labour Representatives and Employers' Representatives. I persuaded them to accept this as much less than what they asked for. What they were really asking for was complete dissociation.

900. We are bound to deal with what is before us. —Quite, but what I suggest is that the situation in which this was signed need not any longer be regarded to exist, because this Committee can remove the basis of what we are discussing by altering the Acts or suggesting alterations of the Acts. But if you ask me, I still believe the inspection could be carried on in close association with the Boards; I say in any circumstances it ought to be, and it has occurred to me that the solution of this trouble is to put the Trade Boards under the same roof as the Ministry of Labour, and get rid of the necessary feeling of duality which exists.

901. Necessarily making it into the same Department?—I am personally responsible for the Secretarial Staff attached to the Trade Boards as well as for the Trade Boards Branch, and in that capacity I have officers in both places, but, naturally, the officer of the Trade Boards is a long way from me, and taking his orders to a large extent from an outside body, and is not necessarily in the same relationship to me as my own headquarters' officers. But I feel if I had them all under one roof a great deal of the difficulty might disappear. Alternatively, the solution might be to cut them adrift altogether. As

Dame Adelaide Anderson said, you could have a Town Clerk, a Secretary of the Boards, in complete charge of the whole of the work. Of course, he would differ from the Town Clerk, who is controlled only by one Borough Council, because he would be controlled by 40 Borough Councils—I mean there are 40 Boards—and that is a point you cannot forget; if you have 40 masters you have no master at all. But I have sometimes thought that the real solution is to get it all together in one place.

902. *Dame Adelaide Anderson*: Are they really more separate than the separate Departments of our Local Government bodies? I mean you have borough councillors, and they have separate Committees?—But there is one Board which controls the whole of the Council's activities, but in the case of Trade Boards, each Board is completely independent of the other.

903. But a Chairman would have some form of control?—Supposing you had 12 or 14 Chairmen or at the most perhaps five or six. If they were whole-time Chairmen, one of them would have to be the senior member of the Board. If they were part-time Chairmen they just could not do it, because they would not be there. So what you would really get back to would probably be, say, 40 Boards, three full-time Chairmen, with one senior Chairman, and he would have his inspectors and secretaries, and so on. It is another form of Government Department, and it does not seem at first sight to be very much better or very much cheaper than what we have. I do not think this particular document is of first-class importance from your point of view.

904. *Mr. Poulton*: Upon the latter statement of Mr. Wolfe, as far as one could gather as he was going along, the words are contained in their Report?—I wrote it, you see.

905. *Chairman*: I take it we shall have to consider this Report before we have finished, to see how far we adopt it?—May I just put one final point about the Report, because I do not want to be misunderstood about it; I should adhere to the recommendations of that Report if the Acts remained as they are, but I do not put it in as part of my evidence, still expressing my view, because I expect the Committee will probably recommend a variation of the basis of the Acts.

(The Witness withdrew.)

(Adjourned.)

DOCUMENTS ANNEXED TO THE EVIDENCE

SUBMITTED BY

MR. HUMBERT WOLFE, C.B.E.

ANNEX I.

General Statement of Evidence.

CHAPTER I.

HISTORICAL SUMMARY.†

1. *The Trade Boards Act, 1909.*—During the years 1885-1909 much public attention was directed to the conditions of workers in certain trades, in which it was alleged that "sweated" conditions prevailed, particularly the chain trade at Cradley Heath, and the box-making trade and certain sections of the clothing trades. In 1890 the final report issued by the Select Committee of the House of Lords on

the sweating system,‡ presided over by Lord Dunraven, stated that "the evils of sweating could hardly be exaggerated." Various private Bills were introduced during the succeeding years, notably Sir Charles Dilke's "Sweated Industries Bill," and authoritative information on the subject became available towards the latter end of the period through the Board of Trade Enquiry* into Earnings and Hours in 1906. From the reports of this enquiry the following figures as to some of the trades for which Trade Boards were established either under the 1909 Act or subsequently are taken:—

I.—Full-time Earnings of Adult Men.

Trade.	Percentage working full time whose earnings fell within the undermentioned limits.						Average No. of Hours of Work per week.
	Under 20s.	20s. and under 30s.	30s. and under 40s.	40s. and under 50s.	50s. and under 60s.	60s. and over.	
1. Tailoring (Bespoke) ...	5.1	41.0	31.8	11.6	4.1	6.4	53
2. Tailoring (Ready Made) ...	6.5	37.8	35.6	13.1	2.8	3.2	51
3. Shirt, Blouse and Underclothing ...	14.1	38.2	30.8	11.1	3.3	2.5	50
4. Laundry (Factory) ...	9.8	63.5	22.7	3.6	0.3	0.1	54
5. Laundry (Workshop) ...	25.0	65.2	9.3	—	—	—	52
6. Jute ...	49.1	36.0	13.4	1.3	0.2	—	55
7. Linen ...	44.4	36.7	13.6	3.5	1.0	0.8	55
8. Cardboard, Canvas, etc. Box ...	14.3	43.0	28.7	10.0	2.6	1.4	53

II.—Full-time Earnings of Adult Women.

Trade.	Percentage working full time whose earnings fell within the undermentioned limits.						Average No. of Hours of Work per week.
	Under 10s.	10s. and under 15s.	15s. and under 20s.	20s. and under 25s.	25s. and under 30s.	30s. and over.	
1. Tailoring (Bespoke) ...	15.4	42.4	29.3	10.3	1.6	1.0	53
2. Tailoring (Ready Made) ...	24.0	46.6	22.5	5.5	1.1	0.3	51
3. Shirt, Blouse and Underclothing ...	22.2	46.0	23.5	6.1	1.4	0.8	50
4. Laundry (Factory) ...	20.5	52.0	21.1	4.7	1.0	0.7	54
5. Laundry (Workshop) ...	12.2	63.8	20.5	2.9	0.3	0.3	52
6. Jute ...	6.2	66.4	25.9	1.4	0.1	—	55
7. Linen ...	41.7	49.1	8.5	0.6	0.1	—	55
8. Cardboard, Canvas, etc. Box ...	24.7	55.1	16.1	3.5	0.4	0.2	53
9. Dress, Millinery, etc. (Workshop) ...	28.0	36.2	21.1	8.4	2.6	3.7	53
10. Dress, Millinery, etc. (Factory) ...	12.6	39.5	30.5	11.4	3.5	2.5	50

† Revised to 31st December, 1921.

‡ No. 62 of 1890.

* Earnings and Hours Enquiry, Vols. I-VIII.

The returns were obtained voluntarily and exclude home-workers, who frequently form the worst paid section of the trade, so that the figures are more likely to be an over estimate than an under estimate of the actual earnings.

The earnings of workers in certain of the more highly organised industries in 1906 are given in the attached table "A" (page 62).

In 1906 the Anti-Sweating League was formed to press for legislation for the prevention of sweating. In 1907 and 1908 Select Committees of the House of Commons on Home-work were set up, and in 1908 a report was issued* which laid down the main lines on which the Trade Boards Acts were subsequently drafted.

The Committee came to the conclusion that "sweating" prevailed extensively, not only among home-workers (with whom the Committee were directly concerned), but also among factory workers in trades in which home-work was prevalent.

"If the term 'sweating,' they say, 'is understood to mean that the employer 'grinds the face of the poor' by making an altogether inadequate payment for work upon which he obtains a large and quite disproportionate profit, your Committee are of opinion that, although there are cases of this kind, sweating of this description is not the most important factor in the problem which they have had to consider."

"On the other hand, if 'sweating' is understood to mean that work is paid for at a rate which, in the conditions under which many of the workers do it, yields to them an income which is quite insufficient to enable an adult person to obtain anything like proper food, clothing, and house accommodation, there is no doubt that sweating does prevail extensively. We have had quite sufficient evidence to convince us (indeed, it is almost common knowledge) that the earnings of a large number of people—mainly women who work in their homes—are so small as alone to be insufficient to sustain life in the most meagre manner, even when they toil hard for extremely long hours. The consequence is that, when those earnings are their sole source of income, the conditions under which they live are often not only crowded and insanitary, but altogether pitiable and distressing; and we have evidence that many are compelled to have recourse to Poor Law or charitable relief."

The Committee were convinced that only legislation could remedy this state of things. "Unless Parliament steps in and gives them (the home-workers) the protection and support which legislation can alone supply, the prospects of any real and substantial improvement in their position and condition being brought about are very small and remote. We are further of opinion that carefully considered legislation would aid them materially; and, that being so, we cannot doubt that it is desirable that an attempt should be made."

Two concrete proposals were considered by the Committee:—

- (1) The proposal that it should be rendered illegal to give work to any outworker in certain specified trades, unless the worker had previously obtained a licence from Government factory inspector which authorises the holder of the licence to do work for a specified time in the premises named in the licence. The licences would require renewal every six months, and the conditions for obtaining them would be that the premises in which the work was to be done were clean and wholesome, adequately lighted and ventilated, and not overcrowded.
- (2) The proposal that, in certain specified trades, a Wages Board, consisting of representatives of employers and working people and a neutral chairman, should be established with power to fix the minimum rate of wages to be paid to workers in those trades. The payment of a lower rate than that thus fixed to be a punishable offence.

* No. 246 of 1908.

The Committee made certain suggestions to meet the problem in part on the lines of the first proposals, but held that the second proposal went "to the root of the matter." They recommended the establishment of "wages boards" immediately in tailoring and the making of shirts, underclothing and baby linen, and the finishing processes of machine-made lace, and they proposed that the Home Secretary should be empowered to establish Wages Boards, after enquiry, in any other trade.

The Trade Boards Act of 1909, which was passed when the Right Hon. Winston Churchill was President of the Board of Trade, followed substantially the lines of the Select Committee's Report. The Act was, however, not confined to homeworkers.

In framing the Bill, the Board of Trade had before them, besides the Results of the Enquiry into Earnings and Hours referred to above, the experience of certain of the Dominions in dealing with the same problem. The conciliation and arbitration system of New Zealand dates from 1894, and the Wages Boards of Victoria, which present a closer parallel to the machinery actually adopted in this country, date from 1896. An enquiry into the operation of the legislation in Australia and New Zealand was conducted in 1907 by the late Mr. Ernest Aves for the Home Office.*

2. The Machinery.—The most prominent features of the Trade Boards Act of 1909 are three. In the first place, minimum rates of wages are fixed trade by trade. Secondly, the power of fixing such rates is entrusted, not to a Government Department or to a judicial or quasi-judicial body, but to a joint board, composed of equal numbers of representatives of employers and workers in the trade concerned with the addition of a few independent persons, known as "appointed members." In the third place, the rates fixed by a Trade Board become, when confirmed by a Minister of the Crown, enforceable by either civil or criminal proceedings, and are enforced at the expense of the Government through a body of inspectors. A minor feature of the Act of 1909, which was repealed by the Amending Act of 1918, may be dealt with here as a matter of historical interest. Under the Act of 1909 a rate fixed by a Trade Board had only a limited operation for the first six months; it could only be enforced by civil proceedings, and it was open to any employer and worker to "contract out" of the rate; on the other hand, no Government Department or local authority could give a contract to an employer who thus "contracted out." After six months the rate became universally binding if the Board of Trade confirmed it.

3. The Act scheduled four trades:—
Ready-made and Wholesale Bespoke Tailoring.
Paper-box Making.
Machine-made Lace and Net Finishing.
Chain Making.

Four Trade Boards were established for Great Britain and two for Ireland. The first Trade Board was established for chainmaking in Great Britain on 3rd January, 1910; its first rate was fixed in August, 1910, and was made obligatory by the Board of Trade on 23rd February, 1911. The Act provided that further trades could be scheduled by Provisional Order, and in 1913 the Act was applied in this way to four more trades:—

- Sugar Confectionery and Food Preserving.
- Shirtmaking.
- Hollow-ware and Tin Box Making.
- Linen and Cotton Embroidery.

Under these Orders seven Trade Boards (four in Great Britain and three in Ireland) were established between 1913 and 1916. In 1913 a Provisional Order applying the Act to a section of the laundry trade, namely, machine ironing and calendering in power laundries, was thrown out by a Select Committee partly on the ground "that it did not cover all the sections of the trade which it would be desirable to cover if a Trade Board were established."

* Report on Wages Board and Industrial Conciliation and Arbitration Acts of Australia and New Zealand: C.D. 4167, 1908.

4. Thus at the outbreak of war, or shortly after, there were in existence in the United Kingdom 13 Trade Boards, covering approximately half a million workers. During the war the Trade Boards were temporarily superseded for practical purposes in some of the trades as more and more trades came under the orders of the Ministry of Munitions. It was anticipated, however, that Trade Boards would be able to play a useful part in facilitating the industrial re-adjustments which would follow the conclusion of hostilities. In March, 1917, the Reconstruction Committee issued a memorandum* on the regulation of women's wages after the war, in which they stated that the conditions which might be expected to prevail at or soon after the close of the war were exactly those which were favourable to a sudden and considerable fall in the level of remuneration in semi-skilled and unskilled occupations, and they recommended the protection of a minimum wage for women workers for a two-fold purpose. One purpose is to safeguard the position of women in trades where a reasonable level of remuneration has already been reached in order that they shall not sink back to a condition which is socially undesirable; the other is to raise by such means as are possible those women workers employed in trades in which, notwithstanding war conditions, the rates of wages are unduly low. They recommended for this purpose the use of Trade Board machinery and suggested a number of trades in which Trade Boards should be set up at once. They also suggested some amendments in the Trade Boards Act, most of which were adopted in the Act of 1918.

In the same year the Reconstruction Committee on Relations between Employers and Employed, which was presided over by the Right Hon. J. H. Whitley, M.P., issued its reports. It recommended, as a means of securing industrial harmony, Joint Standing Industrial Councils for the well organised trades and Trade Boards for the less organised trades "pending the development of such a degree of organisation as would render feasible the establishment of a National Council or District Councils."

It recommended that the Trade Boards in addition to their original purpose of securing the establishment of a minimum standard of wages in certain unorganised industries . . . should be regarded as a means of supplying a regular machinery in those industries for negotiation and decision in certain groups of questions dealt with in other circumstances by collective bargaining between employers' organisations and trade unions. It also recommended that the functions of Trade Boards should be enlarged so as "to deal not only with minimum rates of wages but with hours of labour and questions cognate to wages and hours" and "to initiate and conduct enquiries on all matters affecting the industry."

In the following year, shortly before the termination of hostilities, the amending Act was passed by Parliament. The fundamental principles of the earlier Act remained unchanged, and the amendments were mainly directed to improvements suggested by experience and to the speeding up of machinery which was necessitated by the industrial situation and justified by the experience of the previous 9 years.

In the first place, the description of the class of trade to which the Acts could be applied was altered. The condition set out in the Act of 1909 was that the Board of Trade should be satisfied that the rate of wages prevailing in any branch of the trade was "exceptionally low as compared with that in other employments." (Section 1 (2).) This form of words presented certain difficulties. It was difficult to show that in any particular trade, however "sweated" it might be, wages were *exceptionally low*, especially as the comparison might be with a number of other "sweated" trades. At the same time, it was necessary, in the existing circumstances of industry, to deal not merely with trades that were "sweated" but also with trades which

might become "sweated" as a result of the flow of unskilled workers from munitions industries. Accordingly, the Minister of Labour, to whom the administration of the Trade Boards Act had been transferred in 1917 by the New Ministries' and Secretaries' Act, was empowered by the new Act to establish Trade Boards in any trade in which he considered it expedient "having regard to the rates of wages prevailing in the trade or any part of the trade," but it was added, in order to make it abundantly clear that it was not intended in any case that the Acts should apply to the well organised trades, that he must also be satisfied that no adequate machinery existed for the effective regulation of wages throughout the trade.

This Act also abolished the slow procedure by Provisional Order and substituted the procedure by Special Order which is described below in Chapter II. The period of "limited operation" was abolished, as stated above, and the system was rendered more flexible in many ways by giving the Trade Boards greater powers to meet varying conditions of industry. It is to be noted that Trade Boards were not given the wider powers suggested by the Whitley Committee, but a Clause was inserted empowering them to make a recommendation to any Government Department with reference to the industrial conditions of the trade.

The Act came into operation on the 1st October, 1918, and immediately on the conclusion of hostilities steps were taken to carry out its provisions. In some trades, preliminary enquiries had already been made before an amended Act was in contemplation, and it was possible by the end of 1919 to set up 15 new Trade Boards in Great Britain and Ireland. This was not, however, rapid enough to meet the situation; even by the end of 1919 only a part of the women's clothing trades and only one of the Birmingham metal trades had been brought under the Acts. Meanwhile as a temporary expedient, the Wages (Temporary Regulation) Act, 1918, was passed. The object of this Act was broadly speaking to stabilise wages for a short period at the rates payable under agreement, awards or orders at the date of the Armistice (defined in the Act as "prescribed" rates), these rates becoming legally enforceable minimum rates. By the Award of an Arbitration Tribunal or by an agreement or settlement approved by the Minister of Labour or under an Order issued by the Minister of Labour, on the advice of the Court of Arbitration, new legally enforceable rates might be substituted for the prescribed rates. The Act originally passed for six months was on the recommendation of a joint committee of organised employers and workpeople continued for a further six months and the principle of the Act was continued under Part III of the Industrial Courts Act, 1919, until 30th September, 1920, when the provisions lapsed.

This safeguarded the position of the workers in organised trades and in trades to which Munitions Orders applied, but not of those in (e.g.) the women's clothing trades where no rate was generally current at the time of the Armistice. Accordingly the Minister, to cover this period of transition, under the powers conferred on him by the Act, laid down, on the advice of the Court of Arbitration, a "prescribed rate" of 7d. per hour for women in the women's clothing trades.

The Wages (Temporary Regulation) Act was of course only an interim measure, and the methods of protecting unorganised workers from "sweating" continued to attract much public attention. In September, 1918, a committee was appointed by the Prime Minister under the Chairmanship of Sir J. R. Atkin "to investigate and report upon the relation which should be maintained between the wages of women and men . . . the recommendations to have in view the progress and well-being of industry in the future." This committee foresaw that a considerable time must elapse before all ill-organised sections of women in industry could be covered by Trade Boards or other wage-regulating machinery

* Memorandum by the Industrial Groups of the Sub-Committee on Women's Employment.

* Cd. 135-1919.

and that in the case of certain sections any machinery for the regulation of wages trade by trade would probably be difficult of application. They recommended the immediate setting up of machinery to determine and fix a "reasonable subsistence wage" for adult women, to be adjusted periodically to meet variations in the cost of living, with a scale of rates for juveniles fixed in relation to rates for adults; this wage to be legally applicable to all women employed for gain in occupations other than domestic service. The committee appear to have regarded this machinery partly as a means of providing temporary protection for certain sections of women pending the setting up of Trade Boards or other wage-regulating bodies and partly as a means of giving permanent protection to certain fringes whom it would be difficult at any time to bring within the scope of wage-regulating machinery.

The National Industrial Conference, which was summoned by the Prime Minister in 1919, recommended that "minimum time-rates of wages should be established by legal enactment and that they ought to be of universal applicability" and that "Trade Boards should be established forthwith in the various less organised trades where they do not already exist." During 1920 34 Trade Boards were set up (including the new boards which replaced the old Tailoring Trade Board), among them two in England and Wales and two in Scotland for Distributive Trades (Grocery and Provisions and Milk Distributive). The total number of Trade Boards existing on 31st December, 1920, was 60, of which 2 covered the United Kingdom, 29 Great Britain, 5 England and Wales, 5 Scotland, and 19 Ireland. Approximately 3,000,000 workers and 300,000 employers were covered by these 60 Boards.

A chronological list of Trade Boards is given in Table B.

By this time it had been possible to survey generally the field in which conditions might render the establishment of Trade Boards necessary. In some cases investigation had been dropped at an early stage when satisfactory evidence was found

that a Trade Board was not necessary, as voluntary organisation had become developed to regulate wages effectively, for instance, by the machinery of a Joint Industrial Council. There was, however, a considerable number of trades, including many of the distributive trades (in which the Government had announced in 1919 generally their intention of setting up Trade Boards) in which investigation had not proceeded very far or had not reached a stage at which a decision could be given.

Before the end of 1920, however, the trade depression had set in. New Trade Boards began to find it increasingly difficult to settle a basis for their rates in view of the great fluctuations in money value and in trade, and all rates fixed by Trade Boards were becoming the subject of controversy. In these circumstances the Minister decided that it was necessary to proceed with great caution in the establishment of new Trade Boards, and he announced this policy to the House of Commons in March. Since that time, investigations have been restricted and the staff reduced (on the expiry of the special Treasury sanction about this time), and since the beginning of the year only three new Trade Boards have been established—the Ostrich and Fancy Feather and Artificial Flower Trade Board (Great Britain) in February, the Boot and Floor Polish Trade Board (Great Britain) in July, and the Sack and Bag Trade Board (Great Britain) in November. The total number is at the present date 63.

In addition, Special Orders have been made applying the Acts to the following trades:—

Fish, Poultry, Game and Rabbits;
Fruit, Flowers and Vegetables;
Hairdressing;
Whips;

and Notices of Intention to apply the Acts to the following trades are outstanding:—

Jute, Flax and Hemp Finishing;
Meat, Distributive;
Ophthalmic, Optical.

TABLE A.

Tables extracted from the Report of the Enquiry into Earnings and Hours, 1906, showing full-time earnings of adult men and women in certain important industries to which the Trade Boards Acts have not been applied.

(A) Adult Men.

Trade.	Percentage whose earnings fell within the undermentioned limits.						Average No. of Hours of Work per week.
	Under 20s.	20s. and under 30s.	30s. and under 40s.	40s. and under 50s.	50s. and under 60s.	60s. and over.	
Building	5.7	37.1	40.8	13.4	1.8	1.2	53.4
Cotton	15.1	43.7	21.3	15.4	4.1	0.5	55.5
Metal, Engineering and Shipbuilding	7.6	23.4	36.2	13.9	4.8	4.1	53.0
Paper, Printing, etc.	6.8	29.7	38.8	14.7	4.6	5.2	56.9
Woolen and Worsted	15.0	52.2	26.2	4.1	1.1	1.2	55.6

(B) Adult Women.

	Under 10s.	10s. and under 15s.	15s. and under 20s.	20s. and under 25s.	25s. and under 30s.	30s. and over.	Average No. of Hours of Work per week.
Cotton	3.0	20.9	35.4	29.9	9.6	1.2	55.5
Hosiery	14.5	44.4	30.3	9.1	1.4	0.3	53.9
Woolen and Worsted	10.0	55.6	24.7	7.6	1.2	0.2	55.6

TABLE B.

List of Trade Boards Established to 31st December, 1921.

(Showing the dates of establishment.)

Chain (Great Britain)	3.1.10
Machine-made Lace and Net Finishing	7.9.10
Paper Box (Great Britain)	29.7.10

TABLE B—continued.

Paper Box (Ireland)	5.9.11
Shirtmaking (Great Britain)	6.2.14
Sugar Confectionery and Food Preserving (Great Britain)	6.2.14
Sugar Confectionery and Food Preserving (Ireland)	8.5.14

TABLE B—continued.

CHAPTER II.

Shirtmaking (Ireland)	14.5.14
Tin Box (Great Britain)	30.7.14
Hollow-ware (Great Britain)	4.8.14
Linen and Cotton Embroidery (Ireland)	8.5.16
Tobacco (Great Britain)	23.4.19
Laundry (Great Britain)	1.5.19
Boot and Shoe Repairing (Great Britain)	5.7.19
Paper Bag (Great Britain)	14.7.19
Corset	17.7.19
Brush and Broom (Great Britain)	17.7.19
Tobacco (Ireland)	13.8.19
Boot and Shoe Repairing (Ireland)	15.10.19
Fur (Great Britain)	25.10.19
Rope, Twine and Net (Great Britain)	3.12.19
Jute (Great Britain)	8.12.19
Retail Bespoke Tailoring (Great Britain)*	*12.12.19
Wholesale Mantle and Costume (Great Britain)	13.12.19
Coffin Furniture and Cerement Making (Great Britain)	16.12.19
Brush and Broom (Ireland)	22.12.19
Aerated Waters (England and Wales)	2.1.20
Aerated Waters (Scotland)	8.1.20
Hat, Cap and Millinery (England and Wales)	12.1.20
Dressmaking and Women's Light Clothing (England and Wales)	15.1.20
Perambulator and Invalid Carriage (Great Britain)	20.1.20
Flax and Hemp (Great Britain)	27.1.20
Aerated Waters (Ireland)	4.2.20
Button-making (Great Britain)	13.2.20
Stamped or Pressed Metal Wares (Great Britain)	13.2.20
Ready-made and Wholesale Bespoke Tailoring (Great Britain)*	*17.2.20
Pin, Hook and Eye and Snap Fastener (Great Britain)	17.2.20
Hair, Bass and Fibre (Great Britain)	20.2.20
Milk Distributive (England and Wales)	27.2.20
Dressmaking and Women's Light Clothing (Scotland)	29.3.20
Dressmaking and Women's Light Clothing (Ireland)	31.3.20
Hat, Cap and Millinery (Scotland)	31.3.20
Hat, Cap and Millinery (Ireland)	31.3.20
Wholesale Mantle and Costume (Ireland)	31.3.20
Laundry (Ireland)	14.4.20
Rope, Twine and Net (Ireland)	21.4.20
Retail Bespoke Tailoring (Ireland)*	24.4.20
Ready-made and Wholesale Bespoke Tailoring (Ireland)*	24.4.20
Flax and Hemp (Ireland)	20.5.20
Linen and Cotton Handkerchief and Household Goods and Linen Piece Goods (Great Britain)	28.5.20
Linen and Cotton Handkerchief and Household and Linen Piece Goods (Ireland)	4.6.20
Grocery and Provisions (England and Wales)	23.6.20
Milk Distributive (Ireland)	6.8.20
Milk Distributive (Scotland)	17.8.20
Toy (Great Britain)	19.8.20
General Waste Materials Reclamation (Great Britain)	27.8.20
General Waste Materials Reclamation (Ireland)	27.8.20
Cotton Waste Reclamation (Great Britain)	16.9.20
Grocery and Provisions (Scotland)	1.11.20
Made-up Textiles (Great Britain)	24.11.20
Ostrich and Fancy Feather and Artificial Flower (Great Britain)	3.2.21
Boot and Floor Polish (Great Britain)	11.7.21
Sack and Bag (Great Britain)	2.11.21

* These Boards were established in place of the Tailoring Trade Boards for Great Britain and Ireland respectively, set up under the Act of 1909.

THE SCOPE AND APPLICATION OF THE ACTS.

1. *The general scope of the Acts.*—The Acts authorise the establishment of a Trade Board in any trade in which certain conditions as to organisation and wages are present, and they place certain obligations upon employers (or "shopkeepers, dealers and traders") in such trades in relation to their employees. From the terms used the Ministry has regarded the scope of the Acts as restricted in the following ways:

- (a) They can only be applied to trades and not to professions or to other occupations, such as commerce, which are not trades. Naturally, a number of border-line cases may occur; for instance, it may be questioned whether the keeping of a school laundry is part of the teaching profession or part of the laundry trade.
- (b) The obligation can rest only upon employers engaged in trade, and not upon charitable institutions, for instance, which are not engaged in trade, nor upon employers who employ persons not by way of trade or for gain or profit, but for their own convenience, as in the case of a person who employs a seamstress to make clothes for the family.
- (c) The obligation rests upon a person in respect of his employees, and no minimum rate can apply where there is no contract of employment, even though money passes, as in the case of an inmate of an institution who performs work and receives a money payment, but is not employed and does not receive wages. It is to be noted, however, that under Section 9 of the Act of 1909 a worker not engaged under a contract of service is deemed for the purposes of the Act to be in certain circumstances an employee to whom the minimum rate must be paid.

2. *The principle of division by trades.*—The term "trade," in addition to the implications which are given above, also carries the implication of the division of industry into a number of units, known as "trades" or "industries," and it is a principle of the Acts that each unit should be dealt with separately. Both in industrial theory and practice the meaning of the term used in this sense varies greatly, but loosely it may be said to imply a distinction rather according to the nature of the commodity produced than according to the nature of the processes. It is thus at any rate clear that it would be impossible on legal grounds to set up a Trade Board for clerks as a class or for all weavers (woollen, cotton, silk, linen, etc.).

While however the Trade Boards Acts contain no definition of what constitutes a trade, it is clear from an examination of the Schedules to the Act of 1909 and to the Provisional Orders Confirmation Act, 1913, that the Minister has a very wide discretion in specifying or defining the trades to which the Acts shall apply. Subject to the observance of the underlying principle that the wages of each trade shall be settled by that trade alone and by no other, the Minister may, so long as he acts reasonably, define the trades to which he applies the Acts as broadly or as narrowly as may be desirable in each particular case. For instance, the trade scheduled as the lace finishing trade is clearly only a small section of the complete trade of lace warehousing. On the other hand, the trade scheduled as the hollow-ware trade covered two sections so different that it was found necessary to set up a separate Trade Board for each.

Difficulties of definition as they arise in practice are discussed in Section 6.

3. *Varieties of trade.*—It will be obvious, from the list of trades given in Table B, Chapter I, that no general statement can be made about the kind of trades to which the Trade Boards Acts are applied. Low wages are not confined to any particular class of trades.

The trades to which the Acts have been applied may be divided most broadly into two groups:—

- (a) Trades primarily manufacturing, which are carried on in factories or workshops.
- (b) Trades primarily distributive.

The first group covers many varieties of business. There are those which are purely factory trades carried on in more or less large establishments, such as the Flax and Hemp Spinning and Weaving Trade. There are trades which (or certain branches of which) are carried on on a wholesale scale in factories and are also carried on in small workrooms, which may or may not be attached to distributive establishments, working for a more or less limited clientele in the locality. Such trades are the Clothing Trades and the Boot and Shoe Repairing Trade.

In the second group come establishments ranging from the big departmental store through retail shops specialising in one class of commodity to the small general shop common in rural districts. There are also, on the wholesale side, the big warehouses which may or may not specialise in one class of commodity.

Again, a distinction may be drawn between trades in which there is a large export business, where the competition of foreign producers has to be met in foreign markets, trades which have to meet the competition of foreign producers in the home markets and trades which supply home markets alone and have no foreign competition to face. An example of the first class is the Tailoring Trade, and examples of the second class are the Birmingham light metal trades, the manufacture of match boxes (a branch of the Paper Box Trade), and the Lace Finishing Trade. An example of the third class is the Milk Distributive Trade.

It is to be expected that trades in which homework is prominent, should suffer from bad conditions. The Shirtmaking, Tailoring, Paper Box and Lace Finishing Trades, which came under the Act of 1909, and the Button Making and Pin, Hook and Eye Trades, for which Trade Boards were set up under the Act of 1918, are examples.

It is also to be expected that Trade Boards would be needed in trades in which women are largely employed, such as the shirtmaking, dressmaking and women's light clothing, and sugar, confectionery and food preserving trades. On the other hand, in certain trades under the Acts men are largely, or, as in the boot and shoe repairing trade, almost solely employed. Generally speaking, of the total number of workers employed in Trade Board trades, approximately 75 per cent are females.

Again, many Trade Board trades are those in which juvenile labour is extensively employed. In the button making trade it was calculated in 1920 that the proportion of girls to the whole number of female employees was 33 per cent., while the proportion that could be absorbed was 20 per cent. The corresponding figures for the cardboard box trade are 35 per cent. and 21 per cent. On the other hand, certain Trade Board trades, such as the aerated waters trade, employ singularly few juveniles.

Nor again can it be said that conditions are likely to be better or any worse in a localised trade than in a scattered trade. The chain trade is localised at Cradley Heath, and the jute trade at Dundee, while the laundry trade and the boot and shoe repairing trade are widely scattered.

4. *Preliminary Investigation.*—The question of applying the Acts to a trade may arise in various ways. As has been stated in Chapter I, conditions in the chain trade at Cradley Heath and in sections of the tailoring trade were brought to the notice of the Government as early as 1890, and a number of other trades were mentioned to the Committee on Home-Work in 1908. The facts obtained in the Enquiry into Earnings and Hours also directed attention to certain trades in which conditions appeared bad. When the Act of 1918 was passed, it was decided to make, so far as possible, a comprehensive survey of the ground which it might be necessary to cover. Much information was available from the experience of the Ministry of Munitions in dealing with women's trades during the war, and

from the Report of the War Cabinet Committee on Women in Industry.* A list of trades was included in the Memorandum issued by the Reconstruction Committee and a list of some thirty trades, in addition to all the distributive trades, was also submitted to the Department by the Anti-Sweating League as trades in which Trade Boards were desirable, and information was also supplied by the reports of individual social workers upon industrial conditions. In addition, direct applications were received from individual workers or from workers' organisations in various trades, and in some cases from employers and employers' associations. In a few cases, Joint Industrial Councils have applied for Trade Boards to be established in their trades. Attention may also be drawn to bad conditions of employment by a Trade Board for an allied branch of trade, and investigation into one trade often leads to the discovery of unsatisfactory conditions in another which is carried on in connection with it.

The first step when the application of the Acts is under consideration is a preliminary investigation with a view to obtaining precise information as to the conditions obtaining in the trade. This investigation is carried out by the Intelligence Branch of the General Department of the Ministry, and includes, in the first place, an examination of the relevant records in this and other Government Departments, books of reference, etc., and extensive visits to associations of employers and of workers in the trade, and to individual firms (and occasionally individual workers), with a view to acquiring more detailed information. In its early stages the investigation is directed primarily to discovering the exact nature and extent of the organisation in the trade, both on the employers' and workpeople's sides, and the rates of wages which prevail for the various types of work in the trade; but at the same time the opportunity is taken on the occasion of each visit to obtain as much as possible of the more detailed information which will be required at a later stage if it is decided to apply the Acts, not only for the purpose of enabling the trade to be defined with exactitude, but also for the purpose of constituting a Board properly representative of all the interests in the trade, wherever it is carried on.

5. *Grounds for Establishing a Trade Board.*—When sufficient information has been obtained as to the extent of organisation in the trade and the prevailing rates of wages, it is necessary for the Minister to decide whether there is a *prima facie* case for establishing a Trade Board or whether the conditions laid down by the Act are not fulfilled. This decision will be only tentative, as the intention to apply the Acts must, in any case, be published for at least 40 days, and in practice, before a final decision is taken, prolonged consultation with employers and workers takes place, both on questions of principle and in regard to details.

The two conditions laid down by the Act are (1) defective organisation, (2) unsatisfactory wages. As regards the former, the information obtained from the organisations is supplemented and checked by investigations on the spot. Experience has shown that it is not safe to judge merely by numbers; the general stimulus towards organisation on both sides which was due to war conditions has sometimes resulted in the formation of associations which nominally cover most of the trade, but are not likely in fact to hold together for any length of time and may not at any time be able to secure the universal observance of the voluntary agreements they have reached. In most trades, however, in which the establishment of Trade Boards is suggested, it will be found that the organisation is confined to industrial centres, or, at any rate, that there are substantial portions of the trade where organisation is almost wholly lacking and quite ineffective.

With regard to the second condition the Act lays down no criterion, and of course no absolute standard of lowness of wages can be found.

In practice, however, comparisons can be made with minimum rates fixed by Trade Boards or by voluntary

* Cd. 135—1919.

agreement for similar trades. In many establishments in the trade it may be found that the rates of wages are clearly inadequate to afford a reasonable subsistence to the worker, although possibly other establishments in the same trade working under similar conditions are paying wages which are substantially higher.

If it is considered that the facts as discovered by investigation justify further action being taken, the next step is to draft a definition of the trade.

6. Regard is had in the first instance to trade opinions on the broad outlines of the trade, supplemented by information obtained from any other source available. Generally it is found that trade opinions disagree in marginal cases; the Department's general enquiries are accordingly directed particularly towards clearing up the position in such cases. When all the necessary information has been collected either by the Department's investigators or as the result of interviews or conferences, it is carefully examined and sifted with a view to drafting a more or less precise description of the trade and its subsidiary processes. This involves:—

- (a) selecting and describing the branches of work to which it is proposed to apply the Acts. These branches of work may be all or a selection of the branches of work carried on in establishments typical of the trade, or they may be some or all of the essential operations characteristic of the trade;
- (b) considering how far subsidiary operations may be regarded as forming part of the trade;
- (c) considering how far the manufacture of "side-lines," which may be usually made in some other trade, ought to be included;
- (d) considering the claims of branches of the trade to be treated as separate trades or omitted altogether from the application of the Acts;
- (e) considering the treatment of establishments in which more than one trade is carried on or more than one class of commodity is sold.

The questions of demarcation which have to be dealt with may perhaps be illustrated best by instancing one or two cases which have arisen in practice.

In connection with the request that steps should be taken before the lapse of the Wages (T.R.) Act to safeguard the workers in the Birmingham Light Metal Trades, in which women are very largely employed, the Department made a preliminary survey of these trades, and on the information obtained were able to segregate certain more or less well defined and clearly recognised trades, such as the cycle trade, the lamp trade, the nut and bolt trade, and the perambulator trade. There remained a group of trades more or less distinguished amongst themselves by their products but employing the same main processes, namely, stamping and pressing. The trades were engaged in the manufacture of (a) buttons, (b) pins, hooks and eyes, and snap fasteners, (c) coffin furniture, and (d) general stamped or pressed metal work covering a wide variety of articles.

It was accordingly proposed in the first instance to regard all these branches of work as branches of one trade for the purpose of the Trade Boards Acts. Very strong claims, however, were put forward by each of the first three sections indicated above, to be regarded as members of separate and distinct trades. They argued that they possessed their own employers' associations, their own markets, and that they had no interest in common with each other or with the general stampers or pressers—in short that each of their trades had a commercial individuality of its own.

In view of these claims for separate treatment, separate Special Orders were made for each of the four trades.

In the case of the sugar confectionery and food preserving trade it was decided, in spite of the protests of one or two groups of employers in certain sections of the trade (such as the jam manufacturers and the pickle manufacturers), to group together under one Trade Board all the sections of the trade dealing with the manufacture of sugar confectionery, chocolate, jam, preserved fruits, tinned and potted meats and fish, meat extracts and essences, and sauces and pickles. It was felt that it was not possible

to draw any fair line of demarcation between the various sections of the trade in view of the many overlaps between them in the establishments engaged in the trade. The course followed by the Department received the general approval of the trade at the time.

In the sack and bag trade very large numbers of new jute sacks are made in Dundee. The wages paid are governed largely by the rates prevailing in the jute spinning and weaving trade. The employers in Dundee did not wish, for this reason, to be brought under a Trade Board on which the conditions outside Dundee might play an important part in the fixing of rates, nor did the employers in the rest of the sack and bag trade wish the rates fixed to bear any relation to the conditions in the jute trade. It was accordingly decided to exclude the Dundee section from the Special Order relating to the sack and bag trade, leaving that section to be dealt with later, if occasion arose, in connection with the dyeing, bleaching and finishing section of the jute trade.

In connection with the inclusion, within the scope of a Special Order, of the subsidiary operations in a trade (or of the manufacture of side-lines), it will be noticed that the definitions of trades given in the Schedule to the Act of 1909 do not specify operations of this kind in detail as do, to a certain extent, the Orders confirmed by the Provisional Orders Confirmation Act, 1913, and to a still greater extent, the definitions in the Special Orders made under the Act of 1918.

When the Act of 1909 was drafted, it was considered sufficient in the absence of experience to give broad general definitions of the trades covered. As soon, however, as minimum rates were fixed for these trades, questions began to arise whether certain workers engaged on operations not specifically mentioned were or were not entitled to receive the rates. In the paper box trade, for instance, the questions arose, among others, (1) whether the packing and warehouse staffs in a factory were covered, and (2) whether the manufacture of corrugated cardboard was covered in cases where it was manufactured

- (a) in a paper box factory where all the corrugated cardboard made was used in the factory for making boxes;
- (b) in a paper box factory where some of the corrugated cardboard was used while some was sold;
- (c) by a firm, not making paper boxes, by whom it was sold to paper box firms.

Questions of this kind gave rise to legal difficulties of an intricate character, and, although the Department took legal advice, they could never be certain that any action they took as a result might not be reversed in the Courts. It was accordingly decided in future to specify as accurately and completely as possible all the subsidiary operations it was intended to cover. The question of what operations ought to be covered was in every case discussed and settled with the trade concerned, but certain broad principles did emerge in practice. In the manufacturing trades, for instance, the packing and warehouse staffs are now generally regarded as part of the factory staff and therefore included, but clerical and counting house staffs are grouped with the "management" and are considered by the trades to be entirely distinct from the factory staff. In the distributive trades, on the other hand, clerical workers are generally considered to perform an integral part of the work of distribution. It thus happens that in the definitions of the manufacturing trades generally clerical work has not been included while in the definitions of the distributive trades it has been included.

The treatment of establishments in which more than one trade is carried on (or more than one class of commodity is sold) presents considerable difficulties. Where the various trades are segregated in separate departments and the workers have been accustomed to receive different rates, it has generally been found possible to leave each department under its appropriate Trade Board, although in one or two cases employers have complained that this produces confusion. Where various operations

normally confined to certain separate trades are performed indiscriminately in one establishment it has sometimes been possible to bring such operations under the Trade Board covering the main business of the establishment. A simple case in point occurs in the sack and bag and made-up textiles trades, where many firms carry on these two trades—the manufacturing operations being performed generally in separate departments, but all the packing being done in one department by the same workers. In this case the packing department has been placed under the Trade Board covering the larger manufacturing department.

When it was proposed to apply the Acts to the Distributive Trades claims were made by certain organisations of employers and workpeople, whose membership is on a national and not a trade basis, that these trades ought to be regarded as one trade having many branches. Very strong representations, however, were made by many individual trades to the effect that there was little community of interest between the various trades, which in general dealt with their several commodities and knew nothing of the business of their neighbours. The Minister accordingly decided that he could not reasonably regard all the Distributive Trades as one trade, and that he ought to apply the Acts to each trade individually.

A claim was then put forward by the large departmental stores that they should be treated apart from the several Distributive Trades, on the ground that, as they carried on many or all of these trades in one establishment, they were faced with problems of their own not common to each of the trades outside. It was strongly felt, however, by the grocers, for instance, that the conditions in the grocery department of a store were little, if at all, different from those obtaining in an ordinary grocer's shop, and that the departmental stores should not, by separate treatment, be placed in a position in the matter of wages to take advantage of competing grocers' shops.

Precisely similar questions of policy arose in connection with the Hairdressing Trade (for which a Special Order has been made) and the Meat Distributive Trade (for which a Notice of Intention has been issued). In all these cases the department of a departmental store has been treated on the same footing as a hairdresser's, butcher's, or grocer's shop.

Another question of policy arose in connection with the Laundry Trade, where it was originally decided not to bring within the scope of the Laundry Order laundries run in connection with other businesses, such as hotels and boarding-houses, for the purpose of washing the linen of the house and the guests and not of the general public. The question, however, whether the scope of the Laundry Trade Board should now be extended to cover this work is at present the subject of enquiry and discussion.

The small general shop presents a problem which has not yet been completely explored. At present a certain number of such shops are covered by the Grocery and Provisions Trade Boards, but there are many which remain outside. It may be found in the long run that special measures will have to be taken with such shops, which are generally found in the poorer urban districts and rural districts.

7. Notice of Intention and Special Order.—When a provisional definition has been drafted, the next step is to consult representatives of the trade, both employers and workers, with a view to obtaining their criticisms of the draft and their agreement to the policy proposed. The definition is also tested in relation to individual establishments in the trade. When all the suggestions and criticisms have been considered and proposed amendments discussed and settled with the trade, the first formal step is taken by issuing a Notice of Intention to apply the Acts to the trade as now defined. The Notice of Intention, which embodies the definition of the trade, is published in the Gazette and is sent to the trade papers and to the general Press.

Objections and Issue of Special Order.—A period of at least 40 days must be allowed during which

objections to the proposal may be sent to the Minister. Some objections may be due merely to a misunderstanding of the Order, and will be withdrawn as soon as the actual position has been made clear. As regards the others, every effort is made either by correspondence or personal consultation with the objectors to arrive at an agreement. Should, however, objections received within the time limit not be withdrawn and not be merely frivolous, it is incumbent upon the Minister, unless he desires to amend the Order so as to meet the objections, or to withdraw it, to order a public inquiry to be held by some person not in Government employment, and to decide upon the report of the enquiry whether or not to proceed. A case for a public enquiry has not in fact arisen.

The next step is to issue a Special Order applying the Trade Boards Acts to the trade as defined in the Appendix to the Order. Every Special Order has effect without confirmation by Parliament, but it has to be laid before each House, and if an address is presented by either House within a specified period praying that the Order may be annulled, "His Majesty may annul the Order and it shall thenceforth be void but without prejudice to the validity of anything previously done thereunder or to the power of making a fresh Order." The Special Order is published in the Gazette and sent to the general and Trade Press.

8. Reference has been made in Section 6 to the problems which are encountered in drawing up a definition of a trade. However complete a definition may be there will usually be a number of marginal cases which give rise to difficulties of interpretation, and employers and workers on the fringes of the trade are often in doubt whether the rates fixed by the Board apply to them. Considerable importance has, therefore, necessarily been attached to questions of "scope," that is, questions of the interpretation of the definition of a Board incorporated in the Special Order or, in the case of the earlier Boards, in the Schedule to an Act of Parliament. The establishment of a Trade Board has invariably been followed by a large number of enquiries as to its scope, and these enquiries persist, though with less frequency, as a result of the continual changes in industry. Under the old definitions, which were not detailed, these questions might involve a considerable body of workers. For instance, there was a disagreement between the old Tailoring Trade Board and the Board of Trade on the question whether the manufacture of waterproof garments was tailoring or not. Under the new definitions, doubt is not likely to arise in respect of such large classes. The question may involve a fairly numerous class of subsidiary workers, such as porters, or a particular establishment which carries on a special line of work on the borders of two or more trades, but in most cases it is probably true to say that the numbers and interests involved are not very great.

Apart from enquiries which are mainly due to ignorance, the questions fall into two classes—those in which a Court of Law would be guided mainly by trade evidence, and those in which the considerations are mainly legal. In either class, the difficulty of the questions varies greatly. In some cases trade opinion may be unanimous, and in others, not only may one Trade Board disagree with another, but opinion on one Board may be sharply divided. Similarly, questions in which the considerations are mainly legal may in one case need only a careful reading of the statutory definition and in another raise a complex legal problem.

As the Special Order, which lays down the definition of the trade, is a statutory document, there is no authority, except a Court of Law, which can decide upon its interpretation. The Board of Trade and the Ministry of Labour have, however, always taken the view that in administering legislation of this kind, which imposes statutory obligations on sections of the community, it was their duty to give employers and workers as much assistance as possible in knowing their respective rights and obligations. It must be remembered that Trade Board trades

include a large number of small employers and illiterate workers. Further, the Acts place the responsibility for the enforcement of the rate which a Trade Board has fixed upon the Department, and a large number of questions of scope arise in connection with inspection. The Department has therefore felt that it was only proper, in all cases of *bona fide* doubt, not to reserve questions for test cases in the Courts, which would be expensive and might appear vexatious, but to give an indication of the lines upon which it would enforce. It is to be noted that the Trade Boards generally attach great importance to this course being followed.

In course of time, as a result of the inquiries made and of the reports of the inspectorate, it may become apparent in some cases that a definition requires amendment, either to clear up obscurities or rectify errors in the definition by the inclusion or exclusion of certain operations or branches of work. In some cases the alterations required are of minor importance, but in others questions of policy of considerable importance are involved.

For instance, in the case of the Tailoring Trade where the bulk of the Retail Bespoke branch was not covered by the definition in the Schedule to the Act of 1909, the alteration effected by the Trade Boards (Tailoring) Order, 1919, not only removed what had been felt to be serious anomalies in numerous borderline cases, but amounted to the application of the Acts to a large and important branch of trade. In the case of the Stamped or Pressed Metal-Wares Trade and the Sugar Confectionery and Food Preserving Trade the Boards have pressed for the inclusion of cognate branches of trade. In these cases the large number of interests involved and the great variety of articles manufactured have raised problems of great complexity, which are still the subject of discussion with the Boards and the outside interests concerned.

The statutory procedure in the case of revision is exactly the same as in the case of the original application of the Acts to a trade, and may necessitate similar inquiries and negotiations, in addition, of course, to consultation with the Trade Board.

CHAPTER III.

CONSTITUTION OF TRADE BOARDS.

1. *Sub-division of trades.*—It is possible to set up under one Special Order different Trade Boards for different branches of a trade, and this may be convenient where a trade comprises branches using different methods of production, and which it may subsequently be found desirable to unite under a single Board. In four cases only has this course been followed. In the case of tailoring, one Board covers the Retail Bespoke branch of tailoring—roughly, that in which garments are made up for the individual customer by skilled craftsmen and another Board, the Ready Made and Wholesale Bespoke branch, which includes the factory trade and some other sections. Similarly, the women's clothing trade has been divided into the Wholesale Mantle and Costume branch, which covers the wholesale manufacture of tailored costumes, and the Dressmaking and Women's Light Clothing branch, which includes in addition to the making of dresses, the making of blouses, underclothing, &c. Separate Boards under one Order have been established for the Tin Box and for the Hollow-ware trades, and for the General Waste Materials and Cotton Waste Reclamation trades. A method for obtaining a similar result which has been considered but not put into operation is to constitute a Board of a number of statutory Committees each representing and legislating for a separate branch of the trade, and to provide by regulation that no rate shall be fixed for any branch

of the trade except on the recommendation of, or after, consideration by the appropriate Committee.

2. It is also competent to establish separate Boards for separate parts of the country. In the distributive trades it has been the general practice to establish separate Boards for England and Wales, Scotland and Ireland respectively. This plan has been adopted also in the case of some manufacturing trades. Generally, however, one Board is established for Great Britain and in no case have District Boards been established. There are special provisions in the Acts as to the establishment of a Board for Ireland.

3. *Members of Trade Boards.*—A Trade Board consists, under statute, of an equal number of representatives of employers and workers in the trade, with the addition of a small number of independent persons known as "Appointed Members." The representative member may be either elected by the trade or selected by the Minister, but election, where it has been tried (in the Chain trade for employers and workers and in the Paper Box trade for employers, and in two Irish Boards for employers and workers), has proved unsatisfactory and all appointments are now made by the Minister. The membership of a Board varies from 15 (Chain Trade Board) to 83 (Grocery and Provisions Trade Board, England and Wales). Efforts are always made to limit the numbers so far as possible, but the number of claims for representation is usually greatly in excess of the proposed membership. The regulations usually provide that all the members shall vacate their seats after the first year of office; this enables the constitution of the Board to be comprehensively reviewed in the light of the first year's experience. Subsequently, one-half or one-third of the Board retires annually. Any retiring member is eligible for re-appointment.

A representative of employers vacates his seat if he ceases to be an employer and becomes a worker, and a corresponding provision applies to workers' representatives. Provision is made for supplementary appointments to be made during the life of a Board, if it appears that any section of the trade has not received representation.

Regulations as to constitution and proceedings are made for each Board are under Section 11 of the Act of 1909. The Regulations must be laid before both Houses of Parliament, but become operative at once. The personnel of a Board is appointed by minute, and its term of office may be brought to an end by the same procedure.

4. *The Appointed Members.*—The Acts provide that a Board shall consist, in addition to the representative members, of members appointed by the Board of Trade (Ministry of Labour) who shall always number less than half the representative members. Where women are largely employed in the trade, one of the Appointed Members must be a woman.

Some difficulty is naturally found in selecting "Appointed Members" who will be accepted by both sides as impartial; the accompanying table gives a rough classification of the Appointed Members on the panel. (Table A to this Chapter.)

The part played upon the Boards by the Appointed Members is dealt with in Chapter V.

5. *Representative Members on Trade Boards.*—In selecting the representative members of a Trade Board the only specific obligation resting on the Minister is that obligation under Section 11 (3) of the Act of 1909 to appoint specially representatives of homeworkers, where such workers are employed to any considerable extent. The common form of Regulations governing the constitution and proceedings of Trade Boards, provides that representative members shall be appointed after consideration of names supplied by the employers and workpeople concerned. The trades to which the Trade Boards Acts are applied are trades in which the organisation of either employers or workers or of both is poor. No trade, however, is wholly unorganised. Usually the more important employers in the trade or the employers in a particular district are found to be in some form of association, and relatively small groups of workers are found to be in the General Labour Unions or in some Trade Union (probably local) peculiar to the trade.

If a Trade Board is to legislate intelligently and effectively for its trade, every class of employers and of workpeople in all the districts in which the trade is carried on must be, as far as may be practicable, represented on the Board. Accordingly, in considering the constitution of any Trade Board, the difficulty immediately arises as to the basis upon which seats are to be allocated to organised and unorganised representatives of employers and workpeople respectively. Members of organisations can, in general, speak with some authority for a greater or lesser number of their fellow employers or workers, and from this point of view their presence on a Trade Board is valuable; moreover, in many cases it enables representation to be given economically to several classes of employers or several districts. It is, however, very often the case that the interests of the organised employers in a trade are not identical with those of the unorganised employers, particularly in a trade where only the larger firms are organised, and that the interests of the organised workers are not identical with those of the unorganised. Furthermore, where the organisation is confined to certain districts, there may be important establishments carrying on a precisely similar business, possibly under different conditions, in other districts, and employers and workers in such districts can put forward a strong claim for separate representation. The position is still further complicated where there is a variety of different classes of establishments in a poorly organised trade.

In settling the constitution of a Trade Board a balance has to be struck on the merits of each particular case between a variety of considerations, of which the foregoing are the most important, and in face, almost invariably, of a claim from the organisations for the whole of the representation.

Candidates for appointment to a Trade Board may be obtained in a number of different ways. In some cases nominations have been invited by issuing posters to all establishments in the trade, but this method has not resulted in producing many nominations except from employers' associations or Trade Unions. According to recent practice, however, invitations to submit nominations in respect of the various branches of the trade and the various districts covered by the organisations are sent direct to Associations of Employers and to Trade Unions, and in the case of the unorganised employers and workpeople enquiries are carried out in the various localities by the Department. During their enquiries into the general circumstances of a trade, the Department's investigating officers necessarily come in contact with numbers of employers and workpeople, and where these persons are unorganised (and even if they are members of organisations) the investigators endeavour to get the more suitable among them to allow their names to be put forward as candidates for appointment to the Trade Board. Reports on all such candidates are forwarded to headquarters for examination. In some cases, where a lack of organisation is known to exist, definite instructions are given for a certain number of candidates to represent employers or workpeople to be obtained.

Frequently nominations of unorganised workers are obtained from meetings of the workers of individual firms. After a general explanation of what is required by the investigating officer who has arranged the meeting, the workers are invited to nominate one or more of their number to represent workers of their class on the Board. Sometimes it is possible to get a number of unorganised employers in a district to agree upon one of their number to represent their interests on the Board.

It is obvious that many difficulties must arise in securing nominations of unorganised employers and workpeople, of which the following are perhaps the most important. In the first place it is not always an easy matter to get to know of unorganised employers. Secondly, it is often a difficult matter to persuade unorganised employers and workers to allow their names to be put forward. Small employers do not like leaving their businesses to attend Trade

Board meetings, and unorganised workers are often afraid of victimisation. Occasionally difficulty has been experienced in persuading employers to allow meetings of their workpeople for the purpose of electing candidates.

As a general rule an employer and a worker from the same firm are not appointed to serve on a Trade Board, for reasons which will be obvious.

6. *District Trade Committees.*—Section 12 (1) of the 1909 Act provides that on the motion of a Trade Board a District Trade Committee for any area may be constituted in accordance with regulations made for the purpose by the Minister of Labour. Like the Trade Boards, District Trade Committees consist of one or more "Appointed Members" who are directed to act by the Minister, and of an equal number of employers' and workers' representatives. In practice, the Appointed Members have always been those who were serving on the Board itself. A proportion of the representative members are members of the Board itself and are nominated by the Board; the remainder are appointed by the Minister from employers and workers in the district on the same principle as members of a Trade Board are appointed (see Section 3). When a Trade Board desires to establish a District Trade Committee, it furnishes the Minister with a statement showing the areas for which the Committee is to be established and the Minister after giving the Board an opportunity to be heard determines the size of the Committee and the number of members of the Board to sit on the Committee.

The term of office of the District Trade Committee ends with the term of office of the Board.

It is the duty of District Trade Committees to recommend to the Board general minimum rates of wages applicable to the trade in the area served by the Committee, and the Board has no power to fix, vary or cancel any minimum rates of wages for the area for which the District Trade Committee has been established unless such a course has first been either recommended by the Committee or reported on by them to the Board. The Board may delegate any of its statutory powers and duties to the District Trade Committee other than the fixing, varying or cancelling of minimum rates.

In most cases where the Committees have met to consider proposals for fixing or varying minimum rates, the Employers' and Workers' sides have failed to agree, and the Chairman and Appointed Member, being the same as those serving on the Trade Board, have not thought fit to commit themselves by voting on a matter which would eventually come before the Board, and have simply reported the views of the respective sides.

In the case, however, of the Boot and Shoe Repairing District Trade Committees a large number of specific recommendations were made on the piece rates proposed by the Board.

District Trade Committees have been set up for the following trades:—

Tailoring (dissolved with the Board in 1919).
Paper Box.
Sugar Confectionery and Food Preserving.
Shrimaking.
Boot and Shoe Repairing.
Cotton Waste Materials Reclamation.
Made-up Textiles.

The areas vary very considerably; the Paper Box Trade Board divides Great Britain into 9 areas, the Sugar Confectionery Trade Board into 5, the Shrimaking into 4, the Boot and Shoe Repairing into 14; the Cotton Waste and Made-up Textiles Trade Boards have not formed District Trade Committees for the whole country, but have each established a single Committee for Scotland.

TABLE A.

Table showing the Occupation, etc., of the Appointed Members acting on the 44 Trade Boards (i.e., excluding the Irish Boards) at 31st December, 1921.

Description of Occupation of Appointed Members.	Number of Members.	Number of Boards.
University Professors or Lecturers—		
(1) Economics	8	19
(2) Law	3	8
(3) Sociology and Social Organisation	2	6
(4) Miscellaneous	4	7
Members of Legal Profession—		
(a) Active	14	33
(b) Retired	2	3
Social Welfare, Settlement and Educational Work	10	21
Ex-Civil Servants	6*	21
Medical Profession	1	3
Engaged in Public Work	2	8
Miscellaneous	3	5
Vacancies	—	2
Total	55	—
	40 Men, 15 Women.	

CHAPTER IV.

POWERS OF TRADE BOARDS.†

A.—Rate Fixing Powers.

A Trade Board is bound to fix a minimum rate of wages for time work (unless it reports to the Ministry of Labour that it is impracticable to do so and is relieved by the Minister of its duty). It may also fix—

- (i) general minimum piece-rates;
- (ii) special minimum piece-rates;
- (iii) guaranteed time-rates;
- (iv) piece-work basis time-rates;
- (v) overtime rates.

Under the Act of 1909, it could only fix time rates and general or special piece rates, but the Act of 1918 extended its powers so that it can fix all the rates commonly recognised in industry. No explicit powers, however, are given to adopt "premium bonus" and similar systems of payment by result, and it is not clear how far the existing powers cover such systems.

A Trade Board may fix any of the above rates (excluding the special piece rates which apply to a particular establishment) so as to apply universally to the trade, or so as to apply to any special process in the work of the trade or to any special area, or to any class of workers in the trade, or to any class of workers in any special process or in any special area.

A Board may only fix these rates in respect of actual time worked or of operations performed. It has no power to legislate (except in the case of a worker waiting on his employer's premises for work to be given him to perform) for periods of time such as holidays, during which no work is performed. A Board, therefore, has no power to fix a guaranteed wage for a week or for a month irrespective of the time actually worked. Any rate which has a time basis, whether a general minimum time rate, a guaranteed time rate or a piece work basis time rate, must be fixed with respect to the shortest period of time normally used in calculating the wages payable to any given class of worker, i.e., it must be a rate per hour for those classes of workers who are customarily paid on an hourly basis (the vast majority of workers in industries at present under the Acts) or a rate per day or per week in the case of those classes of workers whose methods of working do not enable rates of wages to be calculated on an hourly basis, e.g., in the case of commercial travellers, a rate per day.

* Two were previously T.U. officials.

† Information correct to 30th September, 1921.

These rate-fixing powers will be dealt with separately under 5 headings.

1. Rates for piece-work.
2. Rates for overtime.
3. Rates for special classes of workers.
4. District rates.
5. Rates for juveniles.

A Board's powers in respect of hours of work will be dealt with in the section relating to rates for overtime.

1. *Rates for Piece-work.*—Prior to 1918, two British Trade Boards—the Chain and Lace Finishing Boards—had fixed minimum piece-rates, and since that date three other Boards, namely, the Boot and Shoe Repairing, the Brush and Broom, and the Fur Trade Boards (Great Britain) have undertaken the very laborious task of drawing up complicated piece-lists which cover almost the whole trade. The piece-list of the Boot and Shoe Repairing Trade Board covers over 500 items, and that of the Brush and Broom Trade Board over 1,200 items. Such a list is of the greatest assistance to the Inspectors and avoids many disputes between employers and workers. Five other British Boards—the Button making, the Hair, Bass and Fibre, the Pin, Hook and Eye and Snap Fastener, the Tobacco and the Rope, Twine and Net Trade Boards—have also fixed, and two others (the Flax and Hemp and the Jute Trade Boards) have proposed to fix general minimum piece-rates.

Where no general minimum piece-rates have been fixed the remuneration of piece-workers must be calculated on a basis rate, which is either the general minimum time-rate or a special piece-work basis time-rate, a rate which may be fixed when a Board is of opinion that the general minimum time-rate does not form a proper basis for the settlement of piece-rates. Out of 44 British Boards, 27 have fixed, and 3 have proposed to fix piece-work basis time-rates; of the remainder, 5 have fixed general minimum piece-rates, and most of the others cover trades in which there is little or no piece-work. The piece-work basis time-rate is in practice generally higher than the corresponding general minimum time-rate. It is of course generally recognised throughout industry that a worker expects to earn considerably more on piece-work than on time-work because of the additional effort of working at piece-rate speed. The relation between the two rates is fixed in a few cases on a basis of percentage increase, varying from 10 per cent. to 25 per cent.; in other cases the piece-work basis time-rate is higher than the corresponding general minimum time-rate by a flat sum, usually 1½d. per hour for males and 1d. per hour for females.

The method of calculating the piece-rate upon the basis rate is laid down by the Act of 1909, which provides that the piece-rate must "yield in the circumstances of the case, to an ordinary worker at least the same amount of money as" the basis rate.

This principle was recommended by the Select Committee of the House of Commons in 1908 (see Ch. 1), which considered that while the primary task of a Board would be to fix detailed piece-rates, it would be necessary to supplement them by fixing a legal basis rate on which to calculate piece-rates for new operations which the detailed piece-rates did not cover.

The principle is simple. It is that the Trade Board have in mind, when they fix the amount of the basis rate, an ordinary worker, who is not on the one hand exceptionally slow or stupid or careless, nor, on the other, exceptionally quick or hard-working, and that it is reasonable for the quick worker to get rather more, and the slow worker rather less than the ordinary worker, after due allowances have been made for "the circumstances of the case," e.g., the organisation of the workshop, the amount of power used. But while the principle is simple, the application of it is difficult, because it involves the ascertaining of facts which are not always easy to ascertain. It is not always easy to ascertain whether C's earnings fall below the minimum because he is slow or inattentive, or because the workshop is badly organised, or the piece-rate too low. As the questions are questions of fact, no rule of thumb can be laid down, although the Tailoring Trade Board gave an opinion that, generally speaking, it might be ex-

pected that 20 per cent., and the Paper Box Trade Board 15 per cent., of the workers in any establishment in the trade would be unable to earn the full amount of the basis rate, i.e., would be "sub-ordinary."

Where no general minimum piece-rate has been fixed, a Trade Board is bound, on the application of any employer, to fix special minimum piece-rates for his workers. This power has been exercised only by the Paper Box and the Ready-Made and Wholesale Bespoke Tailoring Trade Boards. It is useful where a firm is engaged on special work.

The Act of 1918 gave Trade Boards power to fix a guaranteed time-rate for piece-workers, i.e., a rate (not higher than the General Minimum Time-Rate) to which a piece-worker shall be entitled in respect of all time worked on piece-work whatever his actual earnings at piece-rates. Such rates are in operation under the determinations of the Brush and Broom, the Boot and Shoe Repairing, the Laundry, the Linen and Cotton Handkerchief and Household Goods and Linen Piece Goods and the Tobacco Trade Boards (Great Britain).

21. *Overtime Rates.*—The Acts give no power to Trade Boards directly to regulate hours of employment, but the Act of 1918 empowered them to fix special rates for overtime, either weekly or daily, and for that purpose to declare what are the normal number of hours of work per week or on any day in the trade. The Act does not give a Trade Board power to fix a normal, but it is obvious that it must have a good deal of discretion in declaring a normal, particularly in a trade which is, ex-hypothesi, not organised.

All the British Trade Boards (excluding the Chain and Lace Finishing Trade Boards) have exercised these powers; 5 have fixed weekly overtime rates only, and 35 both daily and weekly overtime rates. The declared normal number of hours weekly runs from 46 to 48, the daily normal from 7 on weekdays and 4 on Saturdays, to 9 on weekdays and 5 on Saturdays. The Milk Distributive Trade Board is peculiar in that a 7-day week is normal in the trade. Its "normals" are 48 hours per week, 6 hours for Sunday and 7 hours for other days, but it is provided that overtime rates shall not become payable until a certain amount of time has been worked in excess of the normal.

Sundays and public holidays are usually declared to be days on which no work is normal and on which, accordingly, all time is to be paid for at overtime rates.

In the case of daily overtime, the actual rates are usually "time-and-a-quarter" for the first two hours' overtime per day, and "time-and-a-half" for subsequent hours, but "double time" for all time worked on Sundays or holidays. Special provision, however, is sometimes made for overtime on Saturday.

There are a number of provisions for special cases; e.g., Jewish workers substitute Saturday for Sunday; employees who work a 5-day week are allowed to work longer hours on those five days; employers who give alternate Saturdays off are allowed a compensatory lengthening of other hours.

3. *Rates for special classes of workers.*—Under Section 3 (1) of the Act of 1918, which is only a slight modification of a corresponding provision in the Act of 1909, a Trade Board has power to fix different rates for different processes or for different classes of workers in the trade. It should be noted that this gives no power to a Trade Board to introduce new principles of classification into a trade; it can only fix rates for classes which already exist in the industrial structure of the trade. (Classes of juvenile workers are dealt with in Section 5; this section deals only with special rates for adults).

In dividing workers into classes many different principles may be followed, and principles which apply to one trade will not apply to another. The distinction between skilled, semi-skilled, and unskilled workers is one of wide application; thus in the Retail, Bespoke Tailoring trade there is a sharp distinction between the skilled journeyman and the unskilled

worker. On the other hand, in the textile industries, the primary division is vertical into a number of crafts, spinning, weaving, etc., and the horizontal division into less and more skilled runs through all the crafts. Other trades, again, consist of a number of vertical sections which, though related by the nature either of the material used or of the produce or of the processes, are economically independent and compete in different markets. Thus the General Waste Trade Board covers the woollen waste, waste paper and scrap metal sections, with cotton waste under a separate board; the Rope, Twine and Net Board covers twine-making (some of which may be used in rope manufacture or net-making). In other cases, a trade may be divided into the factory section and the handicraft section, e.g., the Dressmaking and Women's Light Clothing trade, in which the two sections use entirely different methods and employ different types of labour, but produce the same articles and to a large extent compete in the same market. Another obvious division is between factory work and home work, as in shirtmaking, at any rate till recently.

The first Trade Board to be established (Chain) fixed at the outset different rates for different classes of adult males, and the majority of Trade Boards have used their powers to fix rates for special classes either alone or in addition to general rates. The attached Table A, from which the Irish Boards are excluded, shows the details. It should be noted that where both special and general rates exist the general rate may either cover the great body of workers, as (e.g., in the case of the women in the Stamped or Pressed Metal Wares trade, or, on the other hand, a small residue that is left by subtracting all those who are covered by the special rates, as (e.g., in the case of the men in the Ready Made and Wholesale Bespoke Tailoring).

4. *District rates.*—Both Acts empower a Trade Board to fix any of its rates so as to apply either to the whole trade or only to special areas. The considerations which arise in deciding between national and district rates naturally vary in importance from trade to trade; there is a great difference between a trade which covers the whole country, like the Grocery and Provisions trade, and a trade which is mainly confined to certain industrial centres. It has, however, been the definite policy of most of the Boards to fix flat national rates.

The question did not arise on the Chain and Lace Boards, as those trades are entirely local. It arose, however, early in the history of the Tailoring Trade Board. This Board passed at its first meeting an unopposed resolution that "Whatever minimum rate is fixed, the same should apply to every area under the jurisdiction of this Board," and the resolution was endorsed by all the District Trade Committees. When the Board's proposals were issued, however, a number of objections were lodged demanding a lower rate for "the country districts." The branch of the Employers' Federation in the Eastern Counties, supported by employers in Oxford, Abingdon, and elsewhere, sent a deputation to the Board of Trade to press for at least two rates, and the question was warmly discussed on the Board itself, which eventually reaffirmed its decision in favour of a single rate by 20 votes to 1.*

The same controversy arose on the Paper Box Trade Board, and was settled in the same way.

The first Trade Board to fix a district rate was the Rope, Twine, and Net Trade Board, which in 1920 fixed special rates, on the whole higher than those for the rest of the country, for Dorset and Somerset, where, however, a somewhat special type of trade is carried on. The Board has since issued a proposal which bases differences of rates upon the type of work and not upon the district. Shortly afterwards, the Ready-made and Wholesale Bespoke Tailoring Trade Board fixed higher rates for cutters in London than for the rest of Great Britain. In November, 1920, the first general scheme of district

* See "Minimum Rates in the Tailoring Industry," by R. H. Tawney, Chapter II.

rates came into operation: the Milk Distributive Trade Board (E. & W.) fixed three scales, the lowest for areas administered by Rural District Councils, excluding any town or village having a population exceeding 10,000, the highest for London and an intermediate one for the remaining areas. The other distributive Trade Board in England and Wales, the Grocery and Provisions Trade Board, has also proposed three scales, the lowest for administrative areas with a population under 10,000, the highest for the Metropolitan district, and the intermediate one for the remainder of the country. The corresponding Board in Scotland has proposed two different scales, but the Milk Distributive Trade Board (Scotland) has fixed a flat rate. In addition, the Cotton Waste Trade Board has fixed special rates for Scotland; and the Laundry Trade Board has made special provision for the County of Cornwall and the Orkney and Shetland Islands, where slightly lower rates are in force for female workers than in the remainder of Great Britain.

5. *Juvenile Workers.*—Section 3 of the Trade Boards Act, 1918, provides that a Trade Board may fix different rates for different classes of workers, and that if the class consists of persons who are learning the trade the Trade Board may attach such conditions as they think necessary for securing the effective instruction of those persons in the trade. This section also provides that a Trade Board may attach a condition that workers who are members of a class must be holders of certificates to that effect issued by the Trade Board.

The problems connected with the fixing of rates for younger workers, particularly in a semi-skilled or skilled trade, are perhaps as great as any which the Trade Board has to consider; for it is particularly necessary to take care not to prejudice the employment of adults by fixing rates for the younger workers too low, or conversely, prejudicing the employment of the younger workers and the recruitment of the trade by fixing the rates for the younger workers too high. The prevention of blind-alley employment and the proper training of the worker in the more skilled trades are further important factors which have to be taken into careful consideration by the Trade Board.

The problems vary, but the following considerations are indicative of those which have to be taken into consideration by the Trade Board in dealing with the question of the younger workers:—

- (1) The system of training in some trades is longer, more complete, and less remunerative to the employer than in others. In some a learner is only taught, as a rule, to do a single operation or series of operations, whereas in others she is taught the whole trade throughout, and therefore requires more careful and individual training. Unless the Trade Board take this into consideration and provide an incentive to an employer to teach the worker the whole trade by fixing lower rates provided she does this, the recruitment of skilled workers will be limited;
- (2) The more skilled the trade, the more material likely to be wasted and spoilt by workers; and the value of the materials spoilt by learners varies in different trades;
- (3) It is generally customary that the skilled worker in a skilled trade should receive a higher rate than an unskilled in an unskilled trade. In other words, the greater the skill the higher the rate. It is further customary that this is compensated for by a proportionally lower rate during the period of learning;
- (4) In a semi-skilled or unskilled trade, the older worker undoubtedly becomes proficient and productive much more rapidly than a younger worker, but the factor of age in productivity decreases as the skill in the trade increases. There is probably little difference in the value of a worker in a skilled trade with two years' experience who enters at 14 and one with the same experience who enters at 16.

(5) The tradition of the trade has to be taken into consideration. To take the case of the Dressmaking trade, the workers in the past, particularly in the country towns, have been largely drawn from the artisan and small shopkeeper class. This class regards dressmaking as a means of getting their daughters trained in a skilled trade in places where frequently there are few avenues of employment open to them, and, being in fairly good circumstances themselves, they do not expect their daughters to receive an economic wage, but only wish them to have occupation and a training which may be useful in their domestic life.

(6) The necessity of stimulating or reviving the craft spirit and the importance of giving the worker a thorough training in the whole trade rather than in one particular process of it. This is of particular importance in the case of the more highly skilled trades, particularly those which are carried on in all corners of the country. It may be found preferable to keep the trade alive in those districts at perhaps a low minimum rate, than to drive it into factories and large towns.

The necessity of taking into consideration the varied factors of this description, the importance of which vary in relation to different trades, has caused all the Trade Boards to regard the younger workers as special classes, and to adopt a wide diversity of rates and methods of fixing them and conditions for securing instruction. These range from the rates fixed on an age basis with no conditions attached for securing the instruction and training of the worker in unskilled trades, such as the Aerated Waters or the Milk Distributive trade, to a number of scales of rates for different sections of the trade, fixed on an experience basis, with a comprehensive apprenticeship scheme, as in the Brush and Broom Trade.

The rates in question can be divided into three broad categories:—

- (1) Rates fixed entirely on an age basis;
- (2) Rates fixed for learners to which certain conditions of learnership are attached;
- (3) Rates fixed for apprentices to which conditions are attached for securing to the apprentice a thorough training in the whole trade.

(1) *Rates fixed for younger workers entirely on an age basis with no conditions attached.*—This practice has been followed in trades where the skilled workers are not considered to need the protection of the Trade Board, or where the work is mainly unskilled and where accordingly the worker's productive capacity depends more on his or her age and strength than upon experience or acquired skill. The fixing of rates in trades of this description does not present such great difficulty as in others, although the rates and the basis on which they are fixed are very varied.

Trades in which rates have been fixed on this basis for both male and female juveniles are:—

Aerated Waters,
Cotton Waste,
Flax and Hemp,
Button-Making,
Laundry,
Linen and Cotton Handkerchief,
Milk Distributive,
Coffin Furniture,
Hair, Bass and Fibre,
Jute,
Pin, Hook and Eye and Snap Fastener,
Stamped or Pressed Metal Wares,
Toy,
Rope, Twine and Net,

The Wholesale Tailoring trade, the Wholesale Mantle and Costume trade, the Dressmaking trade, the Shirtmaking trade, the Hat, Cap and Millinery trade, the Ostrich Feather trade, and the Corset trade have also fixed rates on this basis for male workers only.

The advances are as a general rule given yearly but in the case of the Tobacco Trade Board they are given in six-monthly periods; in some trades such as the Hair, Bass and Fibre, the Pin, Hook and Eye and Snap Fastener and the Rope, Twine and Net trades

the basis on which advances are made varies according to the age of the worker.

In the Jute trade the advances to both male and female workers are fixed for two-yearly periods except for male workers over 18 when the age period is three years.

The rates are fixed for ages which begin at 15 and under, except in the case of the Jute trade and the Aerated Waters trade in Scotland where the lowest age is 16 and under, and rise to the full adult rate at the age of 18 in the case of women and 21 in the case of men. In the Corset, Dressmaking, Hat, Cap and Millinery, the Ostrich Feather, Readymade Tailoring, Shirtmaking and Wholesale Mantle and Costume trades however the full adult rate for male workers is not received until the age of 22, and in the case of the Perambulator and Invalid Carriage trade, the Tobacco trade and the Toy trade the full adult rate for female workers is not received until the age of 21. The Sugar Confectionery and Food Preserving trade is peculiar in that the full adult rate is not received until the age of 24 in the case of male workers and certain special classes of female workers engaged on men's work.

Many of the Trade Boards for the trades set out above have made provision for late entrants, *i.e.*, workers who enter the trade at a later age than is usual, by providing that female workers who enter after the age of 16 shall receive a rather lower rate than that otherwise applicable during the first 6 or 12 months of their employment. Similar provision has been made for male workers who enter above the age of 17 in the Laundry and Hollow-ware trades, 18 in the Perambulator and the Rope, Twine and Net trades, and 19 in the Dressmaking and Hat, Cap and Millinery trades.

In some trades, as, for example, the Paper Bag trade, different scales of rates have been fixed for the younger workers according to the class of work and special scales for late entrants.

In the Coffin Furniture and the Stamped or Pressed Metal Wares trades different scales have also been fixed for different classes of work and special scales for late entrants dependent on the length of experience in the particular class.

(2) *Rates for Learners.*—Special rates have been fixed in those trades, and particularly the factory trades, in which a certain amount of skill is required.

Attached to these rates is the condition that there must be some degree of learnership. The definition of learners requires essentially two things:—

- (i) that the learner shall be within certain limits of age and experience or both; and
- (ii) that he or she shall be in fact learning a branch or process of the trade.

To these two conditions a third is almost always attached, namely, a certificate of registration with the Trade Board. If a worker, however young, does not fall within the class of learners, *i.e.*, if the conditions attached by the Trade Board to the rates are not complied with, the minimum rate payable is that applicable to workers other than learners, which in the case of the female workers is in most cases the full adult rate.

The Corset, Dressmaking, Hat, Cap and Millinery, Lace Finishing, Ostrich and Fancy Feather, Wholesale Mantle and Costume, Shirtmaking, Paper Box, Paper Bag, Wholesale Tailoring and Retail Bespoke Tailoring Trade Boards have fixed rates for female workers in scales according to age and length of experience. The length of the learnership period ranges generally from four years in the case of workers of 14 and under to one year in the case of workers commencing at over 21 years of age. In the Ostrich and Fancy Feather trade, however, this latter period is two years and it ranges from two to four years in certain sections of the Dressmaking and Hat, Cap and Millinery trades. The rates are fixed on a graduated basis so that the worker reaches the full minimum rate on completion of the learnership period prescribed by the Trade Board. In the Lace Finishing trade it is, however, a condition of learnership that the workers shall be under 18, after which age the full adult rate is applicable.

The Hollow-ware, Tin Box and Perambulator Trade Boards have fixed rates on an age basis only for both male and female learners, and the Paper Bag and Paper Box Boards have also fixed rates on a similar basis for male learners. Provision is however made for a lower rate than would otherwise be applicable, for late entrants in these trades.

The conditions attached to the rates range from the nominal one provided by the Hollow-ware Trade Board and the Sugar Confectionery Trade Board that the workers shall be employed under conditions which in the circumstances of the case afford a reasonable prospect of advancement to the General Minimum Time-Rate, to that of the Chain Trade Board, which provides that the learner must be definitely and effectively employed under agreement in writing in the practical learning of the trade, and that the Trade Board in granting the certificate may take into consideration whether, having regard to the number of learners employed in any factory or workshop or under any journeyman or worker, the learner proposed to be certificated has a reasonable prospect of receiving due instruction.

In some cases, more particularly in the factory trades, the Trade Board provides that the advances to be given to learners shall become due as from the first Monday in January and July of each year. This is a convenience to large employers of labour, as it enables them to make their increases on certain specified dates instead of making them to each individual learner according to the date on which she entered their establishment.

(3) *Rates for Apprentices.*—In four trades the Trade Boards have fixed rates for apprentices. These rates, which are generally at a lower level than those fixed for learners or younger workers, are only applicable provided the conditions laid down by the Trade Board are carried out. These conditions as a rule provide that the worker shall receive a very thorough training in the whole trade, or in some section of it which requires a considerable amount of skill, and in most cases provide that the form of indenture specified by the Trade Board shall be adopted.

The Boot and Shoe Trade Board have fixed two sets of rates applicable to apprentices—

- (a) those who are employed under an indenture providing for their effective instruction in boot and shoe repairing in all its branches. These rates are fixed on an age basis commencing at the age of 14 up to the age of 19. They are lower than those fixed by the Trade Board for younger workers who are not apprentices, and are only applicable provided the apprentice is employed under an indenture providing for his effective instruction in boot and shoe repairing, &c.;
- (b) those who are employed under an indenture providing for their effective instruction for a period of 5 years in hand-sewn boot making or in hand-sewn making and repairing. The rates in this case are fixed on an age basis and not on an experience basis, namely, for the 1st, 2nd, 3rd, &c., year of apprenticeship.

The Brush and Broom Trade Board have fixed several series of rates and schemes of apprenticeship applicable to apprentices who are apprenticed to various sections of the trade. The rates in all cases are fixed on an experience and not on an age basis for a five years' apprenticeship. In some cases the rates are General Minimum Time-Rates, in others one-half to three-quarters of the piece-rates which would otherwise be applicable.

The Trade Board attach the condition to the rates that a journeyman instructor must be responsible for the work of the apprentice during the first 12 months, and for supervision during the remainder of the apprenticeship, and that the journeyman must be paid by the employer in respect of the instruction of, and responsibility for, the apprentice, the differ-

ence between the earnings of the apprentice at the minimum rates prescribed and the sum which the apprentice would have earned had he been employed at the General Minimum Piece-Rates which would otherwise have been applicable.

The Trade Board have fixed three series of the proportion of apprentices to journeymen shall be one or two apprentices to every five journeymen according to the section of the trade.

Perhaps the most important condition for securing the effective instruction of the apprentice is that the indenture of apprenticeship prescribed by the Trade Board must be used. This Indenture provides amongst other things that the employer will keep the apprentice under his own supervision or place him under a fully qualified journeyman and that he will cause the apprentice to attend during the term of his indenture such technical classes as may be approved, and that the apprentice shall suffer no loss of wages by reason of such attendance.

The Fur Trade Board have fixed three series of rates for younger workers, both male and female:—

- (a) for workers between 14 and 18 other than learners and apprentices, according to age with no provision for late entrants;
- (b) for learners who are employed during the whole or a substantial part of their time in learning certain sections of the trade. The rates in this case are fixed on an experience basis for a period of employment of 7 years for those commencing under the age of 21;
- (c) for apprentices who are employed for a period of five years under an indenture of apprenticeship prescribed by the Trade Board in three specified sections of the trade. The Trade Board further stipulates that the proportion of apprentices to journeymen shall be one apprentice to five journeymen. The indenture adopted is similar to that adopted by the Brush and Broom trade.

The Tobacco Trade Board have fixed two sets of rates for workers who are apprentices to two different sections of the Cigar-making trade. The rates in question are further divided into two sections:—

- (a) for apprentices employed in all parts of Great Britain other than the City of London and the Metropolitan Police District; and
- (b) those employed in the City of London and the Metropolitan Police District.

These rates are fixed on an experience basis for a five years' apprenticeship and are either General Minimum Time-Rates or General Minimum Piece-Rates.

The Trade Board attach a condition that the employment of apprentices must be limited to one apprentice to three journeymen in the case of apprentices to cigar-making, and one apprentice to five journeymen in the case of apprentices to cigar sorting and bundling.

The rates are only applicable provided the form of indenture prescribed by the Trade Board is used which provides that the employer "shall use his best endeavours to teach and instruct or cause the apprentice to be taught or instructed," &c.

B.—Minor Functions of Boards.

1. *Permits of Exemption.*—In Section 5 (5) of the 1918 Act, it is provided that where a worker is unable through infirmity or physical injury to earn the minimum rate applicable to him, the Trade Board may issue a permit of exemption laying down conditions under which he may be employed at less than the minimum rate.

Permits of Exemption may be granted by the Trade Board in the following circumstances:—

- (a) Where a worker cannot suitably be employed on piece-work and is unable through physical disability to earn the general minimum time-rate.
- (b) Where a Trade Board has fixed a guaranteed time-rate for piece-workers and the worker is employed on piece-work, but is unable through physical disability to earn the guaranteed time-rate for such workers.

The requirements of the Acts are satisfied and no Permit of Exemption is necessary in the following cases:—

- (i) If general minimum piece-rates have been fixed by a Trade Board and the worker is paid at such piece-rates. (But see (b) above.)
- (ii) If, where only general minimum time-rates or piece-work basis time-rates and no general minimum piece-rates have been fixed by the Trade Board, the worker is employed on piece-work, and paid at a piece-work rate which is sufficient to yield to an ordinary worker at least the same amount of money as the general minimum time-rate or the piece-work basis time-rate, if one has been fixed, whether the particular worker in question is able to earn that amount of money or not. (But see (b) above.)

The majority of the Boards have delegated to their Administrative Committees their powers and duties in regard to the granting of Permits of Exemption; one or two Boards have appointed for this purpose an *ad hoc* Committee smaller in numbers than the Administrative Committee.

The application to be submitted to the Committee is made on a form prescribed by the Board requiring certain particulars to be furnished and the signatures of the employer and the worker. A medical certificate is usually required also. The particulars furnished and summarised and the summary circulated to the members of the Committee usually in advance. The Committee meets from time to time and deals with each application in detail. If the Committee are able to reach a decision on the facts in the application the matter is disposed of at once. In many cases, however, the Committee may require additional information, in which case the case is referred for a visit either by an Investigating Officer or by one or perhaps two members of the Committee or of the Board who report to the Committee. Formerly all such cases were reported on by an Investigating Officer, but with the large increase in the number of Boards and of Permit applications to be dealt with, this has not been found practicable and the Department have authorised the payment of expenses incurred by members of the Board in visiting and reporting on applications for Permits.

A Committee occasionally exempts a worker entirely from the operation of the minimum rates without conditions, and leaves the question of the rate to be paid to the worker to settlement between the parties. In the great bulk of cases, however, the Committee prescribe a rate (less than the minimum rate) subject to which the Permit operates. It is not the usual practice of the Committees in cases where they consider the rate proposed by the employer inadequate to refuse the Permit outright. Negotiations with the employer are frequently undertaken either by correspondence or on a visit, with a view to securing his concurrence in such advance in the rate originally proposed by him as the Committee think proper.

Where a *bond-fide* application for a Permit has been made to a Board no action would be taken by the Department against the employer for paying the worker at the proposed rate specified in the Permit application pending a decision on the case, and an employer is not prejudiced by the delay in arriving at a decision which occurs for any of the reasons

described. According to the circumstances of each case, Permits are granted for limited periods of 3, 6 or 12 months, or 2 years, or indefinitely, subject to the condition set out in every Permit that it may be revised or cancelled at any time. It is open to either employer or worker also at any time to apply to the Board for revision and also for a renewal of a Permit granted for a limited period.

(2) *Registration of Apprentices.* (See Section A (5).)—A number of Boards have fixed special rates for indentured apprentices employed under certain conditions set out in the Board's Determinations, one of which is that the apprentice shall be registered with the Trade Board. The consideration of applications for such registration follows the general lines described of the procedure for dealing with applications for Permits of Exemption, and is dealt with in practice by the Administrative Committee in the first instance. The volume of this work is in any case small and only a few of the Boards have provided special rates for apprentices. The task of the Committee is to satisfy themselves that the indenture is in the form described by the Board and that any other conditions (such as the limitation in the number of apprentices proportionately to journeymen) set out in the Board's Determination are complied with. Registration then follows automatically.

(3) *Certification of Learners.* (See Section A (5).)—A number of Boards, especially those for the sewing trades, have fixed special rates for learners who are employed under certain specified conditions as to learning and who hold certificates from the Board. The Boards do not themselves deal with these applications for certificates in detail but have instructed the Secretary to grant certificates in all cases in which the applicant is within the prescribed limits of age and experience, unless there appear to be special reasons against this course on the ground of doubt as to the other conditions of learnership being complied with, when the case is referred to the Board or the Administrative Committee. Such cases seldom arise and the applications are granted as a matter of routine. The mere fact of the grant of a certificate does not justify the payment of the lower learners' rates if the other conditions of learnership set out in the Order are not observed. The certification system has come to be a means of providing an accurate record from which the rate payable to a learner at any stage in her learnership can be accurately determined, and so of safeguarding the employer in cases where learners change their employment, and enabling the Department to enforce the rates. The enforcement of the conditions relating to the provision of "reasonable facilities" for learning is one to be dealt with in the ordinary course of inspection.

(4) *Questions of Scope.*—All questions as to the scope of minimum rates fixed by a Board and the interpretation of the provisions of the Orders setting out the minimum rates, whether addressed to the Trade Board or to the Ministry of Labour, or arising in the course of inspection, are under a recent arrangement (see Ch. VIII) referred in the first instance to the Trade Board concerned for an expression of opinion to be conveyed to the Minister, by whom all questions are answered and who reserves the right to express such opinion as he thinks proper after considering the view of the Trade Board.

The procedure, so far as the Trade Boards are concerned, in dealing with questions of scope and interpretation is as follows. If the question raised is one on which the Secretary knows the view of the Board, he conveys that view to the Minister. If he is in doubt, the case is referred to the Board or the Administrative Committee. Most of the Boards have given their Administrative Committees power to express opinions on their behalf. In the case of one or two Boards the Administrative Committee considers the cases and makes a recommendation to the Board as to the opinion to be expressed, which is only conveyed to the Minister after ratification by

the full Board. One Board has decided to deal with such questions in full Board. Another Board has appointed Sub-Committees for different sections of the trade.

The cases sometimes involve prolonged consideration, if it is a question of the applicability of the rates to the making of certain articles, the Board or Committee may require samples to be furnished for their inspection; if to certain operations, they may ask for fuller particulars or may request the Department to have a report made by an Inspector. Occasionally the two sides of the Board or Committee may not be in agreement as to the view to be expressed, in which case perhaps the opinions of the respective sides are both conveyed to the Minister with reasoned statements.

(5) *Power to make recommendations to Government Departments.*—Under Section 10 of the Trade Boards Act, 1918, a Trade Board for any trade may, if they think fit, make a recommendation to any Government Department with reference to the industrial conditions of the trade and the Department to whom the recommendation is made is required to take it into consideration forthwith. A number of specific recommendations on general trade matters have been made to various Government Departments, e.g., the Boot and Shoe Repairing Trade Board (Great Britain) have suggested to the Home Office that measures should be taken to bring "one man businesses" within the Shop Hours Act; the Lace Finishing Trade Board submitted a recommendation to the Labour Section of the Peace Conference regarding the necessity of the equalisation of wages in France and England in their trade.

Extensive use has also been made of this power in co-operation with the Industrial Training Department and with the Juvenile Branch of the Employment Department of the Ministry.

(A) In certain trades the Administrative Committee of the Trade Board—or a special sub-committee of that body—acts as a National Trade Advisory Committee to the Industrial Training Department. The functions of such a Committee are:—

"To advise the Ministry of Labour as to the conditions under which the training of disabled men in the trade in question can best be given the best methods of training, the suitable centres for such training, and, generally, to secure uniformity in the training of disabled men."

It is the duty of such a Committee to consult the Local Technical Advisory Committees set up by the Training Department in various training areas on technical points arising out of the training of disabled men, e.g., the suitability of training in workshops and of the requests of employers for the supply of men for employment after training with special reference to the conditions of the employment and prospects of permanent employment.

The trades in which committees of the Trade Boards act as National Trade Advisory Committees are:—

- (1) Boot and Shoe Repairing.
- (2) Tailoring.

(1) *Boot and Shoe Repairing Trade.*—The National Trade Advisory Committee for Handsewn Boot and Shoe Making and Repairing, one of the first of such committees to be established, issued its original Report (a document setting out the terms under which all training in this trade must be given) in 1917. This body was composed of representatives of the organisations of employers and workers in the trade.

The Boot and Shoe Repairing Trade Board (Great Britain) was established in July, 1919. Shortly after steps were taken by the Training Department of the Ministry to promote co-operation between the Trade Board and the Advisory Committee, and, as a result of negotiations, the functions of the Advisory Committee were taken over early in 1920 by the Administrative Committee of the Trade Board to which certain members of the Advisory Committee were co-opted.

The substitution of the old National Trade Advisory Committee by the Administrative Committee of the Trade Board has resulted in a distinct tightening up of the conditions under which the Industrial Training Department may accept disabled ex-Service men for training in this trade, in view of the Administrative Committee's opinion that there had been a tendency in the past to admit more trainees into the trade than the trade could readily absorb.

It may further be noted that the Committee are attempting to raise the standard of the craft by insisting on efficient training throughout, and by refusing to permit training in repairing only.

(2) *Tailoring Trade*.—The Tailoring Trade Board was in existence previous to the setting up of National Trade Advisory Committees, so that when the necessity arose to appoint a body to deal with training in Tailoring, the Trade Board appointed a Committee from its members to act as a National Trade Advisory Committee.

When the Tailoring Trade Board was replaced by the Retail Bespoke and the Ready-made and Wholesale Bespoke Tailoring Trade Boards, these Boards

appointed separate committees to carry on the functions of Trade Advisory Committees.

Close co-operation also exists between the National Trade Advisory Committee for Brushmaking and the Brush and Broom Trade Board.

(B) A number of Trade Boards have prepared schemes for the training of (a) adult women, *e.g.*, Ready-made and Wholesale Bespoke Tailoring (Great Britain); (b) unemployed women, *e.g.*, Paper Box (Great Britain); (c) war widows, *e.g.*, Dressmaking and Women's Light Clothing (England and Wales).

(C) The majority of Trade Boards have conferred with the Juvenile Branch of the Employment Department, with a view to co-operation with Juvenile Advisory Committees in reference to the employment and training of juvenile workers.

There has also been close co-operation between Trade Boards and the Home Office in the preparation of Welfare Orders.

It may finally be noted that Trade Boards are regularly consulted as to the proportion of disabled men to be employed under the King's Roll of Honour Scheme.

TABLE A.

Table showing Nature of Rates fixed by Trade Boards for Adult Workers in operation on 30th September, 1921.

Trade Board.	Area.	Nature of Rates fixed.*		Basis of Classification of Special Rates.
		Male.	Female.	
Aerated Waters	England and Wales	General		—
Aerated Waters	Scotland	General		—
Boot and Shoe Repairing ...	Great Britain ...	General and Special		(1) Branch of trade (surgical work) (M and F). (2) Responsibility (Foremen and Managers) (M). (3) Type of machine tended (M.). (4) Process (F.). Experience or apprenticeship and process concurrently.
Brush and Broom	Great Britain ...	Both	General	(1) Experience and process concurrently (M).
Button Making	Great Britain ...	General and Special		(2) Homework or factory work (F.). (1) Size of iron, and (cross-division) (2) Provision of tools etc. by employer or worker respectively.
Chain	Great Britain ...	Special		Age, experience and process concurrently.
Coffin Furniture, etc.	Great Britain ...	Both	Special	Age, experience and process concurrently.
Corset	Great Britain ...		General	Age, experience and process concurrently.
Cotton Waste	Great Britain ...	General and General		—
Dressmaking and Women's Light Clothing.	England and Wales	General and Special		(1) Age, experience and process concurrently (M. factory section). (2) Age, training, experience and process concurrently (F. retail section). Section of trade (retail and factory).
Dressmaking and Women's Light Clothing.	Scotland	General	Special	—
Flax and Hemp	Great Britain ...	General		Section of trade and within each section, age, experience and process concurrently.
Fur	Great Britain ...	General and Special		Age, experience and process concurrently.
Hair, Bass and Fibre	Great Britain ...	General and Special		Section of trade and occupation (M.).
Hat, Cap and Millinery ...	England and Wales	Both	General	Section of trade and experience concurrently (F.).
Hat, Cap and Millinery ...	Scotland	General	Both	—
Hollow-ware	Great Britain ...	General		(1) Craft (Spinning) size of hobbin and No. of spindles attended concurrently.
Jute	Great Britain ...	General	Both	(2) There are also two miscellaneous classes—"orra" or spare spinners and spinning shifting mistresses both within the same craft.

* Nature of rates fixed, *i.e.*, whether general rates for all male and for all female workers in the trade, or whether rates for special classes of males and/or female workers.

TABLE A—continued.

Trade Board.	Area.	Nature of Rates fixed.*		Basis of Classification of Special Rates.
		Male.	Female.	
Lace Finishing	Great Britain ...	Nil	General	—
Laundry	Great Britain ...	Special	Both	(1) Occupation (M.). (2) Regularity of employment (casual or otherwise) (F.).
Linen and Cotton Handkerchiefs and Household Goods	Great Britain ...	General		—
Milk Distributive	England and Wales	General and Special		Occupation.
Ostrich and Fancy Feathers and Artificial Flowers.	Great Britain ...	General		—
Paper Bag	Great Britain ...	Both	General	(1) Age and occupation concurrently. (2) Experience and occupation concurrently.
Paper Box	Great Britain ...	Both	General	Age, experience and occupation concurrently.
Perambulator and Invalid Carriage.	Great Britain ...	General and Special		Experience and occupation concurrently.
Pin, Hook and Eye and Snap Fastener.	Great Britain ...	Special		(1) Home-work or factory work. (2) Responsibility (F. charge hands). (3) Occupation (M. and F.). (1) Occupation (M.).
Ready-Made and Wholesale Bespoke Tailoring.	Great Britain ...	Both		(2) Age, experience and occupation concurrently (M. and F.). (3) Cross-division (material used).
Retail Bespoke Tailoring ...	Great Britain ...	Both		(1) Apprenticeship and experience concurrently (M.). (2) Apprenticeship and type of garment made (M.).
Rope, Twine and Net	Great Britain ...	Special		(3) Age, experience and occupation. (1) Home-work or other (F.). (2) Section of trade, experience and occupation concurrently (M.). (3) Section of trade and occupation (M. and F.). (4) Section of trade, machine and process (F.).
Shirtmaking	Great Britain ...	Both	General	Experience and occupation concurrently.
Stamped or Pressed Metal Wares.	Great Britain ...	Both		(1) Age, experience, skill and occupation concurrently (M. and F.). (2) Age, experience and occupation (F.).
Sugar Confectionery and Food Preserving.	Great Britain ...	General	Both	Occupation ("Men's work") (F.).
Tin Box	Great Britain ...	Both	General	Occupation.
Tobacco	Great Britain ...	General		(1) Age, experience and occupation concurrently (M. and F.). (2) Occupation (M.). (3) Cross-division (material used) (F.).
Toy	Great Britain ...	General		
Wholesale Mantle and Costume	Great Britain ...	Both		

* Nature of rates fixed, i.e., whether general rates for all male and for all female workers in the trade, or whether rates for special classes of male and/or female workers.

CHAPTER V.

PROCEDURE IN FIXING, VARYING OR CANCELLING RATES.

1. *Statutory Provisions.*—The Act of 1918, as stated above, expedited the procedure laid down by the Act of 1909 in two ways: it abolished the period of 5 months of "limited operation" before a rate could become obligatory, and it reduced the period for objections from three months to two. The present procedure is as follows:—

When a Trade Board wishes to fix, vary or cancel a rate, it is bound to give public notice of its proposal and to consider any objections which may be lodged with it within two months. The method in which notice is to be given is laid down in the Regulations made by the Minister of Labour under Section 18 of the Act of 1909.*

which provide—

- (1) that a notice setting out the proposed rate (or proposed cancellation or variation) shall be sent to all employers in the trade known to the Trade Board;

- (2) that a notice shall be inserted in the *Gazettes*;

- (3) that employers shall post up the notices, so that they shall be brought to the knowledge of their workers.

2. *Lists of Employers.*—When a Trade Board is established, it is supplied by the Ministry of Labour with a list of employers, compiled partly from information obtained in the preliminary investigations (mainly by the assistance of associations of employers and workers) and partly from lists kept by other Government Departments, as the Home Office, and from trade directories, etc. Recently, the local Employment Exchange service has been used to prepare lists in trades where the other sources were imperfect. The original list is supplemented and revised subsequently, partly by the agencies through which the list was originally compiled and also through co-operation of members of the Board.

Every employer on this list receives from the Trade Board by post one or more copies of a poster setting out the proposals, and stating that objections can be lodged with the Board by employers or workers within two months.

This system of notice is obviously elaborate, but employers and workers appear to value it highly as

* S. R. & O. 1918, No. 1439.

the most effective means of bringing the opinion of the trade as a whole to bear upon any proposals, and of making all employers and workers acquainted with their legal rights and obligations. The system has, however, been criticised recently, on the ground that the notices were so large and numerous that inconvenience was caused in small workrooms. The Minister of Labour has, after consultation with the Stationery Office, suggested to the Trade Boards a revised form of notice which is considerably smaller, and the Trade Boards have generally agreed to its introduction. This change has also effected a considerable economy in printing and paper.

PROCEDURE OF TRADE BOARDS.

3. *Statutory Provisions governing the conduct of business by a Trade Board.*—The conduct of business by a Trade Board is governed by Section 11 of the Act of 1909 and by Regulations made by the Ministry of Labour under that Section. The only provision laid down by the Act itself, apart from Section 11 (5), which provides against the invalidation of proceedings by reason of technical defects, is that one-third of the whole number of the representative members and one appointed member constitute a quorum. While the Regulations might prescribe the procedure in detail, they do not in fact deal further with procedure than to prescribe the method of voting, as follows:—

"Every member of the Trade Board shall have one vote. If at any meeting of the Board the numbers of members present representing employers and workers, respectively, are unequal, it shall be open to the side which is in the majority to arrange that one or more of its members shall refrain from voting, so as to preserve equality. Failing such an arrangement, the Chairman, or, in his absence, the Deputy Chairman, may, if he thinks it desirable, adjourn the voting on any question to another meeting of the Board."

In the Regulations for the Shirtmaking Trade Board and for the Tailoring Trade Board (now dissolved) the Clause as to voting is different, and runs as follows:—

"Every member of the Board shall have one vote provided that the Chairman, or, in his absence, the Deputy Chairman, may, if he thinks it desirable, and shall at the request of more than half of the members representing employers or of more than half the members representing workers, take a vote of the representative members by sides, and in such case the vote of the majority of members of either side present and voting shall be the vote of that side. In such a division the appointed members shall not vote, but in the event of the division resulting in a disagreement between the two sides the question shall be decided by a majority vote of the appointed members. The Chairman, or in his absence the Deputy Chairman, may take the vote of the appointed members and declare the result in such way as he may deem fit."

The effect of this procedure of "side-voting" is to prevent cross-voting both among the appointed members and among the representative members, and it was adopted, in these special cases, to meet the apprehension of the majority of employers in the trade that the presence on the Board of sub-contractors, whose interests are to some extent divergent from those of the other employers, might prejudice their position. When the Tailoring Trade Board was dissolved, and replaced by two Boards for different sections of the trade, in the Regulations for the Ready-made and Wholesale Bespoke Tailoring Trade Board, which covered the bulk of the trade falling under the old Board, the provision as to voting was framed in the usual form, but the Minister of Labour, at the unanimous request of the Board, decided to restore the system of side-voting. He indicated, however, that he objected to the system in principle, as it deprived a minority of the power of enforcing its views by a vote, and he rejected a request for the introduction of side-voting in the Wholesale Mantle and Costume Trade Board.

Subject to these two statutory provisions, the one laid down by the Act and the other by the Regulations, Trade Boards regulate their proceedings in such manner as they think fit.

4. *Chairman and Deputy Chairman.*—The Acts provide that a Chairman shall be appointed by the Minister of Labour, and it is usual to appoint also a Deputy Chairman. It has been the invariable practice to select these persons from the Appointed Members, although there is no obligation to do so. When the first Trade Boards were established, the same Chairman (a full-time official of the Board of Trade) was appointed to all the Boards, but after his death the Minister of Labour decided to appoint separate Chairmen for different Boards or groups of Boards and to select, not Civil Servants, but independent persons of standing outside the Government service.

This policy has been pursued, and there are now 17 individuals acting as chairmen and 28 as deputy-chairmen among the 44 Trade Boards in Great Britain. There is no woman chairman, but there is one woman deputy-chairman.

5. *The position of Appointed Members.*—Historically, the reason for placing appointed members on Trade Boards was no doubt to avoid a deadlock between the two sides, and there is no statement in the Acts that they are appointed to represent (e.g.) the public interest or the consumer or minorities of the trade. They are individual members of the Board, casting a single vote like all other members. Inasmuch, however, as their votes are decisive in the event of a division between employers' and workers' representatives, their influence on a Board is great in proportion as the views and interests of the employers' and workers' sides diverge. It is by no means the case that the decision of the Board usually depends on the votes of the appointed members; in fact, out of 58 sets of rates fixed by Trade Boards since 1st September, 1920, 40 were fixed by agreement (see Table A). Even in those cases, however, the knowledge that the appointed members may exercise their votes influences the two sides to moderate their claims.

In general it may be said that it is the function of the appointed members to endeavour, as neutral persons, to bring the two sides together by conciliation, to see that the facts on both sides are properly placed before the Board, and, in the last resort, to cast their votes according to the facts elicited in the course of the discussion. As they are not a branch, but individual members of the Board, each may cast his vote as he thinks fit, except when the Regulations provide for side-voting (see Section 3), in which case the appointed members, like the two sides, vote as a whole.

6. *Secretaries.*—The Minister of Labour is empowered to appoint a Secretary to a Trade Board. From 1909 to 1919 there was only a single Secretary to all the Trade Boards; since then, one officer has acted as Secretary to all the Boards in Great Britain and one to all the Boards in Ireland. The officers holding these positions have always been full-time officials of the Board of Trade or the Ministry of Labour. In 1919, in view of the increase in the number of Trade Boards the Treasury sanctioned the creation of two grades of officers, Trade Board Secretaries and Assistant Secretaries, and a number of men and women have been appointed to these grades. They have not, however, been appointed as Secretaries or Assistant Secretaries to any Boards and have acted as Assistants to the single Secretaries in Great Britain and Ireland.

No statutory definition of the duties of the Secretary is given in the Acts, and they confer no power on a Trade Board to act through its Secretary or through any other person, except only in the case of legal proceedings taken by the Trade Board under Section 17 of the Act of 1909. In practice, the functions of the Secretary include the carrying out of all matters in regard to arranging for and summoning meetings of the Board and its Committees, preparing the Agenda, and other papers for the meetings, attending the meetings, and taking notes of the proceedings, drafting and circulating the minutes, drafting and issuing Notices proposing and fixing minimum rates,

issuing communications as to the Board's proceedings to the Press, dealing with correspondence, the periodical amendment of the list of employers in the Trade to whom the Notices are issued, the preparation and issue of Permits of Exemption, the issue of learners' certificates, the registration of apprentices. As regards the more important matters, such as the issue of Notices relating to minimum rates, the procedure in respect of which is prescribed in the Acts, the Secretary receives formal instructions by resolution of the Board or Committee. As regards the other matters, including the great bulk of the correspondence, the Secretary receives no detailed instruction from the Board.

It is the practice of the Secretary, in so far as he is able, to advise the Board as to their powers under the Acts and any other legal questions arising. He is at the disposal of the Board or of any section of the Board for advice and assistance when called upon, and he endeavours to keep the Board right in the matter of procedure and to suggest methods whereby effect can be given to their intentions. He frequently suggests, from his experience on other Boards, methods of overcoming difficulties which arise in the course of proceedings. He is especially at the disposal of the Chairman for any assistance which he can give throughout the negotiations directed towards a settlement. Thus, on most of the Boards, the Secretary is something more than a mere clerk recording decisions, and takes a greater or lesser share in shaping the form in which the policy of the Board is ultimately embodied. It is impossible for the Secretary personally to attend all the meetings of all the Boards and their Committees, and in carrying out the duties just described he is assisted by a Deputy and the officers referred to above as Trade Board Secretaries and Assistant Secretaries.

7. Committees.—It is natural that Trade Boards should carry out much of their preliminary work through Committees, although no statutory power can be devolved on such Committees except the power of granting exemptions (see Section 5 (5) of the Act of 1918).*

"Administrative" Committees were set up by certain of the Trade Boards about 1912 to advise the Chairman, who, at that time (see Ch. VIII), was in charge of the inspectorate, on points that arose in connection with enforcement, in particular, questions as to demarcation of "scope", on which trade knowledge was valuable. As time went on these Committees developed into "General Purposes Committees," which could be conveniently called together to deal with minor matters at short notice, and especially with applications for permits of exemption. They are presided over normally by the Chairman of the Trade Board or another Appointed Member, and report their proceedings to the Board for confirmation.

Ad hoc Committees are also frequent, in particular, Committees to draft piece-lists and rates for special classes of workers. It is common for Committees dealing with such technical questions to summon expert witnesses.

8. Side Leaders and Side Meetings.—It is a common practice at the first meeting of a new Board for the two sides to elect a Chairman or a Chairman and Secretary, one of whom becomes the recognised leader of the side and its principal spokesman on the Board. Separate rooms adjoining the Board room are provided at the Office of Trade Boards for the use of the respective sides where they can meet and discuss their common policy, either before or during a Trade Board meeting, and these Side Meetings have come to play an important part in the machinery of Trade Boards. In some cases, in fact, almost the whole business of a Board is transacted by Side Meetings, coupled with informal conferences of the two sides with the Appointed Members, and the full Board only meets to ratify formally an informal agreement which has been reached in this way.

9. Proposing to Fix or Vary Minimum Rates.—All the British Trade Boards naturally do not conduct their business in the same way, and methods vary considerably according to the personality of the chairman, the size of the Board, the state of organisation of the employers and workers represented on the Board, etc., but there is no doubt that in

the course of time methods have tended to become uniform, and the following description may be taken as fairly typical of the procedure where there is no agreement at the outset as to the rates to be fixed.

A general discussion takes place of what may be called the framework of the proposals to be made—whether the rates shall be flat rates for the country or district rates; whether the Board shall attempt now or hereafter to fix different rates for different sections of the trade or for different occupations; whether the Board shall proceed at once to fix all the different types of rates which it has power to fix under the Act or confine itself in the first instance to one or two types of rates, *e.g.*, general minimum time-rates and overtime rates; whether the suggestions presently to be made by one side or the other shall embody at once the whole of the side's programme or whether a single type of rate for a single class of worker (*e.g.*, the general minimum time-rate for adults) shall be taken and disposed of first.

Suppose these questions to be settled at least tentatively and the Board to have decided to address itself in the first instance to a consideration of a flat time rate for the country, appropriate to the least skilled classes of female workers in each age group, but to be applied in the meantime to all workers in the respective groups until such time as the Board may further consider the question of proposing special rates for special classes of workers. The leader of the workers' side makes a definite proposal embodying rates for workers of various age groups, arguments in support of which are advanced by himself and other members of his side. The leader of the employers' side follows, presents the case for his side and makes counter proposals. He in his turn is followed by other employers' representatives after which the discussion becomes general.

The position having now been developed and a certain number of additional facts having been elicited from the representative members by the Appointed Members, the Chairman probably suggests a conference between the Appointed Members and a few representatives of first one side and then the other, or it may be with the whole side. In these conferences, the side may discuss its difficulties with the Appointed Members more freely than on the full Board, further facts may emerge, and first one side and then the other may make some concession on their original proposals. When the full extent of the concession appears to have been reached, the Appointed Members may suggest for discussion a new basis. The representatives of the side take this suggestion back to their whole side and report in due course to the Chairman. The discussion at this stage is probably concentrated on the rate for adults and the age at which it shall operate. If agreement is reached on this point the conferences continue on the rates for the younger workers. If and when an agreed solution has been arrived at the Board re-assembles, the original proposals are withdrawn and the terms of the agreement will be formally moved and seconded and carried. The Board then proceeds to consider the terms of a formal Notice of Proposal in connection with which subsidiary points, such, for example, as special provision for late entrants, arise and are settled, and the formal steps required by the Acts are taken.

Even if the negotiations undertaken by the Appointed Members with a view to finding an agreement are not completely successful, the issue will usually have been reduced to comparatively narrow limits. Further argument may be heard on the Board on the outstanding differences, and if it is still found impossible to reach agreement, a vote is taken. As it sometimes happens that a side which is prepared to abate its original demands if an agreed solution is found, will not do so if the matter has to be put to the vote, the Appointed Members may, when it comes to a vote, be faced with choosing between somewhat widely divergent sets of proposals. Without the support of one side or the other the Appointed Members are powerless to secure by their

* District Trade Committees, which are statutory bodies, are excluded from consideration here.

own votes a middle position which may commend itself to them as a reasonable compromise, although they may of course propose a motion. When the vote is put, cross-voting between the sides sometimes takes place, but is unusual, and the Appointed Members do not necessarily vote on the same side.

The divergence in methods between the original Trade Boards and those established in the last two years is probably not greater than that between different individual Boards to-day. On the whole the older Boards proceeded in the beginning with greater deliberation and caution. They were working out a new experiment and had no precedents to guide them. Before taking any step, it was necessary to consider carefully whether it was in accordance with the provisions of the Act. Adjournments had to be made in order to obtain legal advice from the Department, or to enable the members to consult their constituents. There was no experience of what was or was not administratively possible. The provisions of a draft Notice embodying the minimum rates would be debated clause by clause and sometimes word by word.

It is not uncommon for a newly established Trade Board to proceed to the issue of a formal Notice of Proposal of general minimum time-rates for the whole or part of the workers in the trade at its first or second or third meeting. The first Trade Board, the Chain-making Trade Board, held eight meetings spread over four months, not including a number of meetings of a Committee held in the intervals between meetings of the full Board, before issuing its first Notice, which included, however, not only general minimum time-rates but also an elaborate set of general minimum piece-rates for a certain section of the trade.

10. *Fixing or varying Minimum Rates.*—At a short interval after the termination of the statutory two months period for lodging objections to a Board's proposals a meeting is convened to consider the objections and the question of fixing the rates. The number of objections varies greatly; in many cases few or none are received; in the case of the first proposals of the English Grocery and Provisions Trade Board they amounted to 2,395. Until recently copies of all the objections received were circulated in advance to every member of the Board, and in cases where the objections exceeded twenty or thirty in number, a *précis* of each objection, or a classified index, or both, were also prepared by the Secretary and circulated with the copies of the objections themselves. Mainly with a view to economy it has now been suggested to the Boards that while objections which are in the nature of considered statements, giving special and detailed information about specific localities or individual businesses should be circulated *extenso*, in the case of mere statements of objection on general grounds, or mere statements of objections without specific reasons, or mere variations of the same objection, it would be sufficient for a classified summary to be circulated, with the names and addresses of the objectors, every individual letter of objection of course being available for consideration at the meeting of the Board. The majority of the Boards have adopted the suggestion.

The procedure in dealing with the objections at the Board meeting varies. If the number of objections is small, it is not unusual for the Board to go through them *seriatim* and decide as respects each point raised whether any and if so what modification shall be made in the rates as proposed. In the case of objections lodged in large numbers the Board has to consider in the first place whether, having regard to the objections, it can properly proceed with the fixing of rates or whether the proposals shall be withdrawn and a fresh set of proposals made. As the Minister is precluded on legal grounds from confirming rates which differ substantially from the proposals, the Board's choice is limited to withdrawing the proposals *in toto* or fixing them with or without minor modifications. If it is decided to proceed, suggestions for the modification in detail of the rates or other provisions of the Board's proposals are put forward as amendments to a motion that the Board proceed to fix rates as proposed. References to individual objections are frequent in the discussion on the fixing of the rates

and facts or arguments set out in the objections are quoted in support of suggested amendments.

In cases where objections are numerous, it may often be difficult for a Trade Board to decide whether the better course is to issue new proposals, which will of course take time, or to fix the rates with such modifications to meet the objections as they have power to make. The discussion at this stage follows much the same lines as at the proposal stage. It is usual for a decision to be arrived at at the first meeting held to consider objections. Boards have, however, sometimes postponed the question of fixing the rates by reason of a change in circumstances which has arisen since the rates were proposed, or in order to allow further consideration, or in order to hear objectors in person, or in order to obtain advice from the Department on some legal point.

11. *The issue of Notices: (a) Notices of Proposal.*—After a meeting of a Trade Board at which a decision has been taken to propose to fix, cancel or vary minimum rates, the Notice embodying the Board's decisions is drafted by the Secretary. In the early days, the draft would be considered in detail by the full Board and considerable discussion sometimes took place as to the exact wording of particular provisions to be inserted in the Notice. Now that there are precedents for most of the provisions which a Board may decide to make, the Board by resolution expresses its intention and instructs the Secretary to draft and issue the Notice in accordance therewith. It is only occasionally now that the exact form of wording of some particular clause is debated and settled on the Board. It sometimes happens that some point not foreseen at the meeting of the Board arises in the course of the drafting and the Chairman may have to be consulted; or some clause may be left to be settled by a Committee or by the Chairman and Secretary in accordance with a general instruction of the Board; or some legal point may have to be discussed and settled with the officers of the Ministry of Labour. But in the ordinary case the Notice is drafted and sent to the printer at once. The statutory period of two months for lodging objections runs from the day following that on which the Notices are delivered to the employers.

(b) *Notices of the Fixing or the Varying of Minimum Rates.*—In the case of Notices of the Fixing or the Varying of rates, a draft of the Notice, based on the Proposal, is prepared and set up in proof prior to the date of the Board meeting. As soon as the meeting of the Board at which the rates have been fixed or varied is over, the necessary alterations are made in the proof, which is then sent to the Ministry of Labour, as soon as possible after the meeting, with a request for confirmation of the rates and a recommendation by the Board as to the date from which they should operate. Where the Minister proposes to confirm, his decision is communicated semi-officially as soon as reached to the Secretary of the Board. Accompanying this communication is the draft Notice submitted by the Secretary, returned with any amendments in form suggested by the Minister, and the Notice now becomes a Notice of his Confirming Order. The form of this Notice must, under the Regulations, be approved by the Minister. If, on receipt by the Secretary of this returned draft no question arises on the amendments suggested by the Minister, the Notices are printed and despatched.

12. The periods occupied by this procedure depend, apart from the statutory number of months for objections, upon the time occupied (a) by the Trade Board in reaching a decision at the proposal stage and the fixing stage, (b) by the formal and mechanical steps, *i.e.*, the drafting, printing and circulation of the Notice of Proposal, and of the Notice of Fixing, and (c) by the consideration of the rates by the Minister. The time taken under each of these heads varies greatly. For instance, a Trade Board particularly in considering its first rates, may need several meetings before reaching its decision at each stage; it may not always think it necessary to proceed quickly and, in some cases, where the volume of objections lodged against its proposals is very great, may withdraw the proposals and issue new ones. The time spent on the formal steps varies again according

to the size of the trade (it is abnormally long in the case of Grocery Trade Board which covers 135,000 firms) and the difficulty of the drafting; the time occupied by the issue of a Notice of Proposal varies from 11 to 27 days and is on an average nearly 3 weeks from the date of the Board's decision and that of the Minister's decision. The Minister is bound by statute to make an Order confirming the rates within a month unless either he refers the rates back to the Trade Board or for special reasons postpones making his Order. The decision is reached, on an average, in a fortnight, but it may be considerably delayed, if the issues are contentious, and it is necessary to receive deputations and hear objections.

Table B to this Chapter analyses for the second half of 1920 and the first half of 1921 the period that elapsed after the decision of a Board to issue proposals (which may of course have involved

more meetings than one). Table C shows for each British Trade Board the period that elapsed before the first rates came into operation (cases under the slower procedure of the old Act are underlined).

It appears from these tables that—

- (1) The average time that elapsed during the period in question between the decision to propose and the effective date of the rates was 21 weeks, the longest time 41 weeks, and the least 13 weeks.
- (2) The average time between the establishment of a Trade Board and the coming into operation of the first rates was:—
 - (a) Under the Act of 1909, 23½ months; the longest time being 29 months, and the least 15 months.
 - (b) Under the Act of 1918, 6 months; the longest time being 10½ months, and the least 15 weeks.

TABLE A.

Statement showing voting on the fixing of Trade Board rates from 1st Sept., 1920, to 16th Sept., 1921.

Trade Board.	Date of T.B. Meeting.	Whether rates were fixed by agreement or not.	Remarks.
Aerated Waters (Scotland)	23rd Sept., 1920...	Agreement.	
Boot and Shoe Repairing (Great Britain)	2nd and 3rd June, 1921.	Agreement.	
Brush and Broom (Great Britain)	27th Sept., 1920...	Agreement.	
Brush and Broom (Great Britain)	10th March, 1921	Agreement.	
Button-making (Great Britain)	26th Aug., 1921...	Not by Agreement.	
Chain (Great Britain)	14th March, 1921	Agreement.	
Coffin Furniture etc. (Great Britain) ...	24th Nov., 1920...	Agreement.	
Coffin Furniture etc. (Great Britain) ...	26th Aug., 1921...	Agreement.	
Corset	7th Oct., 1920 ...	Not by Agreement.	
Corset	30th Aug., 1921...	Not by Agreement.	
Cotton Waste (Great Britain)	6th Jan., 1921 ...	Agreement.	
Cotton Waste (Great Britain)	22nd June, 1921 ...	Agreement.	
Dressmaking etc. (England and Wales) ...	21st Sept., 1920...	Not by Agreement.	
Dressmaking etc. (England and Wales) ...	30th May, 1921 ...	Agreement.	
Dressmaking etc. (Scotland)	28th June, 1921...	Agreement.	
Dressmaking etc. (Scotland)	23rd Aug., 1921...	Agreement.	
Flax and Hemp (Great Britain)	22nd March, 1921	Not by Agreement	Rates referred back. Fresh proposals issued.
Fur (Great Britain)	21st Sept., 1920...	Agreement.	
Grocery and Provisions (England and Wales)	2nd and 3rd Feb., 1921.	Not by Agreement	Rates referred back. Fresh proposals issued.
Grocery and Provisions (England and Wales).	9th and 10th March, 1921.	Not by Agreement	
General Waste (Great Britain)	11th March, 1921	Not by Agreement	
Hair, Bass and Fibre (Great Britain) ...	29th Oct., 1920 ...	Agreement.	
Hat, Cap and Millinery (England and Wales).	19th Oct., 1920 ...	Agreement.	
Hat, Cap and Millinery (England and Wales).	28th June, 1921...	Agreement.	
Hat, Cap and Millinery (Scotland)...	29th June, 1921...	Agreement.	
Jute (Great Britain)	16th and 17th Feb., 1921.	Agreement.	
Jute (Great Britain)	11th and 12th Aug., 1921.	Agreement.	
Hollow-ware (Great Britain)	31st Aug., 1921 ...	Agreement.	
Lace Finishing	10th Jan., 1921 ...	Not by Agreement.	
Lace Finishing	12th Sept., 1921 ...	Not by Agreement.	
Laundry (Great Britain)	12th and 13th Jan., 1921.	Not by Agreement.	
Linen and Cotton Handkerchief etc. (Great Britain).	14th Oct., 1920 ...	Agreement.	
Linen and Cotton Handkerchief, etc. (Great Britain).	20th Jan., 1921 ...	Agreement.	
Linen and Cotton Handkerchief, etc. (Great Britain).	21st June, 1921 ...	Agreement.	
Milk Distributive (England and Wales) ...	7th Oct., 1920 ...	Agreement	Rates referred back. Fresh proposals issued.
Milk Distributive (Scotland)	8th and 9th Feb., 1921.	Agreement	
Milk Distributive (Scotland)	1st July, 1921 ...	Not by Agreement	
Made-up Textiles (Great Britain)	26th and 27th July, 1921.	Not by Agreement	
Ostrich and Fancy Feather and Artificial Flower (Great Britain).	7th June, 1921 ...	Agreement.	
Paper Bag (Great Britain)	21st Oct., 1920 ...	Agreement.	
Paper Box (Great Britain)	14th Oct., 1920 (M)	Agreement.	
Paper Box (Great Britain)	14th Oct., 1920 (F)	Not by Agreement.	

TABLE A—continued.

Trade Board.	Date of T.B. Meeting.	Whether rates were fixed by agreement or not.	Remarks.
Perambulator and Invalid Carriage (Great Britain).	10th Jan., 1921 ...	Agreement.	
Pin, Hook and Eye (Great Britain) ...	25th Oct., 1920 ...	Agreement.	
Pin, Hook and Eye (Great Britain) ...	19th Aug., 1921...	Not by Agreement	
Pin, Hook and Eye (Great Britain) ...	19th Aug., 1921 (homeworkers).	Agreement.	
Ready-Made and Wholesale Bespoke Tailoring (Great Britain).	17th March, 1921	Agreement.	
Ready-Made and Wholesale Bespoke Tailoring (Great Britain).	1st Sept., 1921 ...	Agreement.	
Retail Bespoke Tailoring (Great Britain)...	8th July, 1921 ...	Agreement.	
Rope, Twine and Nets (Great Britain) ...	15th and 16th Sept., 1920.	Agreement.	
Stamped or Pressed Metal-wares (Great Britain).	24th Nov., 1920...	Agreement.	
Stamped or Pressed Metal-wares (Great Britain).	11th May, 1921 ...	Not by Agreement.	
Stamped or Pressed Metal-wares (Great Britain).	16th Sept., 1921...	Not by Agreement.	
Tobacco (Great Britain)	22nd April, 1921	Agreement.	
Tobacco (Great Britain)	28th July, 1921...	Not by Agreement.	
Toy (Great Britain)	19th and 20th Jan., 1921.	Not by Agreement.	
Wholesale Mantle and Costume (Great Britain).	3rd March, 1921...	Agreement.	
Wholesale Mantle and Costume (Great Britain).	2nd Sept., 1921 ...	Agreement.	

Total number of sets of rates fixed	...	...	...	...	58
Cases in which rates were fixed by agreement	...	...	...	...	39
Cases in which rates were not fixed by agreement	...	...	...	...	19

TABLE B.

Table analysing for the second half of 1920, and the first half of 1921, the period that elapsed after the decision of a Board to issue proposals before the rules came into operation.

Name of Trade Board.	Date of Decision to Propose.	Notice of Proposal Dated.	Objection Period Expired.	Intimation to Ministry of Labour of Fixing of Rates.	Date of Order Confirming Rates.	Date Rates came into Operation.
Aerated Waters (Scotland) ...	* 10th June, 1920	5th July, 1920	6th Sept., 1920	28th Sept., 1920	14th Oct., 1920	18th Oct., 1920
Brush and Broom (Great Britain) ...	* 28th April, 1920	8th July, 1920	9th Sept., 1920	1st Oct., 1920	15th Oct., 1920	18th Oct., 1920
Chain (Great Britain) ...	* 28th June, 1920	19th July, 1920	20th Sept., 1920	29th Sept., 1920	1st Oct., 1920	8th Oct., 1920
Laundry (Great Britain) ...	* 17th June, 1920	19th July, 1920	20th Sept., 1920	18th Oct., 1920	2nd Nov., 1920	8th Nov., 1920
Corset ...	* 2nd July, 1920	21st July, 1920	22nd Sept., 1920	18th Oct., 1920	13th Nov., 1920	29th Nov., 1920
Paper Bag (Great Britain) ...	* 2nd July, 1920	22nd July, 1920	25th Sept., 1920	21st Oct., 1920	10th Nov., 1920	14th Nov., 1920
Pen and Cofon Handkerchief and Household Goods and Linen Piece Goods (Great Britain).	* 9th July, 1920	26th July, 1920	27th Sept., 1920	19th Oct., 1920	6th Nov., 1920	11th Nov., 1920
Hat, Cap and Millinery (England and Wales) ...	* 13th July, 1920	22nd July, 1920	30th Sept., 1920	21st Oct., 1920	9th Nov., 1920	15th Nov., 1920
Pin, Hook and Eye and Snap Fastener (Great Britain) ...	* 5th July, 1920	31st July, 1920	1st Oct., 1920	26th Oct., 1920	6th Nov., 1920	10th Nov., 1920
Paper Box (Great Britain) ...	* 9th July, 1920	4th Aug., 1920	5th Oct., 1920	19th Oct., 1920	15th Nov., 1920	19th Nov., 1920
Milk Distributive (England and Wales) ...	* 12th May, 1920	14th June, 1920	15th Aug., 1920	8th Oct., 1920	1st Nov., 1920	8th Nov., 1920
Coffin Furniture and Casket Making (Great Britain)	* 15th July, 1920	5th Aug., 1920	6th Oct., 1920	20th Oct., 1920	6th Dec., 1920	13th Dec., 1920
Hair, Bass and Fibre (Great Britain) ...	* 28th July, 1920	19th Aug., 1920	20th Oct., 1920	25th Nov., 1920	10th Nov., 1920	15th Dec., 1920
Stamped or Pressed Metal Wares (Great Britain)	* 14th July, 1920	26th Aug., 1920	27th Oct., 1920	29th Oct., 1920	14th Dec., 1920	31st Dec., 1920
Perambulator and Invalid Carriage (Great Britain)	* 19th Aug., 1920	18th Sept., 1920	19th Nov., 1920	25th Nov., 1920	13th Dec., 1920	27th Dec., 1920
Parapluia and Invalid Carriage (Great Britain)	* 15th Sept., 1920	22nd Oct., 1920	23rd Dec., 1920	12th May, 1921	14th June, 1921	27th June, 1921
Jute (Great Britain) ...	* 17th Sept., 1920	22nd Oct., 1920	23rd Dec., 1920	11th Jan., 1921	18th Feb., 1921	28th Feb., 1921
Laundry (Great Britain) ...	* 14th Oct., 1920	22nd Oct., 1920	30th Dec., 1920	25th Feb., 1921	24th March, 1921	4th April, 1921
Cotton Waste Reclamation (Great Britain)	* 15th Oct., 1920	4th Nov., 1920	5th Jan., 1921	14th Jan., 1921	27th May, 1921	30th May, 1921
Toy (Great Britain) ...	* 18th Oct., 1920	4th Nov., 1920	5th Jan., 1921	8th Jan., 1921	26th Jan., 1921	31st Jan., 1921
Pen and Cofon Handkerchief and Household Goods and Linen Piece Goods (Great Britain).	* 26th Oct., 1920	6th Nov., 1920	6th Jan., 1921	21st Jan., 1921	4th June, 1921	13th June, 1921
Lace Finishing	* 14th Oct., 1920	8th Nov., 1920	9th Jan., 1921	22nd Jan., 1921	16th Feb., 1921	25th Feb., 1921
Pin, Hook and Eye and Snap Fastener (Great Britain) ...	* 18th Oct., 1920	8th Nov., 1920	9th Jan., 1921	11th Jan., 1921	1st Feb., 1921	4th Feb., 1921
Brush and Broom (Great Britain) ...	* 25th Oct., 1920	9th Nov., 1920	10th Jan., 1921	18th May, 1921	13th June, 1921	26th June, 1921
Wholesale Mante and Costume (Great Britain) ...	* 22nd Oct., 1920	17th Nov., 1920	18th Jan., 1921	17th March, 1921	20th April, 1921	27th April, 1921
Tobacco (Great Britain) ...	* 8th Dec., 1920	23rd Nov., 1920	24th Jan., 1921	21st Feb., 1921	17th May, 1921	23rd May, 1921
Chain (Great Britain) ...	* 9th Dec., 1920	20th Dec., 1920	21st Feb., 1921	22nd April, 1921	9th May, 1921	16th May, 1921
Ready-Made and Wholesale Bespoke Tailoring (Great Britain)	* 20th Dec., 1920	4th Jan., 1921	5th March, 1921	15th March, 1921	28th March, 1921	4th April, 1921
Brush and Broom (Great Britain) ...	* 18th Nov., 1920	6th Jan., 1921	7th March, 1921	19th March, 1921	17th May, 1921	23rd May, 1921
Door and Shoe Repairing (Great Britain) ...	* 10th Dec., 1920	13th Jan., 1921	1st April, 1921	8th June, 1921	20th June, 1921	21st June, 1921
Bressard and Women's Light Clothing (England and Wales)	* 18th Dec., 1920	1st Feb., 1921	2nd April, 1921	9th June, 1921	16th Sept., 1921	26th Sept., 1921
Overhead and Electric Light Fittings (Great Britain) ...	* 4th March, 1921	22nd March, 1921	23rd May, 1921	8th June, 1921	23rd July, 1921	11th Aug., 1921
Cotton Waste Reclamation (Great Britain) ...	* 9th March, 1921	24th March, 1921	1st June, 1921	9th June, 1921	28th June, 1921	2nd Aug., 1921
Pen and Cofon Handkerchief and Household Goods and Linen Piece Goods (Great Britain).	* 23rd March, 1921	13th April, 1921	14th June, 1921	7th June, 1921	28th June, 1921	4th July, 1921
Linen Piece Goods (Great Britain).	* 30th March, 1921	14th April, 1921	15th June, 1921	22nd June, 1921	4th July, 1921	11th July, 1921

Hat, Cap and Millinery (Scotland) ...	March, 1921	15th April, 1921	16th June, 1921	4th July, 1921	4th Aug., 1921
Dressmaking and Women's Lights Clothing (Scotland)	*23rd March, 1921	15th April, 1921	16th June, 1921	4th July, 1921	8th Aug., 1921
Hat, Cap and Millinery (England and Wales) ...	*22nd March, 1921	15th April, 1921	16th June, 1921	4th July, 1921	8th Aug., 1921
Tops, Coats (Great Britain) ...	*11th March, 1921	21st April, 1921	22nd June, 1921	30th June, 1921	25th July, 1921
Jackets (Great Britain) ...	*17th March, 1921	21st April, 1921	22nd June, 1921	30th June, 1921	25th July, 1921
Tops, Coats (Great Britain) ...	*22nd March, 1921	25th May, 1921	26th July, 1921	29th Aug., 1921	1st Sept., 1921
Jackets (Great Britain) ...	*25th April, 1921	13th May, 1921	14th July, 1921	27th Aug., 1921	9th Sept., 1921
Coffin Furniture and Cereament Making (Great Britain)	*20th May, 1921	10th June, 1921	11th Aug., 1921	27th Aug., 1921	12th Sept., 1921
Pan, Hook and Eye and Snap Fastener (Great Britain) ...	*13th May, 1921	17th June, 1921	18th Aug., 1921	22nd Aug., 1921	14th Sept., 1921
Beady-ware (Great Britain)	*6th April, 1921	17th June, 1921	18th Aug., 1921	3rd Sept., 1921	21st Oct., 1921
Hollyware (Great Britain)	*31st May, 1921	22nd June, 1921	23rd Aug., 1921	3rd Sept., 1921	29th Sept., 1921
Roadway-made and Wholesale Bespoke Tailoring (Great Britain)	*1st June, 1921	22nd June, 1921	23rd Aug., 1921	3rd Sept., 1921	29th Sept., 1921
Wholesale Mantle and Costume (Great Britain) ...	*10th June, 1921	24th June, 1921	25th Aug., 1921	31st Aug., 1921	3rd Oct., 1921
Worsest ...	...	...	...	...	...

* In these cases rates were being varied.

* In these cases rates were being varied.

† In these cases certain rates were being fixed for the first time.

TABLE C.

The following table shows for all the British Boards the time that elapsed before the first rates became binding to July, 1921.

Trade Board.	Board established on	Proposal issued on	Rates fixed on	Date Rates became compulsory.
Aerated Waters (England and Wales)...	2nd Jan., 1920	17th Jan., 1920	12th April, 1920	1st May, 1920
Aerated Waters (Scotland)	8th Jan., 1920	16th Feb., 1920	13th May, 1920	14th June, 1920
Boot and Shoe Repairing (Great Britain) ...	5th July, 1919	11th Aug., 1919	22nd Oct., 1919	17th Nov., 1919
Brush and Broom (Great Britain) ...	17th July, 1919	22nd Sept., 1919	10th Dec., 1919	1st Jan., 1920
Button-making (Great Britain) ...	13th Feb., 1920	26th March, 1920	12th June, 1920	7th July, 1920
Chain (Great Britain)	3rd Jan., 1910	16th May, 1910	22nd Aug., 1910	23rd Feb., 1911
Coffin Furniture and Cerement-making (Great Britain).	16th Dec., 1919	11th Feb., 1920	3rd May, 1920	26th May, 1920
Corset	17th July, 1919	16th Aug., 1919	29th Oct., 1919	1st Dec., 1919
Cotton Waste Reclamation (Great Britain).	16th Sept., 1920	4th Nov., 1920	6th Jan., 1921	31st Jan., 1921
Dressmaking and Women's Light Clothing (England and Wales).	15th Jan., 1920	6th Feb., 1920	21st April, 1920	24th May, 1920
Dressmaking and Women's Light Clothing (Scotland).	29th March, 1920	26th May, 1920	11th Aug., 1920	27th Sept., 1920
Flax and Hemp (Great Britain) ...	27th Jan., 1920	5th March, 1920	15th July, 1920	3rd Aug., 1920
Fur (Great Britain)	25th Oct., 1919	8th Dec., 1919	11th March, 1920	12th April, 1920
Hair, Bass and Fibre (Great Britain) ...	20th Feb., 1920	5th May, 1920	14th July, 1920	3rd Aug., 1920
Hat, Cap and Millinery (England and Wales).	12th Jan., 1920	30th Jan., 1920	8th April, 1920	10th May, 1920
Hat, Cap and Millinery (Scotland) ...	31st March, 1920	20th May, 1920	12th Aug., 1920	27th Sept., 1920
Hollow-ware (Great Britain)	6th Aug., 1914	19th April, 1915	1st Jan., 1916	3rd July, 1916
Jute (Great Britain)	8th Dec., 1919	6th Feb., 1920	6th May, 1920	4th June, 1920
Lace Finishing	7th Sept., 1910	6th March, 1911	18th Aug., 1911	19th Feb., 1912
Laundry (Great Britain)	1st May, 1919	16th July, 1919	24th Oct., 1919	24th Nov., 1919
Linen and Cotton Handkerchief and Household Goods and Linen Piece Goods (Great Britain).	28th May, 1920	26th July, 1920	14th Oct., 1920	11th Nov., 1920
Milk Distributive (England and Wales) ...	27th Feb., 1920	14th June, 1920	7th Oct., 1920	8th Nov., 1920
Ostrich and Fancy Feather and Artificial Flower (Great Britain).	3rd Feb., 1921	31st March, 1921	7th June, 1921	4th July, 1921
Paper Box (Great Britain)	29th July, 1910	1st Sept., 1911	11th March, 1912	12th Sept., 1912
Paper Bag (Great Britain)	14th July, 1919	12th Aug., 1919	24th Oct., 1919	24th Nov., 1919
Perambulator and Invalid Carriage (Great Britain).	20th Jan., 1920	20th Feb., 1920	21st May, 1920	21st June, 1920
Pin, Hook and Eye and Snap Fastener (Great Britain).	17th Feb., 1920	31st July, 1920	25th Oct., 1920	10th Nov., 1920
Ready-made and Wholesale Bespoke Tailoring (Great Britain).	17th Feb., 1920	17th May, 1920	27th July, 1920	16th Aug., 1920
Retail Bespoke Tailoring (Great Britain)	12th Dec., 1919	12th Feb., 1920	22nd April, 1920	7th June, 1920
Rope, Twine and Net (Great Britain)...	3rd Dec., 1919	22nd Dec., 1919	11th March, 1920	2nd April, 1920
Shirting (Great Britain)	11th Feb., 1914	3rd June, 1914	5th July, 1915	6th Jan., 1916
Stamped or Pressed Metal Wares (Great Britain).	13th Feb., 1920	4th June, 1920	19th Aug., 1920	11th Sept., 1920
Sugar Confectionery and Food Preserving (Great Britain).	11th Feb., 1914	22nd June, 1914	7th June, 1915	8th Dec., 1915
Tailoring (Great Britain)	23rd Nov., 1910	9th Nov., 1911	19th Aug., 1912	20th Feb., 1913
Tin Box (Great Britain)	4th Aug., 1914	19th April, 1915	29th Nov., 1915	30th May, 1916
Tobacco (Great Britain)	23rd April 1919	12th May, 1919	15th July, 1919	5th Aug., 1919
Toy (Great Britain)	19th Aug., 1920	6th Nov., 1920	20th Jan., 1921	13th June, 1921
Wholesale Mantle and Costume (Great Britain).	13th Dec., 1919	12th Jan., 1920	25th March, 1920	19th April, 1920

Cases in which rates entered into operation under the 1909 Act underlined. In these cases rates entered into limited operation on date of fixing.

CHAPTER VI.

THE CONFIRMING POWER OF THE MINISTER OF LABOUR.

Under the Act of 1909 the Minister of Labour (Board of Trade) had power either to make or withhold indefinitely an Order making rates obligatory, and even if a general Order were made under Section 5 (4) confirming in advance any rates which a certain Trade Board might fix, there still remained power to direct that this general Order should not operate in any particular case or to revoke the general Order. The Minister had also power to direct a Trade Board at any time to reconsider a rate, whether a confirming Order had been made or not, and, if a confirming Order had not been made, to suspend even the limited operation.

The corresponding provision of the Act of 1918 is couched in very wide terms: it states that the Minister shall make an Order confirming the rate "unless he thinks it necessary to refer the matter back to the Trade Board for reconsideration." He

also retains the power given by the Act of 1909 to direct a Trade Board at any time to reconsider a rate. It is thus clear that Parliament intended that powers which involved in the last resort coercion of members of the community should only be exercised on the authority of a Minister constitutionally responsible to itself.

The discretion of the Minister of Labour is not limited by any statement of the grounds upon which he is to refer back a rate for reconsideration or to direct the Trade Board to reconsider a rate already in operation, but it may be inferred that cases would fall into one of three classes:—

- (1) Cases in which the procedure of the Trade Board is technically incorrect, and in which accordingly confirmation of the Minister would be *ultra vires*.
- (2) Cases in which, although the procedure is technically correct, the Minister is not satisfied that sufficient weight has been given to the views of a minority of the Board, either on or off the Board.

- (3) Cases in which the Minister considers that confirmation would cause hardship to the trade generally or to the community.

The first class needs no comment. A case might arise in the second class if it appeared, e.g., that objections to a proposal had not been fully considered by the Board, or that the proposal had not been properly appreciated by sections of the trade, or that the Board had not sufficient knowledge of the point of view of a section of the trade not directly represented. A more serious case would arise if it appeared that the procedure of the Board had been definitely misused, for example, if one section of the employers combined with the workers to force unreasonable rates upon another section which was in trade competition with them, or if the representatives

of organisations on both sides combined against the Appointed Members and the unorganised representatives to impose rates that would crush the small employer out of existence. The third class would cover a case in which the Minister thought that the Trade Board was going too fast and that by attempting to raise wages suddenly to a reasonable level it would dislocate the industry, or in which he felt that the rates would lead to an unjustifiable increase in prices to the consumer.

The attached table A shows all the cases in Great Britain in which the Minister has referred rates back for reconsideration (to September, 1921). In addition, the power to direct rates in operation to be reconsidered was exercised in 1917 when the Minister directed all the Trade Boards to reconsider their rates in view of the increased cost of living.

TABLE A.
Rates Referred Back to Trade Boards during period ending 30th September, 1921.

Trade Board.	Date.	Rates affected.	
Retail Bespoke Tailoring (Great Britain).	1920	General Minimum Time-Rates, Piece - Work Basis Time-Rates and Overtime Rates for Female Workers.	The rates were referred back on the question of the suitability of the rates for the poorer class of trade in the country districts and of the applicability of the learners' rates to apprentices. As a result the Trade Board excluded apprentices from the operation of the rates and have since fixed special rates for them.
Rope, Twine and Net (Great Britain).	1920	General Minimum Piece-Rates and Overtime Rates for certain classes of Male and Female Workers.	The rates were referred back in this case on a technical issue. In fixing rates the Board made several alterations in their proposals which at first sight appeared substantial. The rates were referred back to the Board for reconsideration and technical advice. On the information supplied by the Board it was clear that the alterations were not so substantial as to require fresh advertisement and they were accordingly confirmed.
Jute (Great Britain) ...	1920	Overtime Rates for Male and Female Workers in certain areas.	The Board in settling overtime rates had made no provision for the class of worker who works five days a week only. Protests were lodged with the Minister by the workers' organisations concerned, as a consequence of which the rates were referred back to the Board. The Board eventually decided by agreement to exclude the workers in question from the scope of the overtime rates already fixed and to issue fresh proposals in respect of such workers.
Laundry (Great Britain)	1920	General Minimum Time-Rates, Piece - Work Basis Time - Rates, Guaranteed Time-Rates and Overtime Rates for Female Workers.	These rates were fixed against the votes of the employers' representatives on the Board. Representations were made to the Minister to the effect that the rates would operate prejudicially in rural areas, and after deputations of employers and workers had been heard the rates were referred back to the Board. The Board re-affirmed the rates, but, at a meeting held before the Confirming Order was made, excluded Cornwall and the Orkneys and Shetlands from the scope of their rates by the votes of the employers' representatives and appointed members.
Milk Distributive (Scotland).	1921	General Minimum Time-Rates and Overtime Rates for Male and Female Workers.	Reference back in this case was on a technical point. The Board made very substantial alterations in their proposals at the fixing stage, and the Minister was advised that these would necessitate fresh Notice of Proposal.
Grocery and Provisions (England and Wales).	1921	General Minimum Time-Rates for Male and Female Workers.	The Board issued fresh proposals by agreement. Substantial alterations were made by the Board at the fixing stage on the initiative of the employers' representatives. The Department was advised that fresh notice was required in respect of these alterations. Ratification of the remaining rates would have left certain sections of the workers in the trade uncovered, and at the same time representations were received from employers in the south-west to the effect that the rates were too high. The rates were accordingly referred back for reconsideration as a whole. The Board re-affirmed the rates, this time against the votes of the employers' representatives. In view of the anomalous position created by the modification of the original proposals, and still not remedied, of the volume of protest from employers in the trade and of the fall in the cost of living since the proposals were settled, the rates were again referred back for re-consideration on 1st July. Fresh proposals since issued.

TABLE A.—*continued.*

Trade Board.	Date.	Rates affected.	
General Waste Materials Reclamation (Great Britain).	1921	General Minimum Time-Rates, Piece - Work Basis Time - Rates, Guaranteed Time-Rates and Overtime Rates for Female Workers.	The Board proposed its first rates for female workers in January and fixed them in March, 1921. After seeing both sides, the Minister asked the Board to reconsider the matter, especially the effective date, in view of stagnation in the trade. The Board re-affirmed their decision in May. In view of continued depression a letter was despatched on 19th July, again asking the Board to reconsider the question. A revised proposal has since been issued by the Board.
Ready-made and Wholesale Bespoke Tailoring (Great Britain).	1921	General Minimum Time-Rates, Piece - Work Basis Time-Rates and Overtime Rates for Male and Female Workers.	Identical rates were fixed by these two Boards at the same time. The Minister referred the rates back as a case in which it appeared that the Trade Board machinery was being used to legalise agreements reached outside the Trade Boards. After seeing deputations from the Boards, however, it was decided to confirm. The rates have since been reduced.
Wholesale Mantle and Costume (Great Britain).	1921	General Minimum Time-Rates, Piece - Work Basis Time-Rates and Overtime Rates for Male and Female Workers.	
Flax and Hemp (Great Britain).	1921	Piece-Work Basis Time-Rate and Overtime Rates for Male Hose-pipe Weavers.	The Board proposed and fixed a flat rate for the whole of Great Britain in spite of a recommendation of a sub-committee in favour of differential rates for England and Scotland. The Scottish employers protested to the Minister on the ground that the rates would involve a substantial increase in the standard rates paid. The rates were referred back to the Board which eventually decided by agreement to withdraw the rates originally fixed and to propose a flat rate lower by 1d. per hour.
Made-up Textiles (Great Britain).	1921	General Minimum Time-Rates, Piece - Work Basis Time-Rates and Overtime Rates for Male and Female Workers.	The Board proposed rates in February, 1921. In April the Board met and decided in view of the grave depression prevailing in the trade to postpone consideration of their rates for 3 months. In July they again met and although the depression of trade still obtained they decided to ratify their proposals and to submit them for confirmation. At the same time they decided to apply for the Minister's consent to issue a Notice proposing substantial reductions. This decision appeared to the Minister to indicate doubt in the minds of the members of the Board as to the appropriateness to existing conditions of the rates submitted to him and he accordingly referred them back for reconsideration. The Board eventually decided to withdraw the rates previously ratified and to issue fresh proposals.
Milk Distributive (Scotland).	1921.	General Minimum Time-Rates and Overtime Rates for Male and Female Workers.	After the Board had submitted rates to the Minister for confirmation representations were made to him by the most influential employers' associations in the trade that the imposition of the rates would lead to numerous dismissals of workers and would increase the price of milk. The Board moreover in fixing rates had decided to hold a meeting as soon as possible after they had become effective to consider the effects of their operation. This appeared to the Minister to indicate that the Board themselves had doubts as to the suitability of their rates and in view of the representations made to him he decided to refer the rates back to the Board for reconsideration.

CHAPTER VII.

ENFORCEMENT AND INSPECTION.

1. *Sanctions.*—Payment of the minimum rates may be enforced by criminal proceedings. Any person who fails to pay wages at not less than the minimum rate is liable on summary conviction to a fine of £20 and £5 a day for each day on which the offence is continued after conviction: the Court may, in convicting, order the payment of arrears. The Acts place upon the defendant the onus of proving that he has not paid wages at less than the minimum rate. Civil proceedings can be taken by the aggrieved worker for recovery of the sums due. These sanctions also cover (a) breach of the conditions upon which a permit of exemption has been issued, (b) failure to register

apprentices or learners, (c) failure to give effective instructions to a learner or to comply with other conditions laid down by the Trade Board. In these three classes, failure to comply with the conditions under which alone the lower rate for these special cases is payable means that the employer is liable to proceedings for non-payment of the ordinary rate, i.e., usually the ordinary rate for adults.

Other incidental obligations on employers, which are enforceable, are as follows:—

- (a) Deductions from wages, even deductions which would be lawful under the Truck Acts, are forbidden if they bring the rate below the legal minimum. The only exception is for deductions under the Insurance Acts or any similar Acts.

- (b) "Contracting-out" is forbidden, and any agreement for the payment of wages in contravention of the provisions of the Acts is null and void.

- (c) No premium can be received in respect of an apprentice or learner, except a premium under an instrument of apprenticeship made not later than four weeks after the beginning of employment.

With these may be included—

- (d) Section 9 of the Act of 1909, which extends the obligation of an employer to cover homeworkers not under a contract of service, and provides that the net remuneration of such workers, after their necessary expenditure in connection with the work has been deducted, shall be deemed to be wages, and must therefore be calculated on the minimum rate in force.

Finally, there are provisions designed to secure the observance of the Acts.

- (a) An occupier of a factory or workshop, or of a place used for giving out work to outworkers, is bound to comply with the Regulations of the Minister as to methods of giving notice, i.e., to post the notices issued by a Trade Board so as to bring it to the notice of all workers concerned.
- (b) An employer is required to keep such records of wages as are necessary to show that the provisions of the Acts are being complied with as respects his employees.
- (c) Obstruction, i.e., of Inspectors, [Dealt with below (see 2)].

2. *Officers.*—The Minister is empowered to appoint such officers as he thinks fit "for the purpose of investigating any complaints and otherwise securing the proper observance" of the Acts. These officers are to act under the directions of the Minister, or, if he determines, under the directions of any Trade Board. The powers of these officers to enter premises, to examine wages books, to interrogate workers are very wide (Sections 14-17 of the Act of 1909) and are enforceable by penalties. They have also power to take proceedings, subject to the directions of the Minister, both in England and in Scotland.

3. *Enforcement (general).*—The inspectorate was, until 1920, under the control first of the Chairman of all the Trade Boards and then (in Great Britain) of the Chief Executive Officer. Throughout this period, however, all cases in which prosecution was suggested were referred to the Labour Department of the Board of Trade or to the Trade Boards Branch of the Ministry, though it was open to the Chairman or Chief Executive Officer to decide on his own responsibility not to take proceedings. In addition, a few applications were made direct to a Trade Board to take civil proceedings under Section 9 (2) of the Act of 1909, but in no case did a Trade Board take action. Since the inspectorate became part of the Trade Boards Branch of the Ministry, it has been possible to make an accurate division between the administrative work connected with the policy of enforcement and the executive work of inspection, and, by entrusting the former wholly to a separate staff (see Chapter IX) to enable the inspectors to devote the whole of their time to inspection. The work of the enforcement section is to consider what action should be taken on an inspector's report which reveals infraction. The Minister uses his discretion in regard to the action to be taken in such cases. Legal proceedings are not taken in trivial cases or even in serious cases where, for example, there is clear evidence of the employer's *bona fide* ignorance of his obligations and where the payment of arrears and future compliance can be secured without resorting to proceedings. In the great majority of cases, it is in fact possible without proceedings to get the employers concerned to make good any arrears and to comply with the requirements of the Acts in future.

4. *Inspection.*—The executive work grouped under the term inspection can be divided into four groups:—

- (a) Non-compliance inspection proper.
- (b) Special inquiries.

- (c) Investigation of permit applications.
- (d) Conduct of legal proceedings.

In addition, inspectors are from time to time being called upon by the Department to undertake special tasks, either because of their technical qualifications or for reasons of economy or convenience. For instance, they are occasionally asked to obtain the facts necessary to clear up a question of scope, or to interview persons suggested for membership of a Board.

(a) *Non-compliance inspection.*—This term means the visiting of an establishment to discover whether workers are being paid at not less than the minimum rates, and whether any conditions attaching to the rates—for effective instruction, for certification of learners, &c. (see Chapter IV. B. (3)) are being observed; whether proper records are being kept, and whether the Trade Board Notices are kept posted. It also involves the visiting of individual workers to obtain statements from them, and in particular the visiting of outworkers in trades where they are employed. This work requires in addition to knowledge of the Acts, considerable knowledge of each trade concerned, and of industry generally, particularly where the inspector has to investigate different rates for different operations or for different classes of workers, or to check complicated piece-lists. Probably the most difficult task is to determine, where a Trade Board has fixed a basis rate but no minimum piece-rates, whether the piece-rates in any establishment are such as will yield an ordinary worker the amount of the basis rate. This will involve, at the outset at any rate, repeated visits to establishments in the trade and scientific tests of the time taken on various operations by various workers. In this connection it may be mentioned that an inspector is often able, where the yield of the piece-rates is deficient, to suggest to the employer improvements in the organisation of the factory by which the earnings of the workers will be brought up to the minimum without an increase in the piece-rates.

(b) *Special inquiries.*—An important part of the work of the inspectors has been, since 1911, the conduct of special inquiries at the request of particular Trade Boards. These inquiries are usually directed to ascertaining the yield of piece-rates in particular operations or particular trades in order to enable a Board to draw up general minimum piece-rates. In drawing up such piece-rates the Boards rely largely on the impartial evidence given by these officers as a result of their inquiries, and also derive assistance from their technical knowledge of the trade as a whole. In one case, a Board asked for a special inquiry into the proportion of labour costs to the total costs of production; this inquiry was, however, of very limited extent. In the early years of Trade Boards a number of special inquiries were made under the directions of the Chairman of all the Trade Boards (a) to find out, before rates were fixed, how the proposed rates were likely to affect a trade, and (b) at the same time to ascertain the attitude towards the proposals of employers and workers, and to clear away misconception by explanation of the meaning of the terms of the Trade Board Notice.

(c) *Investigation of applications for permits of exemption.*—In considering such applications, the Boards wish in many cases for a report upon the worker concerned, giving detailed information as to his disability as it affects his work and an estimate of what would be reasonable wages in the circumstances. Up to 1920 these investigations were almost invariably carried out by Inspectors, and formed a considerable part of their work. Since then, the increasing demands of non-compliance inspection have made it impossible to spare inspectors for this work, and it is now done by members of the Boards.

(d) *Conduct of legal proceedings.*—From 1915 until 1920 Inspectors conducted in person a considerable proportion of the cases taken into court. Latterly it has been the exception for an inspector to undertake this work, most of the cases being conducted by an officer of the Solicitor's Department. Before

1915 cases were conducted either by Counsel briefed by the Department's Solicitor or by the Solicitor's agents.

5. *Methods of non-compliance inspection.*—It has never been contemplated that the Acts should be enforced by a periodic inspection of every establishment in the trades covered. Many firms at least desire to comply with their legal obligations, and the force of public opinion, aided by the efforts of associations of employers and workers, the deterrent effect of occasional prosecutions (which have always been few) may be expected to be and has, in fact, been effective in securing a large measure of com-

pliance among others. The method of ensuring compliance that has been followed is to combine investigation of the numerous complaints received with occasional general inspections of particular trades or particular districts. Unfortunately, the complaints are not a very accurate guide in directing inspection, since a very large percentage of the workers who complain appear quite incapable of calculating what wages are due to them under the Acts. In fact, in most cases, the results of inspection on complaint show no higher percentage of non-compliance than the results of "routine" (i.e., general) inspection.

TABLE A.
Table showing list of cases in which legal proceedings have been taken under the Trade Boards Acts, during period ending 6th October, 1921.

No.	Trade.	Nature of Offence.	No. of Workers affected.	Date of Hearing.	Penalty Imposed.	Arrears Ordered to be Paid.	Remarks.
1	Chain	...	3	25.8.1911	£ s. d. 15 0 0*	7 15 10½	* In default one month's imprisonment.
2	Lace	...	8	30.8.1911	Costs 9 9 0 Costs 1 0 0	—	Convicted on one summons, other charges dismissed, the Magistrates intimating that any future offence would be severely dealt with.
3	Paper Box	...	1	1.5.1913	Costs 3 3 0	17 0	
4	Lace	...	—	28.5.1913	Costs 5 5 0	2 2	95 summonses in respect of underpayment of 25 outworkers were not proceeded with on payment of arrears of £1 12s. 6d.
5	Lace	...	27	18.7.1913	(a) 20 0 0 (b) 10 0 0	5 5	
6	Lace	...	2	23.7.1913	Costs 2 0 0	3	Nine summonses in respect of same worker were withdrawn on payment of arrears amounting to 7s. 11d.
7	Lace	...	1	5.3.1913	Costs 10 6 Costs 9 6	2 9	Eighteen summonses were not proceeded with on payment of arrears of £1 12s. 9d.
8	Lace	...	19	15.10.1913 and 3.12.1913	Costs included in Penalty. Costs 2 0	—	
9	Lace	...	—	3.12.1913	Costs 15 0 (a) Dismissed on legal point.	10 18 0	* Referred back to Magistrates with an expression of the High Court's opinion that "the mere fact that the defendant was employing other people to do the work does not prevent him from being an outworker within the meaning of the Act."
10	Chain	...	2	19.12.1913	Case stated (b) 10 0 0	—	Defendant ordered to pay costs of appeal. Magistrates on 25.6.1914 and dismissed. Case abandoned.
11	Chain	...	2	31.12.1913	(a) 10 10 0 (b) Dismissed. Costs 4 17 0†	3 3 0	
12	Lace	...	1*	13.1.1914	Costs 3 0 0† (Costs included in penalty)	3 2	* 14 other summonses were adjourned till 10.3.1914 to give an opportunity for payment of arrears.
		...	9	10.3.1914	(Costs included in penalty)	1 10 10	† Or in default of payment 14 days imprisonment on each of two counts. Defendant went to prison for 28 days.
13	Lace	...	2	30.3.1914	Costs 10 0 Costs 3 6	1 0	One charge was dismissed. Arrears were paid.
14	Tailoring	...	1	15.5.1914	Costs 2 0 0* Costs 4 4 6	16 0	* In default one month's hard labour.

No.	Trade.	Nature of Offence.	No. of Workers affected.	Date of Hearing.	Penalty Imposed.	Arrears Ordered to be Paid.	Remarks.
15	Tailoring ...	(a) Underpayment (b) False information ...	18	17.7.1914	£ s. d. (a) 19 0 (b) Withdrawn. Costs 1 16 0	£ 9 9d	
16	Tailoring ...	Underpayment ...	5	17.7.1914	Costs 8 0 0	1 5 2d	
17	Paper Box ...	False information ...	—	6.8.1914	Costs 6 6 0	—	The sum of £12 had been paid to the worker in respect of whose wages the false information was given.
18	Lace ...	Underpayment ...	6	13.8.1914 23.9.1914	Costs 4 0 0 Costs 5 0	16 11	Convicted on one charge and the others were adjourned generally to give defendant an opportunity to pay the arrears. This was done.
19	Lace ...	(a) Underpayment (b) False information ...	3	23.9.1914	(a) 5 0 (b) Dealt with under Probation of Offenders Act. Costs 10 6	2	The two other summonses were adjourned generally on payment of arrears of 7d.
20	Tailoring ...	(a) Underpayment (b) False information ...	1	2.10.1914	(a) 10 0 (b) Six weeks imprisonment in Second Division without the option of a fine. Costs 1 3 0	4 0 0	
21	Tailoring ...	Underpayment ...	1	7.10.1914	Costs 5 0 0 Costs 7 0	1 13 0	The sum of £3 was paid by defendant out of which arrears were paid to worker. In default of payment of the balance the defendant was committed to prison for four weeks.
22	Tailoring ... (2 Defendants.)	(a) False records ... (b) False information ...	1	9.12.1914	(a) (1) 5 0 0 Costs 13 10 (2) 3 0 0 Costs 13 10 (b) 6 0 0 Costs 12 0	2 0 2	(a) Both defendants were convicted.
23	Tailoring ...	Underpayment ...	8	27.1.1915	Costs 1 4 0 Costs 1 11 0	17 2 8	(b) Charge only against one defendant. Prior to giving judgment the Stipendiary asked if Defendants were prepared to pay the £7 18s. 2d. arrears due, if not the Court would have them sent to prison without the option of a fine.
24	Paper Box ...	(a) False records ... (b) Underpayment ...	1	16.12.1914 and 23.12.1914	(a) 7 0 0 (b) 5 0 0 Costs 10 10 0	6 18 0d	
25	Tailoring ...	Underpayment ...	3	9.2.1915 and 10.2.1915	Costs 1 10 0 Costs 4 0	1 10d	Two cases were dismissed and decision in third case reserved. Cases were stated by Magistrate in respect of two. One case was abandoned. Appeal allowed 18.4.1915 and allowed. Case reheard on 5.8.1915 and judgment given.
26	Paper Box ...	Underpayment ...	7	28.4.1915	Costs 4 6 0 Costs 14 0	12 18 4	

No.	Trade.	Nature of Offence.	No. of Workers affected.	Date of Hearing.	Penalty Imposed.	Arrears Ordered to be Paid.	Remarks.
46	Tailoring ...	Underpayment ...	7	9.5.1917	£ 8 0 s 8 0 d 0	£ 2 2 0	
47	Sugar Confectionery and Food Preserving.	(a) Failure to post Notices ... (b) Underpayment ...	—	25.7.1917	Costs 2 2 0 (a) 2 15 0 (b) 5 0 0	50 3 5½*	* Refunded prior to the laying of informations.
48	Tailoring ...	(a) Failure to post Notices ...	5	6.9.1917	Costs 3 0 0	9 0 10	
49	Tailoring ...	(b) Underpayment ...	46	10.9.1917	(a) 3 0 0 } to include (b) 17 15 0 } Costs. 5 12 0	*	
50	Shirtmaking	Underpayment ...	2	7.11.1917	Costs 8 17 0	24 0 4*	* £800 arrears were paid before the case was heard.
51	Tailoring ...	Underpayment ...	7	1.2.1918	Costs 12 2 0	63 0 11	* No order made, but defendant undertook to pay arrears.
52	Shirtmaking	Underpayment ...	8	13.2.1918	Costs 70 17 6	11 11 8½	(Ireland).
53	Tailoring ...	(a) Underpayment ...	1	19.2.1918	Costs 8 0 0	3 2 4*	(Ireland).
54	Tailoring ...	(b) False information ...	1	19.2.1918	3 months' hard labour, reduced on appeal to a fine of £10. (27.3.18.)	2 10 6	* Defendant volunteered to pay arrears before appeal.
55	Tailoring ...	(a) Underpayment ...	5	21.2.1918	Costs 8 0 0 (a) 2 0 0 (b) 36 0 0	60 2 11	(Ireland).
56	Tailoring ...	(a) Underpayment ...	1	21.2.1918	Costs included in penalty. (a) 10 6 (b) 1 0 0	5 8 11	(Ireland).
57	Shirtmaking	(a) Underpayment ... (b) Failure to post Notices ... (b) False information ...	3	21.2.1918	— 4 0 0 Costs 16 0 (a) 15 0 (b) 15 0	Arrears paid prior to bearing. 5 7 1*	
58	Linen and Cotton Embroidery.	(a) Underpayment ... (b) False information ...	3	5.4.1918	Costs 19 6 0 (a) 1 0 0 (b) 1 0 0	1 0 9	
59	Paper Box ...	(a) Underpayment ... (b) Failure to post Notices ...	4	17.4.1918	Costs 14 0 (a) 4 16 6 (b) 3 5 6	1 1 0	
60	Lace	(a) Underpayment ... (b) False information ...	4	14.5.1918	Costs 29 9 6 (1) (a) 29 9 6 (2) and (3) 10 6 (b) 9 16 6		* A sum of £16 6s. 3d. was paid after issue of summonses but before the date of hearing.
61	Lace (3 Defendants.)	(1) (a) Underpayment ... (2) and (3) (b) Aiding and abetting in underpaying.	4 1	(1) 13.7.1918 (2) and (3) 16.7.1918.	Costs 3 6 (2) and (3) Cases against middlewomen were dismissed under Probation of Offenders Acts on payment of costs. (2) Costs 3 6 (3) Costs 3 6		

62	Tailoring ...	False information ...	...	27.9.1918	10 0 0 Costs 1 13 0	45 0 0	* £9 6s. 10d. arrears paid before laying of informations (Ireland).
63	Shirtmaking ...	Underpayment ...	...	23 9.4.1919	12 1 6 Costs 5 0 0	*	* Arrears amounting to £8 were paid before the hearing of the case.
64	Linen and Cotton Embroidery ...	False information ...	...	8 12.9.1919	12 12 0 Costs 4 0 0	*	* Arrears of £1 4s. 7d. paid before the hearing.
65	Tailoring ...	(a) Underpayment ... (b) Failure to post Notices	...	1 7.10.1919	(a) 3 0 0 (b) 1 0 0 Costs 12 6	2 3 0½	
66	Sugar Confectionery and Food Preserving ...	(a) Underpayment ... (b) Failure to keep records (c) or alternatively failure to produce records.	...	4 27.11.1919	(a) 40 0 0 (b) 2 0 0 (c) Withdrawn. Costs 20 0 0		
67	Tailoring ...	(a) Producing false receipts ... (b) Furnishing false information	...	1 27.1.1920	(a) Deposited.* (b) Withdrawn. (c) 45 0 0	*	* Witness admitted receipt of money and defendant pleaded "No case."
68	Shirtmaking ...	(a) Underpayment ... (b) Failure to keep records	...	3 13.2.1920	(a) 2 0 0 (b) 2 0 0 Costs 2 2 0	*	* Arrears of £12 5s. paid prior to hearing.
69	Tobacco ...	(a) Underpayment ... (b) Failure to post notices	...	3 29.3.1920	(a) 6 0 0 (b) 1 0 0 Costs 8 0	*	* Arrears of £12 paid after issue of summonses, and before hearing.
70	Tobacco ...	(a) Underpayment ... (b) Failure to post notices	...	4 7.4.1920	(a) 10 0 0* (b) 2 0 0	†	* On first summons, costs on other three summonses, and £230 6s. arrears paid after issue of summonses, and † £188 agreed to be paid after hearing.
71	Tobacco ...	Underpayment ...	...	17 28.7.1920	10 0 0	—	Shirtmaking to make an order, being unaware of Trade Board procedure and requirements. Ditto.
72	Tailoring ...	(a) Underpayment ... (b) Failure to post notices	...	3 28.7.1920	(a) 5 0 0 (b) 1 0 0	12 9 6	
73	Laundry ...	Underpayment ...	...	14 27.7.1920 adjourned to 3.8.1920. 1.3.1920	Costs 13 13 0	—	
74	Laundry ...	Underpayment ...	...	7 9.9.1920	15 1 0 Costs 4 4 0	—	
75	Tailoring ...	Underpayment ...	...	5 24.9.1920	Costs 1 10 0	54 10 3	
76	Laundry ...	Underpayment ...	...	7 26.10.1920	In view of the circumstances of the defendant the Department did not press for a penalty: (a) 30 0 0 (b) 20 0 0 Costs 10 10 0	9 16 1	* On first summons and 6s. costs on other four.
77	Retail Bespoke Tailoring ...	(a) Underpayment ... (b) Production of false records...	...	3 27.10.1920	or in default 3 months' imprisonment. (a) 5 0 0 (b) 1 0 0 Costs 5 0 0	—	
78	Laundry ...	(a) Underpayment ... (b) Failure to post notices	...	7 17.11.1920	5 0 0 Costs 2 0 0	5 2 1	
79	Tobacco ...	Underpayment ...	...	1 17.11.1920	(a) 35 0 0* (b) 1 0 0 (c) 1 0 0 Costs 10 10 0	37 7 0	* Or in default one month's imprisonment on each summons to run consecutively in respect of the first two and concurrently in respect of the other five.
80	Ready-Made and Wholesale Bespoke Tailoring ...	(a) Underpayment ... (b) Failure to keep records (c) Failure to post notices	...	7			

No.	Trade.	Nature of Offence.	No. of Workers Affected	Date of Hearing.	Penalty Imposed.	Arrears Ordered to be Paid.	Remarks.
81	Ready-Made and Wholesale Bespoke Tailoring.	(a) Underpayment ... (b) Failure to post notices ...	2	17.11.1920	£ s. d. (a) 10 0 0 (b) 0 0 0 Costs 10 10 0	11 0 0	
82	Ready-Made and Wholesale Bespoke Tailoring.	Underpayment ...	4	18.11.1920	Costs 8 0 0 Costs 5 5 0	11 14 11	
83	Ready-Made and Wholesale Bespoke Tailoring.	(a) Underpayment ... (b) Failure to keep records ... (c) Failure to post notices ...	4	18.11.1920	(a) 8 0 0 (b) 1 0 0 (c) 1 0 0 Costs 5 5 0	9 9 5	
84	Aerated Waters ...	(a) Underpayment ... (b) Failure to keep and produce records. (c) Failure to post notices ... (d) Underpayment ... (e) Failure to post notices ...	8	20.12.1920	(a) 32 0 0 (b) Withdrawn. (c) Withdrawn. Costs 15 15 0 (a) 3 3 0* (b) 0 10 0	44 8 1	
85	Ready-Made and Wholesale Bespoke and Retail Bespoke Tailoring.	(a) Underpayment ... (b) Failure to post notices ... (c) Refusal to produce records, or alternatively with failure to keep records.	11	28.2.1921	(a) 1 0 0 (b) 5 0 0 (c) 5 0 0 Costs 2 2 0	52 7 1	* 10 summonses were dismissed on payment of costs.
86	Boot and Shoe Repairing.	(a) Underpayment ... (b) Failure to post notices ... (c) Refusal to produce records, or alternatively with failure to keep records.	1	24.2.1921	(a) 1 0 0 (b) 5 0 0 (c) 5 0 0 Costs 2 2 0	15 0 0	(a) or in default 11 days' imprisonment. (b) " " 5 " (c) " " 5 "
87	Retail Bespoke Tailoring.	Underpayment ...	4	8.4.1921	Costs 40 0 0 (a) 5 1 6*	37 10 24	* Including witnesses' expenses.
88	Hat, Cap and Millinery.	(a) Underpayment ... (b) Failure to post notices ...	5	11.4.1921	(a) No fine. (b) 2 0 0 Costs 7 17 6	65 18 3	The Bench decided not to impose a fine as defendant agreed to pay the arrears before coming into Court.
89	Sugar Confectionary and Fruit Preserving.	(a) Non posting of notices ... (b) Non-production of records ... (c) Underpayment ...	1	14.6.1921	(a) 10 0 0 (b) 10 0 0 (c) 1 0 0 Costs 1 6*	—	The Bench refused to make an order for the payment of arrears.
90	Retail Bespoke Tailoring.	(a) Failure to keep records ... (b) Underpayment ...	3	3.6.1921	(a) 10 0 0 (b) 12 0 0 (c) 10 0 0	—	* Witnesses' expenses. The Sheriff refused to make an order for the payment of arrears.
91	Retail Bespoke Tailoring.	(a) Failure to keep records ... (b) Underpayment ...	10	15.7.1921	(a) 10 0 0 (b) 10 0 0 Costs 2 4 0	30 5 0	
92	Ready-Made and Wholesale Bespoke Tailoring.	(a) Underpayment ... (b) Rendering false information	1	6.7.1921	(a) 5 0 0* (b) 5 0 0 Costs 3 3 0	40 0 0†	* In default one month's imprisonment. † The Bench would only make an order for this amount (about one half of the arrears due) on the grounds that the worker condoned the offence by not making any complaint until he was dismissed.

93	Boot and Shoe Repairing.	Underpayment	...	...	1	15.7.1921	Costs 5 0 0 Leave to withdraw summonses granted 20.3.21. Arrears of £32 1s. 6d. paid to 20 workers. 15 0 0 Costs 5 5 0	30 0 0	Firm pleaded guilty, and question of arrears was adjourned <i>sine die</i> for arrangement between the parties.
94	Rope, Twine and Net	Underpayment	...	...	20	—		—	
95	Dressmaking and Women's Light Clothing.	Underpayment	...	...	15	18.5.1921		—	
96	Paper Box ...	Underpayment	...	...	14	18.8.1921	Case dismissed (Magistrate held that Officers' statement was unreliable as the workers knew they were being tested). Case dismissed.	—	
97	(1) Ready-made and Wholesale Bespoke Tailoring. (2) Retail Bespoke Tailoring. (3) Dressmaking and Women's Light Clothing.	(a) Failure to post notices (b) Underpayment.	...	...	(1) 14 (2) 20 (3) 4	23.7.1921		170 10 0	Notice of appeal on one count has been given. Will be heard on 4.11.1921. The Department agreed to accept £15 in full settlement of outstanding costs. Four cases of underpayment heard. The Magistrate stated that he would not increase penalty already imposed even if the other summonses were heard.
98	Rope, Twine and Net	Underpayment	...	...	46	20.3.1921	Costs 21 0 0 (a) 4 0 0 (b) 1 0 0 Costs 5 5 0 (1) 6 10 0 (2) 10 0 0 (3) 6 10 0 (4) 6 10 0 Costs 10 0 0	15 0 0	
99	Boot and Shoe Repairing.	(a) Underpayment (b) Failure to keep records	...	...	1	6.10.1921		—	
100	Perambulator and Invalid Carriage.	(a) Failure to post notices (b) Underpayment	...	...	44	29th & 30th July, 1921. Appeal heard 20.3.1921		—	
101	Dressmaking and Women's Light Clothing. Hat, Cap and Millinery.	(a) Failure to post notices (b) Underpayment	...	...	10	13.9.1921	(a) 1 0 0 (b) Dismissed under Probation of Offenders Act. (a) 1 0 0 (b) Dismissed under Probation of Offenders Act. (a) 1 0 0 (b) Dismissed under Probation of Offenders Act.	—	There were two defendants to each summons, the firm and their agent responsible for the conduct of the business, and the fine of £1 represents 10s. on each summons.
102	Retail Bespoke Tailoring. Dressmaking and Women's Light Clothing.	(a) Failure to post notices (b) Underpayment	...	...	3	"	(a) 1 0 0 (b) Dismissed under Probation of Offenders Act.	—	Ditto.
103	Hat, Cap and Millinery. Dressmaking and Women's Light Clothing.	Underpayment (a) Failure to post notices (b) Underpayment	...	...	5 9	"	Dismissed under Probation of Offenders Act. (a) 1 0 0 (b) Dismissed under Probation of Offenders Act.	—	Ditto.

No.	Trade.	Nature of Offence.	No. of Workers Affected.	Date of Hearing.	Penalty Imposed.	Arrears Ordered to be Paid.	Remarks.
104	Hat, Cap and Millinery.	(a) Failure to post notices (b) Underpayment	— 1	13.9.1921	£ s. d. (a) 1 0 0 Dismissed under Probation of Offenders Act. (a) Dismissed under Probation of Offenders Act. (b) Dismissed under Probation of Offenders Act.	— —	
105	Dressmaking and Women's Light Clothing.	(a) Failure to keep and produce records. (b) Underpayment Underpayment	8 8	" "			

CHAPTER VIII.

RELATIONS BETWEEN MINISTER OF LABOUR (BOARD OF TRADE) AND THE TRADE BOARDS.

1. *Respective functions of Minister and Trade Boards.*—The duties laid upon the Minister by statute are:—

- (i) The application of the Acts to trades by Special Order and the establishment of Trade Boards.
- (ii) The amendment of Special Orders where experience has shown that the definition of a trade as set out in the Special Order requires amendment.
- (iii) The periodical reconstitution of Trade Boards in accordance with statutory regulations.
- (iv) The constitution of District Trade Committees in cases where a Trade Board has decided to establish such Committees.
- (v) The consideration of minimum rates of wages submitted to the Ministry by Trade Boards and the confirmation or reference back of such rates.

The statutory functions of a Trade Board are:—

- (i) Fixing, varying, and cancelling rates.
- (ii) Registration of apprentices, granting certificates to learners and permits of exemption to workers who are incapable, by reason of infirmity or physical injury, of earning the minimum rates.
- (iii) Making recommendations to a Government Department relating to industrial conditions in the trade.

In addition to these duties, which can clearly be assigned to the Minister on the one hand and the Trade Board on the other, there are the duties of:—

- (i) Enforcing the Acts by inspection, and by prosecution where necessary, and
- (ii) Advising on questions of scope.

In these two matters, while it has been recognised throughout that the ultimate responsibility rested with the Minister, administration has passed through several stages.

In addition, the Minister is generally responsible to Parliament for the administration of the Acts as a whole, and, in particular, for the expenditure of money and provision of staff, whether in connection with meetings of a Board or in connection with prosecutions.

2. *The Single Chairman and Single Secretary.*—The Acts empower the Ministry to appoint a Chairman and a Secretary to each Trade Board, but they create no such position as that of Chairman of Trade Boards or Secretary of Trade Boards. When, however, the first Boards were set up the Board of Trade appointed as Chairman and Secretary respectively to all the Boards two officials of the Board of Trade who had been employed previously, with a small staff of investigation officers, on work in connection with the establishment of the Boards. The investigation staff referred to above continued to act under the control of these officials in connection with the establishment of further Trade Boards and subsequently, when the first minimum rates came into operation, as inspectors for the enforcement of those rates.

The Chairman was thus, on the one hand, an officer of the Board of Trade and under the Board of Trade's instructions and, on the other hand, Chairman of several independent statutory bodies whose views he was bound to voice. In 1912 steps were taken to define the position. The Board of Trade wrote to the Chairman intimating that the Board of Trade valued the technical knowledge and expert assistance of the several Boards and therefore wished the Trade Boards to be associated with the Board of Trade in the direction of the inspectors. At the same time, it was pointed out that it was impossible for any officer or any staff of officers to work under the directions of a number of independent Boards. It was accordingly proposed

that the staff of inspectors should be placed under the directions of the several Trade Boards, subject to the following conditions:—(a) that the officers should receive instructions only from the Chairman to whom alone they should be responsible; (b) that the Chairman should not employ the officers to enforce minimum rates in any branch of trade to which the Board of Trade considered that they did not apply; (c) that no legal proceedings should be taken without the express sanction of the Board of Trade in each case; (d) that the Chairman should refer to the Board of Trade all matters as to which he felt doubt; (e) that the above arrangements were provisional and open to revision in the light of experience.

The above arrangements were concurred in by all the Trade Boards and remained in operation until 1917. In accordance with the suggestion that the Trade Boards should be associated with the Board of Trade in the direction of the inspectors, several of the Boards established Administrative Committees to advise the Chairman on points which he might wish to refer to them. The principal points on which the Chairman consulted the Administrative Committees were those arising out of questions as to the scope of the respective Boards.

In addition, he consulted Administrative Committees in a small proportion of cases of infraction, chiefly ones in which technical questions, such as the yield of piece-rates were involved, in which he thought that the expert knowledge of the Committee would assist him. He was always careful in such cases to avoid giving the Committee any information which would enable them to identify the firm.

He also laid before the Trade Board concerned the very few cases, probably less than half-a-dozen in all, in which a worker definitely addressed a complaint to a Trade Board and asked them to recover arrears under Section 10 of the Act of 1909. In no case, however, did the Trade Board take this action. With these exceptions, all cases of infraction discovered in the course of inspection, whether on complaint or otherwise, in which criminal proceedings were contemplated were referred by the Chairman in the ordinary course of his duties to the Department and not to the Trade Board.

In 1917 the Minister of Labour decided not to continue the practice of appointing one whole-time Chairman for all the Trade Boards, and his decision was announced in the Labour Gazette of July, 1918 (p. 301) in the following form:—

"Mr. Aves was Chairman of all the Trade Boards, but the Minister has decided, after very careful consideration of the whole position, that it would not be advisable to appoint a whole-time Chairman to succeed Mr. Aves, and he has therefore determined that in future each Board (or group of Boards) shall have a separate Chairman, as he considers that this will promote a sense of greater independence on the part of the Boards."

In these circumstances it was impossible to continue the old arrangements for the direction of the staff of Investigating Officers, and it was accordingly decided that the Secretary should hold the combined post of Chief Executive Officer and Secretary of the several Boards. As Secretary of each Board this officer, of course, continued to be responsible to the Board, while as Chief Executive Officer in control of the Investigating Officers he was responsible to the Ministry of Labour. This position was explained to the several Boards in letters addressed to them by the Ministry in July, 1918.

The Secretary under this arrangement in matters of scope and enforcement was in substantially the same position as the Chairman. At the beginning of 1920 the Minister decided that the Inspecting Staff should be placed under the direct control of the Department and that all opinions on scope should be issued directly on his authority.

The following letter was addressed to the Boards:—

"Sir,

"I am directed by the Minister of Labour to say that he has had under consideration the

relation to the Trade Boards of the officers appointed for the purpose of investigating complaints and otherwise securing the proper observance of the Trade Boards Acts. He communicated on this subject in July, 1918, to the Trade Boards which were in existence at that time, and he desires to recapitulate, for the information of the Trade Board, the views he then expressed, with such modifications as have been suggested by further experience of the working of the Acts. The increased number of the Boards, the establishment in certain cases of separate Boards for different parts of the United Kingdom, and the rapid extension of the application of the Acts which is projected, make it imperative, in the Minister's opinion, to ensure a proper system of co-ordination. He trusts that he will have the co-operation of the Trade Board in the arrangements which he proposes for this purpose.

"As you are aware, the Chief Executive Officer and his staff are directly responsible to the Ministry of Labour. The Minister regards it as essential, in view of his own responsibility to Parliament for the administration of the Trade Boards Acts, that the decision in all questions of enforcement should rest with him in consultation with his legal and other advisers. In the consideration of all such questions, however, he wishes to utilise to the full the technical experience of the Trade Boards, and he accordingly proposes to circulate to each Board monthly a report upon the enforcement of the Acts in the trade with which it is concerned, and to invite any observations which it may wish to offer thereon. He will, of course, also be glad to receive at any time the expression of a Trade Board's opinion upon this and kindred matters.

"The Minister desires at the same time to refer to the related question of the interpretation of Regulations and Orders made under the Trade Boards Acts. Many requests for such interpretations are received both by this Department and by individual Trade Boards, and, though, of course, no binding opinion can be given except by a Court of Law, the Minister regards it as important that persons who may be affected should receive advice that will assist them. He greatly appreciates the attention which Trade Boards have given in the past to these difficult matters, on which their experience and practical knowledge are invaluable. The question of interpretation, however, is closely connected with that of enforcement, because the instructions to the Chief Executive Officer naturally depend upon the interpretation which is placed on the Orders and Regulations, and the Minister therefore considers that he must take upon himself also the responsibility for the issue of interpretations to the public. He accordingly proposes that all inquiries of this kind, whether addressed to an individual Trade Board or to the Ministry of Labour, shall be dealt with by the Ministry, and that replies shall be sent on his authority. As in matters of enforcement, he trusts that he will be able to rely on the advice of the Trade Boards in all cases of doubt and difficulty, and that the Boards will freely communicate to him their views on these questions of scope and interpretation.

"The Minister will be glad to hear at your earliest convenience whether this proposal meets with the approval of the Trade Board."

3. *The Committee on Trade Boards Administration*.—The administrative changes referred to in the last section gave rise in certain quarters to the impression that the Minister by limiting the functions of the officer who was Secretary to all the Trade Boards wished to encroach upon the proper functions of the Boards themselves. A number of Boards protested against the Minister's action and asked to be received in deputation. A deputation was received in the autumn of that year from all the Trade Boards in Great Britain, and the Minister was charged not only with wishing to deprive the Boards

of any voice in interpretation of scope and enforcement, but also with the improper exercise of his power of referring rates back for reconsideration.

As a result of this conference, the Minister decided to appoint a small Committee, consisting of 3 officers of the Department and of 2 Chairmen of Trade Boards, 4 employers' representatives, and 4 workers' representatives on Trade Boards who were nominated by the conference. The Committee issued a Majority and a Minority Report which made recommendations for improving co-ordination between the Department and the Trade Boards in the discharge of their respective functions. Both reports recommended that the staff engaged in carrying out, on behalf of the Minister, the work of enforcement and interpretation of scope should be stationed at the same office as the secretarial staff attached to the Trade Boards, that they should both be under the control of a single officer of the Ministry and that questions of scope should be dealt with in the first instance by the Secretary of the Trade Board or Trade Boards concerned, subject to control by a responsible officer of the Ministry. The Majority Report, in addition, recommended that there should be a Chief Secretary of Trade Boards, in charge of all the secretarial staff, responsible to the Trade Boards as Secretary and to the Department in matters of scope. They stated that this appointment was necessary not only in order that the work of the Secretaries might be adequately co-ordinated, but also in order that each Board might have at its disposal an officer responsible to it with a general knowledge of the working of all the other Boards. The Minority Report objected to such an appointment on the grounds that the independence of the Boards might be jeopardised by the influence of a permanent official who, while partially responsible to the Ministry and to each Trade Board, was fully responsible to no one. A further recommendation made by both Reports was for the appointment of a Standing Advisory Committee of Trade Board members.

At the resumed conference, which met the Minister in May, 1921, a resolution was passed by a majority, asking the Minister to adopt the Majority Report. In announcing his decision, the Minister stated that he had endeavoured to meet to the fullest extent the wishes of the signatories of the Majority Report consistently with the responsibilities laid upon him by Parliament, but he was bound to recognise that the Report represented a compromise between two points of view. The one view was that a Trade Board should have largely extended powers and should be mainly or wholly independent, not merely in the exercise of its rate-fixing power, which among others, the Acts have conferred upon the Trade Board alone, but also in other matters for which Parliament had made him responsible. The other view was that it was impossible to make such a change while the present Acts were in operation. Without expressing an opinion on the policy involved in the former view, the Minister felt that in the interests of the Trade Board machinery as a whole nothing should be done at this stage to prejudice the position in one direction or another. In these circumstances he accepted the following recommendations of the Majority Report:—

1. That the practice of early consultation between the Department and Trade Boards on matters arising out of their determinations should be continued and extended.
2. That a Trade Board should, if it wished, send a deputation to interview his legal adviser upon legal questions.
3. That for the present only one officer should be appointed as Secretary to all the Trade Boards.
4. That a Chief Inspector should be appointed in control of all officers engaged on Trade Boards inspection.
5. That all questions of the scope of any Trade Board should be referred to the Secretary of the Trade Board concerned before being dealt with by the Department.

He also promised to give further consideration to the question of increasing the inspectorate.

The conferences of Chairmen of Trade Boards, of representatives of employers, and of representatives of workers on Trade Boards respectively were held to elect the Advisory Committee, but the conferences of employers and workers passed resolutions declining to proceed with the formation of the Committee on the ground that the Minister had not adopted "the principal recommendations" of the Majority Report. The Advisory Committee was thereupon dropped. The new arrangements as to question of scope are described in Chapter IV.

CHAPTER IX.

STAFF† AND EXPENDITURE.

1. *Headquarters Staff (excluding Inspectorate).*—The functions attaching to the Minister (Board of Trade) were carried out until 1917 by the Labour Department of the Board of Trade, which was transferred in that year to the Ministry of Labour. At the passing of the Amending Act of 1918 an investigating staff of 24, under two staff officers, was formed to carry out enquiries into the conditions of trades in which the establishment of Trade Boards appeared desirable. This staff was subsequently raised to a total of 60 (mainly temporary officers) under special Treasury authority, and was reduced to 20 on 1st April, 1921, on the expiry of the special authority. About the same time it was transferred to the Intelligence and Statistics Division of the Ministry as a "common service" for the whole Ministry, although its main work continued to be Trade Board investigation.

The administrative and higher staff were placed on a permanent footing in 1919, when Treasury sanction was obtained for the following posts:—

Assistant Secretary	1
Principal Clerk	1
Senior Clerks	2
Senior Staff Clerks	2
Upper Division Clerks (2 women)	6
Staff Clerks (Lower Grade)	3
Minor Staff Officers	3

As the pressure of work increased with the number of Trade Boards, and also through the new arrangements as to scope and enforcement, this staff was increased by transfers from other Departments of the Ministry, and stands at present as follows:—

Trade Boards Branch of General Department (excluding Inspectorate).

Assistant Secretary (1)	(£1,000-£1,200)*	
Principal Clerks (2)	(£700-£900)*	
Senior Clerks (3)	(£550-£650)*	
Junior Upper Division Clerks (3)	(£200-£500)*	
Senior Staff Clerk (1)	}	(£550-£650)*
Temporary Senior Staff Clerk (1)		
Deputy Chief Executive Officer (1)	}	(2 at £300-£400)*
Staff Clerk (1)		
Negotiating Officers (loaned from I.R. Department (6)	{ (4 at £200)*	
Assistant Secretary of Trade Boards (in training) (1)	{ (£300-£400)*	
Minor Staff Clerks (4)	{ (£200-£300)*	
Temporary Administrative Assistants (5)	{ (1 at £300-£400)*	
	{ (1 at £400)	
	{ (3 at £430)	
Temporary Junior Upper Division Clerk (1)	{ (£300)	
Clerical Officers (2)	{ (£80-£250)*	
Clerical Staff (23)	{ Male (75/- to 106/-)	
	{ Female (57/- to 74/6)	
Permanent Staff	21	
Temporary Staff	34	
Total	55	

* Exclusive of bonus.

† September, 1921.

2. *Staff attached to Trade Boards.*—Until 1917 a permanent Officer of the Board of Trade was Chairman of all the Trade Boards. The only staff at the Chairman's disposal, beside a Secretary and clerical staff, was the inspectorate (*see below*). After 1917, the Secretary was placed in charge of all this staff with the title of Chief Executive Officer, and two deputies were appointed, one to assist him in secretarial work and the other to take charge of the inspectorate. With the increase in the number of Trade Boards, the secretarial work became very heavy, and assistance had to be given by the inspectors. In 1919 Treasury sanction was obtained for the appointment of Secretaries and Assistant Secretaries on scales of £400-£500 and £300-£400 respectively to the number of three to every nine boards. Three Secretaries and 8 Assistant Secretaries have been appointed; these officers have not been allotted to any particular Boards, but assist the Secretary generally. The total staff, secretarial and clerical, is as follows:—

Staff in Office of Trade Boards.

Chief Executive Officer (1)	(£700-£900)*
Deputy Chief Executive Officer (1)	(500-£700)*
Secretaries (3)	(£400-£500)*
Assistant Secretaries (7)	(£300-£400)*
Staff Clerk (1)	(£300-£400)*
Minor Staff Clerks (2)	(£200-£300)*
Clerical Staff (45)	(as T.B. Branch)
Permanent Staff	23
Temporary Staff	37
Total	60

3. *Inspectorate.*—In 1911-12 there were four inspectors, two men and two women. The numbers in subsequent years were as follows:—

July 1914	9
" 1915	12
" 1917	10
" 1918	9
" 1919	9

In 1920 there were 17 full time inspectors, six of whom were under training, and a varying number of Unemployment Insurance Inspectors who gave part of their time to the work. 21 of these Unemployment Inspectors received short periods of training in the Trade Board work at Headquarters and some 50 did more simple cases from time to time without trainging at Headquarters. This arrangement was made as part of a scheme for the pooling of Inspectorates which has now been given up. It is impossible to state at all accurately how many effective officers were added to the Trade Board staff in this way as the trained officers spent a considerable part of their time in training the others, many of whom worked only part time. The Unemployment Insurance Inspectors remained under the disciplinary control of the Divisional Officers of the Employment Department of the Ministry and were stationed in the Employment Divisions. In September, 1921, a change was made, the Trade Boards Branch securing from the Employment Department the whole time services of 9 officers who had had considerable experience in Trade Board work. The present position as regards number of inspectors is:—

Number stationed at Headquarters	27
" " in Provinces	9
	36

4. *Expenditure.*—The attached table shows the amounts spent in each financial year since the passing of the 1909 Act in connection with salaries, fees and travelling. A note on other expenses follows. During the financial years 1909-10 to 1919-20 (inclusive), no separate figure was kept by the Board of Trade, or, subsequently, by the Ministry of Labour in respect

* Exclusive of bonus.

of the salaries of officers at Headquarters engaged upon work in connection with the administration of the Trade Boards Acts. The figures given, therefore, include only expenses in connection with Office of Trade Boards. It was only during the financial year 1919-20, after the passing of the 1918 Act, however, that the staff at Headquarters rose to appreciable proportions, i.e., above a dozen.

The increase of expenditure during this year was, of course, due to the rapid increase in the number of Boards and the consequent increase of staff, both at the Office of Trade Boards and at Headquarters, especially important in this connection being the staff necessary to deal with the investigation of trades prior to the formation of Trade Boards. The rise of the Civil Service Bonus with the Cost of Living Index Figure and the increase of subsistence allowances to workers' representatives to include payment for lost time also led to an increase in expenditure.

The total expenditure under all heads, excluding Post Office services, during the year 1921 was approximately £120,000 (detailed statements below).

Actual expenses during the first five months of the financial year 1921-22 to 31st August have amounted to approximately £35,000, and it is estimated that on the total expenditure for the year a saving of about £20,000 will be effected as compared with expenditure in the year 1920-21.

A.—Statement showing expenditure, 1909-1920, in connection with the administration of the Trade Boards Acts.

Year.	Salaries (and fees of members).		Travelling, etc.		Total.	
	£	s. d.	£	s. d.	£	s. d.
<i>Board of Trade.</i>						
1909-10 ...	—	—	—	—	783	9 11
1910-11 ...	2,979	2 3	1,488	8 5	4,467	10 8
1911-12 ...	3,627	0 8	3,163	2 2	6,790	2 10
1912-13 ...	4,067	3 4	2,634	1 0	6,701	4 4
1913-14 ...	5,687	9 11	3,555	0 8	9,242	10 7
1914-15 ...	6,131	3 4	3,621	14 4	9,752	17 8
1915-16 ...	6,192	1 10	3,656	3 11	9,848	5 9
1916-17 ...	6,637	2 0	4,267	9 1	10,904	11 1
<i>Ministry of Labour.</i>						
1917-18 ...	8,058	10 8	6,114	7 3	14,172	17 11
1918-19 ...	9,068	2 0	6,064	16 6	15,132	18 6
1919-20 ...	14,288	14 5	12,774	10 4	27,063	4 9

*B.—Details of Expenditure in Financial Year 1920-21
(Figures to the nearest £1,000).*

Expenses of Trade Boards.

Staff (including Inspectorate at that time stationed at Office of Trade Boards) ...	£22,000
Fees of Appointed Members ...	4,000
Travelling and Allowances ...	26,000
	<u>£52,000</u>

Headquarters.

Staff employed on administration of the Acts subsequent to the establishment of a Trade Board ...	£12,000
Staff employed on application of the Acts to Trades ...	43,000
	<u>£55,000</u>
Total ...	<u>£107,000</u>

Notes.—Nothing is included in the above in respect of services rendered by (i) Post Office; (ii) Office of Works; (iii) Stationery Office.

(i) It is impracticable to assess separately the cost of postal services.

(ii) In 1911 the Office of Trade Boards was established in 5, Old Serjeant's Inn, Chancery Lane. The rent of these premises (on a pre-war lease) was £2,050 per annum (inclusive of rates), the total annual cost including heating, lighting, cleaning, etc., being £2,285 per annum. With the growth in the number of Boards in 1919 and 1920 these premises were found to be too small, especially as regards Board Room accommodation. On 29th March, 1921, accordingly the office was moved to 7-11, Old Bailey, E.C.4, where there is almost twice as much Board Room accommodation as at Chancery Lane. The cost of adopting the new premises was £2,360, a sum which is included in the total expenditure given above for the year 1920-1921. The cost of the present Office of Trade Boards is:—

	£
Rent ...	3,186
Rates ...	1,600
Heating ...	421
Water rate ...	52
Lighting, lifts, etc. ...	292
Total ...	<u>£5,551</u>

(iii) The cost of stationery services had risen by the middle of 1921 to a figure which may be estimated at £10,000 per annum. Steps have been taken to reduce the amount of printing and duplicating and, as a result, future expenditure on this head may be estimated at £5,000.

Distribution of Duties among Staff of Trade Boards Branch, September, 1921.*

- 1 Assistant Secretary.
- 1 Principal Clerk (General Policy).
- 1 Principal Clerk.

Application of the Acts, Constitution of New Trade Boards, Revision of Scope.

- 1 Senior Clerk.
- 1 Assistant Principal.
- 3 Temporary Administrative Assistants.
- 1 Minor Staff Officer.
- 1 Negotiating Officer.

Interpretation of Scope.

- 1 Senior Clerk.
- 2 Women Upper Division Clerks.

- 1 Senior Clerk.

Confirmation of Rates, etc.

- 2 Assistant Principals.
- 1 Senior Staff Clerk.
- 1 Minor Staff Officer.

Reconstitution of Trade Boards.

- 1 Temporary Administrative Assistant.
- 1 Negotiating Officer.
- 1 Assistant Secretary of Trade Boards.

Records and Supervision of Clerical Staff.

- 1 Negotiating Officer.

- 1 Senior Staff Clerk (Acting Chief Inspector).

Enforcement Policy.

- 1 Deputy Chief Executive Officer.
- 1 Staff Clerk (lower grade).
- 2 Minor Staff Officers.
- 5 Assistant Negotiating Officers.

Inspectorate.

- 36 Officers.

* Clerical Staff excluded.

ANNEX II.

COMPARISON OF RATES OF WAGES FIXED BY TRADE BOARDS WITH MINIMUM RATES IN OTHER INDUSTRIES AT 12TH OCTOBER, 1921.

I.—Men.

The analysis of the Trade Board minimum rates given in Table A at the end of this Annex shows that the great majority (over three-fourths of the whole) of the minimum rates of wages fixed for adult men by the various Trade Boards in Great Britain, excluding the higher rates (above the general minimum) fixed by certain Boards for special classes, range from 1s. 1½d. to 1s. 4½d. per hour. In only three cases is the rate higher than 1s. 4½d., and in

only two cases is it below 1s. 1½d. About two-thirds of the Boards have minima ranging from 1s. 2d. to 1s. 4d. These minima generally apply to men of 21 years of age or over; but in a few cases the minimum age to which the rate applies is fixed at 22 years, and one case it is 24 years. The higher rates above the general minimum for the trade fixed by certain Boards for special classes of men range from 1s. 1½d. or 1s. 2d. up to (as a rule) 1s. 8d. or 1s. 9d., and in the case of two trades, 2s. or 2s. 0½d. In certain other industries, minimum rates of wages have been fixed for men by an agreement or resolution of a Joint Industrial Council or an Interim Industrial Reconstruction Committee. Particulars of these rates are given in the following Table:—

J.I.C. AND I.I.R.C. AGREEMENTS.

(Men.)

Trade.	District.	Rates for lowest grade of men.		Rates for special classes (excluding foremen).
		Rate per hour.	Grade.	
Lock, Latch and Key ...	Midlands, London, etc.	1s. 6d. to 1s. 8½d.	Men*	1s. 7d. to 2s. 4½d.
‡Cocoa and Chocolate Confectionery.	Great Britain ...	1s. 4½d.	Dayworkers* ...	—
Needle, Fish Hook, etc. ...	Redditch	1s. 4½d.	Men 21 and over ...	1s. 6½d. to 1s. 9d.
Bobbin Making	England and Wales ...	1s. 4½d.	Labourers	1s. 6d. to 1s. 8d.
Asbestos	Great Britain	1s. 4½d.	Men 21 and over ...	—
Soap and Candle	Various	1s. 4½d. to 1s. 6d.	Men 21 and over ...	—
Paint, Colour and Varnish ...	United Kingdom ...	1s. 3½d.	Men 21 and over ...	—
Woolen and Worsted Manufacture.	Yorkshire	1s. 3½d.	Labourers, odd men, etc.	1s. 4½d. to 1s. 8½d.
†Wrought Hollow-ware ...	Birmingham, Dudley, Wolverhampton and Lye.	1s. 3½d.	Labourers	—
Match Making	United Kingdom ...	1s. 3½d.	Men 18 and over ...	—
‡Sugar Confectionery and Fruit Preserving.	United Kingdom ...	1s. 3½d.	Men 21 and over ...	—
Lead Smelting and Rolling ...	Various	1s. 3d. to 1s. 5d.	Men*	—
Breweries	Nottingham, Derbyshire, and Lincs.	1s. 2½d. to 1s. 4½d.	Beer bottlers and matsters.	—
Boot and Floor Polish	England	1s. 2½d.	Men 21 and over ...	—
Electricity Supply	Great Britain	1s. 2½d. to 1s. 6½d.	Labourers	1s. 2½d. to 2s. 3½d.
Coir Mat	Great Britain	1s. 2½d.	Men 21 and over ...	—
Flour Milling	Various	1s. 2d. (day work)	Labourers	1s. 5d. to 1s. 9½d.
Furniture Removing and Warehousing.	Various	1s. 1½d. to 1s. 3d.	Porters	1s. 2½d. to 1s. 7½d.
Incandescent Mantle	Great Britain	1s. 0½d.	Men 21 and over ...	—
Woolen and Worsted Manufacture.	West of England ...	1s. 0d.	Carters, Jobbers, Yarn Jobbers and all others unskilled.	1s. 1d. to 1s. 4½d.
Local Authorities (Non-trading Services).	Various	11½d. to 1s. 8d.	Labourers	—

* Grade unspecified.

† This trade is covered both by a J.I.C. and by a T.B. The T.B. rate has recently been reduced.

‡ This trade is covered both by an I.I.R.C. and a T.B. The rate fixed by I.I.R.C. is higher than that fixed by the T.B. Only a proportion of employers are represented on the I.I.R.C.

It will be seen that the rates fixed vary considerably, ranging from 11½d. or 1s. to 1s. 8½d. for the lowest grades, and from 1s. 1d. to 2s. 4½d. for higher grades. Excluding lock, latch and key making the range is 11½d. to 1s. 8d. for the lowest grades, and 1s. 1d. to 2s. 3½d. for the special grades. The great majority of the rates for the lowest grades fall between 1s. 2½d. and 1s. 6d. and are clearly no lower, on the whole, than the minima fixed by the Trade Boards, the great majority of which, as shown above, range between 1s. 1½d. and 1s. 4½d.

In other industries it is unusual for agreements to be made fixing general minimum rates of wages for men of an unspecified grade, but in many cases agreements have been made between the employers' associations and the trade unions concerned fixing

differential minimum rates of wages for different grades of workers.

In such cases the minimum rates fixed for unskilled labourers provide a basis of comparison with the Trade Board minimum rates, and particulars of these minima are accordingly given below for a number of trades which may be regarded as fairly comparable with the majority of Trade Board trades. In a few cases in which general minima have been fixed for men, irrespective of occupation, these minima have been included. Trades in which rates have been fixed for the London area alone or for other single centres in which wages are exceptionally high, have not been included. The classes of workmen dealt with in the Table are, therefore, in general, not of higher grade than those to whom the Trade Board minima (excluding those for special classes above the general minimum for the same trade) apply.

Rates agreed upon between Employers' Associations and Trade Unions.

Industry.	Minimum Rate per hour for Unskilled Labourers or for men of unspecified trades.
<i>Metal Trades.</i>	
Pen Making (Birmingham) ...	1s. 4d.
Bobbin and Shuttle Trade (Scotland).	1s. 4d.
Silver, Electro Plate, etc. (Sheffield)	1s. 3½d.
Gold, Silver, etc. (Birmingham) ...	1s. 0½d.
Hosiery Needle (Leicester) ...	1s. 0½d.
<i>Textile Trades.</i>	
Bleaching, Dyeing, Finishing, etc. (Yorks, Lancs. and Scotland).	1s. 3½d. to 1s. 4½d.
Dyeing and Dry Cleaning (Great Britain).	1s. 3½d.
Making-up and Packing (Manchester).	1s. 3½d.
Lace Making (Nottingham) ...	1s. 3d.
Silk Manufacture (Leek and Macclesfield).	1s. and 1s. 1½d.
Flannel Weaving (Wales) ...	1s. 1d.
<i>Other Trades.</i>	
Export Packing (London) ...	1s. 4½d.
Fellmongering (Great Britain) ...	1s. 4½d.
Employees of Co-operative Societies (Great Britain).	1s. 2½d. to 1s. 6d.
Umbrella and Walking Stick Making (London and Glasgow).	1s. 2d.
Wholesale Textile Warehousing (London).	1s. 1½d.
Wholesale Clothing, etc. Warehousing (Manchester).	1s. 1½d.
Leather Tanning and Currying (Great Britain).	11d. to 1s. 2d.
<i>Clothing.</i>	
Boot and Shoe Manufacture (Great Britain).	1s. 2d.
<i>Transport.</i>	
Railway Porters (Great Britain) ...	1s. 2½d. to 1s. 3½d.
<i>Paper, Printing, etc.</i>	
Paper Tube Making (Yorks. and Lancs.)	1s. 6½d.
Paper Making (Great Britain) ...	1s. 3½d.
Printing (Great Britain) ...	1s. 3d. to 1s. 5½d.
<i>Woodworking.</i>	
Mill Sawing (Great Britain) ...	1s. 4d. to 1s. 9d.
Shuttle Making (Lancs.) ...	1s. 3½d.
Vehicle Building (London, Liverpool and Glasgow).	1s. 2d. to 1s. 3d.
<i>Pottery and Chemical.</i>	
Pottery (N. Staffs) ...	1s. 3½d.
Drug and Fine Chemical (Great Britain).	1s. 2½d.
<i>Food and Drink.</i>	
Brewing (Principal Centres) ...	1s. 4½d. to 1s. 7d.
Oil Cake Milling (Liverpool) ...	1s. 3½d.
Flour Milling (Great Britain) ...	1s. 2d. to 1s. 5½d.
Rice Milling (Liverpool) ...	1s. 2d.

It is clear from this Table that the minimum rates fixed by agreement between many employers' associations and trade unions for unskilled labourers, or for men generally, are at least as high, on the whole, as the great majority of the Trade Board minima for men of no lower grade.

Outdoor workers, such as builders' labourers and dock labourers, whose rates of pay are to some extent influenced by considerations of weather conditions, are not included above, but it may be mentioned that the rates for the ordinary unskilled labourer in these trades are generally higher than the Trade Board minima. For example, the rates for builders' labourers range from 1s. 2½d. in the small country towns in the southern counties to 1s. 7½d. in some of the large industrial towns, and those for dock labourers are 1s. 7½d. in the smaller ports and 1s. 9d. in the larger ports.

In the engineering and shipbuilding trades, in which minimum rates have not in most cases been fixed by joint agreement, the rates of wages of unskilled labourers mostly range from about 1s. 3½d. to 1s. 5d., and even in the small towns in the South-West of England, where wages are relatively low, the rates are generally 1s. 2½d. or more.

It is evident, therefore, that whether the comparison is made with the corresponding rates fixed by Joint Industrial Councils and Interim Industrial Reconstruction Committees, or with those fixed by direct agreement between employers' associations and trade unions, the general minimum rates fixed for men by the Trade Boards in Great Britain are not unduly high.

As regards the *special rates*, above the general minima, fixed by certain Boards for special classes of workmen ranging from 1s. 1½d. to 1s. 8d. or 1s. 9d. (2s. and 2s. 0½d. in two exceptional cases), it may be observed that the range of wages for workmen in other industries runs considerably higher.

The following are examples of the approximate average hourly rates of wages of typical classes of skilled workmen in other industries, from which it will be seen that rates of 1s. 8d. to over 2s. an hour are not exceptional:—

Cabinet Makers ...	1s. 8d.	} (Average rate in the principal centres.)
French Polishers ...	2 1	
Letterpress Printers (Compositors and Machinemen) ...	2 1	
Shipwrights ...	1 10	
Fitters and Turners ...	1 9½	} (According to length of service.)
Railway Engine Drivers ...	1 8 to 2 0½*	

2. Women.

For women of 18 years of age the great majority of the *minimum* rates fixed by the Trade Boards for Great Britain range between 8d. and 9½d. per hour for women of 18 years of age or over (see Table A). 8d. to 9d. being the most general rates. Special rates above the general minimum for the trade, fixed by some Boards for special classes of women mostly range from 8½d. to 1s. or 1s. 0½d. per hour, although in two trades higher rates have been fixed for certain grades of women.

*Additional "Mileage" allowances are also earned in some cases.

The following Table summarises, for comparison, the minimum rates of wages fixed for women by Joint Industrial Councils and Interim Industrial Reconstruction Committees:—

Trade.	Locality.	Rates for Lowest Grade of Women.		Rates for Special Classes (excluding forewomen).
		Rate.	Grade.	
Asbestos	Great Britain ...	11d.	Women of 18 years	—
Cocoa and Chocolate Confectionery.*	Great Britain ...	9½d.	" " "	—
Bobbin Making	England and Wales	9½d.	" " "	—
Match Making	England and Wales	9½d.	" " "	—
Wrought Hollow-ware Manufacture.†	Midlands	9d.	" " "	—
Sugar Confectionery and Fruit Preserving.*	England and Wales	9d.	" " "	—
Flour Milling	Great Britain ...	9½d to 10½d.	" " "	—
Needle, Fish Hook, etc., Making.	Redditch	8½d.	" " "	—
Boot and Floor Polish Making	England	8½d.	" " "	—
Soap and Candle Making ...	Great Britain ...	8d. to 9½d.	" " "	—
Paint, Colour and Varnish Making.	Great Britain ...	8d.	" " "	—
Incandescent Mantle Making	Great Britain ...	8d.	" " "	—
Lock, Latch and Key Making	Midlands	7½d.	Warehouse Women.	8d. to 9d.
Woollen and Worsted Manufacture.	Yorkshire	7½d. to 9½d.	Worsted Doffers and Women of 18 in Woollen Spinning.	8½d. to 10½d.
Coir Mat Weaving	Great Britain ...	7½d.	Women of 18 years	—
Woollen Manufacture	West of England ...	7½d.	" " "	7½d. to 8d.
Glove Making†	England	7d.‡ to 7½d.§	" " "	—

* Covered both by Trade Boards and Interim Industrial Reconstruction Committees. Interim Industrial Committees only represent proportion of employers, and has fixed higher rate than Trade Boards.

† This trade is covered both by a Joint Industrial Council and a Trade Board. The Trade Board rate has recently been reduced.

‡ Fabric.

A comparison of the figures in this Table with those in Table A below reveals a remarkably close similarity between the rates fixed by the Trade Boards and those fixed by the Joint Industrial Councils and Industrial Reconstruction Committees. In both cases a range of 8d. to 9½d. per hour covers the majority of the rates fixed for women other than special classes.

Turning to trades not covered by Joint Industrial Councils or Reconstruction Committees, the following Table gives particulars of the minimum rates fixed for women by settlements arranged between employers and workpeople, in a number of industries selected as being most nearly comparable with the Trade Board rates.

RATES AGREED BETWEEN EMPLOYERS' ASSOCIATIONS AND TRADE UNIONS.

Trade.	Minimum Rate for lowest grade of women.		Rates for Special Classes.
	Rate.	Grade.	
<i>Metal Trades.</i>			
Bobbin and Shuttle Making (England and Scotland.)	8½d.-9½d.	Women of 18 years	—
Pen Making (Birmingham)	8d.	" "	—
Hosiery Needle Making (Leicester)	7½d.	" "	—
Engineering (Great Britain)	7½d.*	" "	—
Screw Making (Birmingham)	7½d.	" "	—
Malleable Ironfounding (Midlands)	6½d.	" "	7½d. to 9d.
Harness Furniture Making	6d.	Warehouse hands	6½d. to 8d.
Gold and Silver, etc. Working (Birmingham)	5d.	Women of 18 years	6½d. to 9d.
<i>Textile Trades.</i>			
Woollen and Worsted Manufacture (Scotland)	9½d.	Throstle piecers... ..	10d. to 11½d.
Elastic Web Weaving (Leicester)	8½d.	Women of 18 years	9½d. to 10½d.
Knitting (Manchester)	8½d.	Dhottie hookers	—
Making-up and Packing (Manchester)	8½d.-9½d.	Women of 18 years	—
Bleaching, Dyeing, etc. (Lancs., Yorks. and Scotland.)	8½d.-9d.	Slip winders, menders, drummers, strippers and beamers.	9d. to 10½d.
Lace Making (Nottingham and Long Eaton)	8½d.-8½d.	Winders, pickers and other women of 18 years.	8½d. to 9½d.
Silk Manufacture (Leeds and Macclesfield) ...	6d.	Women of 18 years	—
Flannel Weaving (Wales)	7d.	Women of 18 in closing and heel building department and stock and shoe rooms.	—
<i>Clothing Trades.</i>			
Boot and Shoe Manufacture (England and Wales).	6½d.	Women of 18 years	—
Dyeing and Dry Cleaning (England and Wales)	6½d.		

* Rate paid by members of the Engineering and National Employers' Federations, but not formally agreed to by the Trade Union.

Trade.	Minimum Rate for lowest grade of women.		Rates for Special Classes.
	Rate.	Grade.	
<i>Paper, Printing, &c.</i>			
Paper Tube Making (Yorks. and Lanes.) ...	1s. 0d.	Waxers, bag fillers, paper dampers, &c.	1s. 1d. to 1s. 1½d.
Printing (England and Wales) ...	8½d.-1s.	Feeders, bookbinders and machine rulers.	—
Paper Making (England and Wales) ...	8½d. and 9d.	Women ...	—
<i>Food and Drink.</i>			
Oil Cake Milling (Liverpool) ...	9d.	Women of 18 years ...	—
Rice Milling (Liverpool) ...	8½d.	" ...	—
Brewing (Principal Centres) ...	7½d.-10½d.	Women of 18 years (mainly in bottling stores).	—
<i>Pottery : Chemical, &c.</i>			
Drug and Fine Chemical (England and Wales)	8d.	Bottle washers and finishers ...	8½d. to 9½d.
Explosives Manufacture (England and Wales)	7½d.	Women of 18 years ...	—
Pottery (N. Staffs.) ...	6½d.-6¾d.	Warehouse and dipping house women.	7d. to 9½d.
Brick and Roofing Tile Making (N. Staffs.)...	5½d.	Women of 18 years ...	—
<i>Other Trades.</i>			
Domestic and Persian Roller Leather Making (England and Wales).	9½d.	Women of 18 years ...	—
Chamois Leather Glove Making (Hyde and district).	8½d.	Skilled glove machinists ...	—
Cork Working (London) ...	7½d.	Rounders and dockers (19 years)	8d. to 10d.
Employees of Co-operative Societies (England and Scotland).	7½d.-11d.	Assistants of 18 years...	—
Agriculture (England and Wales) ...	7d.-8d.	Women of 18 years ...	—
Wholesale Textile Warehousing (London) ...	6½d.	" " ...	—
Whip Making (Walsall) ...	6½d.	" " ...	—
Leather Tanning and Currying (England and Wales).	6½d.-7½d.	" " ...	—
Retail Grocery (Manchester) ...	5½d.	Porters ...	6d. to 1s. 0½d.

† Minimum rates fixed by Agricultural Wages Board.

It will be seen that while there is a wide variation in rates of wages as between different industries, there are numerous cases in which the rates fixed are as high or higher than those fixed for women by Trade Boards.

TABLE A.
Trade Board Minimum Rates in Great Britain in operation on 12th October, 1921.
I.—Men.

Rate per hour.	Age.	Trade.	Special Rate (if any) per hour.
1s. 5d.	21	Perambulator ...	1s. 6d.-2s.
1s. 4½d.	—	Paper Bag ...	1s. 5½d.-1s. 8½d.
"	21	Boot and Shoe Repairing.	1s. 6½d.-2s.
"	—	Chairs*	1s. 5d.-1s. 11½d.
"	21	Milk Distributive—London.	1s. 5½d.-1s. 8d.
1s. 4d.	22	Shirtmaking ...	1s. 7d.-1s. 9d.
"	21	Toy ...	—
1s. 3½d.†	21	Coffin Furniture, etc.	1s. 7d.-1s. 11d.
"	21	Milk (Urban, exo. London) (E. & W.).	1s. 4½d.-1s. 6½d.
1s. 3½d.	21	Tobacco ...	—
1s. 3½d.	21	Aerated Waters (England and Wales).	—
1s. 3d.	21	Tin Box ...	1s. 5d
"	21	Laundry ...	—
"	21	Linen and Cotton Handkerchief.	—
"	21	Aerated Waters (Scotland).	—

* Rates rising from 1s. 5d. to 1s. 11½d. per hour according to size of iron used for Dollied or Tommied Chainmaking and Hand-hammered Chainmaking.

† Rate for men with 1-5 years' experience. The rate for men with less than 1 year's experience is 1s. 2½d., and that for over 5 years 1s. 4½d.

Rate per hour.	Age.	Trade.	Special Rate (if any) per hour.
1s. 3d.	21	Cotton Waste ...	—
"	21	Rope, Twine and Net	1s. 3½d.-1s. 8½d.
1s. 2½d.	21	Stamped or Pressed Metal Wares.	1s. 6d.-1s. 10d.
14/10/21).	—	Hollow-ware...	—
1s. 2½d.	24	Sugar Confectionery	—
"	22	Retail Bespoke Tailoring.	1s. 5d.-1s. 9d.
"	22	Ostrich Feather and Artificial Flower.	—
"	21	Brush and Broom ...	1s. 5½d.
"	22	Crasnet ...	1s. 3d.-1s. 7d.
"	22	Dress Making and Women's Light Clothing.	1s. 7d. (England and Wales).
"	21	Fur ...	1s. 2d.-1s. 8d.
"	21	Hair, Bass and Fibre	1s. 5½d.-1s. 6d.
"	22	Hat, Cap and Millinery.	1s. 7d.-1s. 9d. (England and Wales).
1s. 1½d.	21	Milk Distributive (Rural) (E. & W.).	1s. 3d.-1s. 4½d.
"	—	Paper Box ...	1s. 2½d.-1s. 7½d.
1s. 1½d. (from 17/10/21).	21	Button ...	1s. 2d.-1s. 3½d.
1s. 1½d.	21	Flax and Hemp ...	—
"	22	Ready-Made and Wholesale Bespoke Tailoring.	1s. 2d.-1s. 11½d.
"	21	Pin, Hook and Eye ...	1s. 3d.-1s. 7½d.
1s. 1½d.	—	Wholesale Mantle and Costume.	1s. 1½d.-1s. 9d.
11d.	21	Jute ...	—

II.—Women.

Rate per hour.	Age.	Trade.	Special Rate (if any) per hour.	Rate per hour.	Age.	Trade.	Special Rate (if any) per hour.
11½d.	31	Boot and Shoe Repairing.	1s. 4½d.—2s.	8½d.	—	Dressmaking (England and Wales).	9½d.—10½d.
10d.	21	Milk Distributive (London).	10½d.—1s. 1½d.	"	18	Hat, Cap and Millinery.	—
9½d.	21	Tobacco	—	"	18	Hair, Bass and Fibre	9½d. and 9½d.
9½d.	—	Paper Bag	—	"	18	Rope, Twine and Net	8½d.—10½d.
"	—	Paper Box	—	8½d.	21	Brush and Broom ...	—
"	—	Retail Bespoke Tailoring.	10½d. and 1s. 0½d.	8½d.	21	Milk Distributive (Rural).	8½d.—10d.
9d.	21	Perambulator	9½d.—1s. 1d.	8d. (from 14/10/21).	18	Stamped or Pressed Metal Wares.	9d.—1s.
"	18	Tin Box	—	8d.	18	Laundry†	8½d.
"	21	Milk Distributive (Urban exc. London) (E. & W.).	9½d.—11½d.	"	18	Pin, Hook and Eye, etc.	8½d.
8½d. and 9½d.*	—	Dressmaking (Scotland).	—	"	—	Ostrich Feather and Artificial Flower.	—
8½d.	18	Fur	10d.—1s. 8d.	"	18	Cotton Waste Reclamation (Scotland).	—
8½d.	—	Chain**	—	"	18	Flax and Hemp ...	—
8½d.	18	Linen and Cotton Handkerchief.	—	"	18	Hollow-wares ...	—
"	—	Ready-made Tailoring	8½d.—9½d.	"	18	Aerated Waters† (Scotland).	—
"	18	Shirtmaking	—	—	—	Coffin Furniture, etc.: (a) Coffin Furniture Section.	(a) 6d.—8½d., according to age and experience.
"	18	Sugar Confectionery	1s. 2½d.†			(b) Cerement making Section.	(b) 7d.—9d., according to age and experience.
"	21	Toy	—				
"	—	Wholesale Mantle and Costume.	8½d.—9½d.				
"	18	Aerated Waters (England and Wales).	—	7d.‡	—	Lace Finishing ...	—
"	18	Button	—	"	18	Jute	8½d.—1s. 1½d.
"	—	Corset	—				
"	18	Cotton Waste Reclamation (England and Wales).	—				

* Retail branch. † Other than Retail Branch.

† For workers of 6 months' experience. For those with less experience the rate is 7½d.

‡ 7½d. in Cornwall and Orkney and Shetland Islands.

§ For workers who fetch own work the rate is 8d.

¶ For workers of 24 years of age on men's work.

** For making Hand-hammered Chain of certain sizes.

ANNEX III.

A.—Comparison of Trade Board Rates on 12th October, 1921, where Trade Boards have fixed one flat general minimum time-rate only for the whole trade.

Adult Workers.

Trade Board.	Age of Worker.	Males.	Females.	Particulars of outstanding proposals to vary the rates.
		Rate per hour. s. d. (approx.)	Rate per hour d.	
Aerated Waters (England and Wales).	21 and over ...	1 3½ ^c (approx.)	—	Proposal dated 7th October, 1921, to reduce rates to 1s. 2½d. ^c (approx.) for males and 8d.† per hour (approx.) for females.
	18 and over ...	—	Approx.. 8½†	—
Aerated Waters (Scotland).	21 and over ...	1 3	After 6 months employment... 8	—
Brush and Broom (Great Britain).	21 and over ...	—	8½	Rates proposed on 19th August, 1921, for female pan hands ranging from 8½d. to 1s. 4½d. per hour according to operations performed.
Button-Making (Great Britain).	18 and over ...	—	8½*	* Proposal of 23rd May, 1921, to reduce rate to 7½d. per hour; rates as varied being confirmed by Order of 10th October, and becoming effective 17th October, 1921.
Corset	Other than learners	—	8½	—

Trade Board.	Age of Worker.	Males.	Females.	Particulars of outstanding proposals to vary the rates.
		<i>Rate per hour.</i> <i>s. d.</i>	<i>Rate per hour.</i> <i>s. d.</i>	
Cotton Waste Reclamation (Great Britain).	21 and over ...	1 3	—	Proposal of 21st July to reduce rates for males to 1s. 2d. per hour and for females to :— (a) E. & W. ... 8d. per hour, (b) Scotland ... 7½d. "
	18 and over ...	—	(a) Eng. & Wales 8½ (b) Scotland ... 8	
Dressmaking (Scotland)	22 and over ...	1 2	—	Proposal of 11th July, 1921, to vary rates which will (when confirmed) be for special classes and other workers. Rates now submitted for confirmation.
Flax and Hemp (Great Britain).	21 and over ...	1 1½	—	
	18 and over ...	—	Not less than 6 months' experience ... 8	
Hat, Cap and Millinery (England and Wales).	Other than learners	—	8½	—
Hat, Cap and Millinery (Scotland).	Over 22 ...	1 2	—	—
Hollow-ware (Great Britain).	Other than learners	—	8½	—
	Other than learners	1 2½	8	—
Jute (Great Britain) ...	21 and over ...	11	—	—
Lace Finishing ...	Over 18 ...	—	7	—
Laundry (Great Britain)	21 and over ...	1 3	—	—
Linen and Cotton Handkerchief and Household Goods and Linen Piece Goods (Great Britain).	21 and over ...	1 3	—	—
	18 and over ...	—	8½	—
Ostrich and Fancy Feather and Artificial Flower (Great Britain).	22 and over ...	1 2	—	—
	Other than learners	—	8	—
Paper Bag (Great Britain).	Other than learners	—	*9½	*Proposal of 2nd August, 1921, to reduce rate to 8½d. per hour.
Paper Box (Great Britain).	Other than learners	—	*9½	*Proposal of 4th August, 1921, to reduce rate to 8½d. per hour.
Shirt Making (Great Britain).	Other than learners	—	8½	—
Sugar Confectionery (Great Britain).	24 and over ...	1 2½	—	—
Tin Box (Great Britain)	18 and over ...	—	*9	*Proposal of 11th August, 1921, to reduce rate to 8d. per hour.
Tobacco (Great Britain)	21 and over ...	1 3½	—	—
	21 and over ...	—	9½	—
Toy (Great Britain) ...	21 and over ...	1 4	—	Proposal of 20th September, 1921, to reduce rates to :—1s. 2d. per hour for males and 7½d. per hour for females.
	21 and over ...	—	8½	

B.—Comparison of *Lowest* Trade Board Rates (i.e. general minimum time-rates for "other workers") on 12th October, 1921, where Trade Boards have also fixed rates for special classes of workers in the trade.

Adult Workers.

Trade Board.	Age of Workers.	Males.	Females.	Particulars of outstanding proposals to vary rates for "other workers."
		<i>Rate per hour.</i> <i>s. d.</i>	<i>Rate per hour.</i> <i>s. d.</i>	
Boot and Shoe Repairing (Great Britain).	21 and over ...	1 4½	—	Proposal of 24th March, 1921, to increase rates to :—1s. 6d. per hour for males.
Workers employed in a productive department on patching machines.	21 and over ...	—	11½	
Brush and Broom (Great Britain).	21 and over ...	1 2	—	Proposal of 2nd August, 1921, to reduce rate for males to 1s. 1½d. per hour.
Button-making ...	21 and over ...	1 3½	—	Proposal of 23rd May, 1921, to reduce rates to :—1s. 1½d. for males and 7½d. for females.
Chain (Great Britain)	Other than learners	For making Hand-hammered chain up to and including ½" — 8½d. per hour.	—	

Trade Board.	Age of workers.	Males.	Females.	Particulars of outstanding proposals to vary rates for "other workers."
		<i>Rates per hour.</i> s. d.	<i>Rates per hour.</i> s. d.	
Coffin Furniture (Great Britain)—				
(A) Coffin Furniture Section.	21 and over ...	1 ½*	—	—
	18 and over ...	—	8½	—
(B) Cereament making Section.	18 to 21 ...	—	7	—
	21 and over ...	—	7½	—
Corset	22 and over ...	1 2	—	—
Dressmaking &c. (England and Wales).	22 and over ...	1 2	—	—
Dressmaking &c. (Scotland).	Other than learners	—	8½ wholesale branch 8½d.	—
Fur (Great Britain) ...	21 and over ...	1 2	—	—
	18 and over ...	—	1st 6 months 7½d. Thereafter 8½d.	—
Hair, Bass and Fibre (Great Britain).	21 and over ...	1 2	—	Proposal of 22nd July, 1921, to reduce rates to:—1s. 1½d. per hour for males and 8d. per hour for females.
	18 and over ...	—	8½	—
Hat, Cap and Millinery (England and Wales).	22 and over ...	1 2	—	—
Jute (Great Britain)	18 and over ...	—	7	—
Laundry (Great Britain)—				Proposal of 17th August, 1921, to reduce rates for females to 7½d. for (b) [rest of Great Britain].
(a) Administrative County of Cornwall and the Orkney and Shetland Islands.	18 and over ...	—	(a) 7½	
(b) rest of Great Britain.			(b) 8	
Milk Distributive ... (England and Wales).	21 and over ...	(A) 1 1½ (B) 1 3½ (C) 1 4½	(A) 8½ (B) 9 (C) 10	— — —
(C) London District except parts administered by a R.D.C.				
(A) Areas administered by R.D.C.'s with population of less than 10,000.				
(B) Other areas.				
Paper Bag (Great Britain).	Other than learners	1 4½	—	Proposal of 2nd August, 1921, to reduce rates to:—1s. 3½d. per hour for males.
Paper Box (Great Britain).	Other than learners	1 1½	—	Proposal of 4th August, 1921, to reduce rates for special classes of males.
Perambulator and invalid Carriage (Great Britain).	21 and over ...	1 5	9	Proposal of 11th August 1921, to reduce rates to:—1s. 3d. for males and 8d. for females.
Pin, Hook and Eye and Snap Fastener (Great Britain).	21 and over ...	1 1½	—	—
	18 and over ...	—	8	—
Ready-made and Wholesale Bespoke Tailoring (Great Britain).	22 and over ...	1 2	—	—
	Other than learners	—	8½	—
Retail Bespoke Tailoring (Great Britain).	22 and over ...	1 2	—	Proposal of 3rd August, 1921, to reduce rates for females to 8½d. per hour.
	Other learners ...	—	9½	—
Rope, Twine and Net (Great Britain).	21 and over ...	1 3	—	Proposal of 18th July, 1921, to reduce rates to: 1s. 1d. per hour for males and 8d. per hour for females.
	18 and over ...	—	8½	—
Shirtmaking (Great Britain).	22 and over ...	1 4	—	—
Stamped or Pressed Metal Wares (Great Britain).	21 and over ...	1 2½	—	These rates come into operation 14th October, 1921.
	18 and over ...	—	8	—
Sugar Confectionery &c. (Great Britain).	18 and over ...	—	8½	Proposal of 15th August, 1921 to reduce rate to 7½d. for females.
Tin Box (Great Britain)	21 and over ...	1 3	—	Proposal of 11th August, 1921, to reduce rate to 1s. 2d. per hour for males.
Wholesale Mantle and Costume (Great Britain).	22 and over ...	1 1½	—	—
	Other than learners	—	8½	—

* Workers of less than one year's experience.

ANNEX IV.

COMPARISON OF INCREASES IN TRADE BOARD RATES AT 12TH OCTOBER, 1921, WITH INCREASES IN WAGES IN OTHER TRADES.

The following Table shows the minimum rates per hour in operation in July, 1914, in the trades for which Orders under the Trade Boards Act had then

been made, and the minimum rates fixed in 1915 and January, 1916, for certain further trades for which Trade Boards were established. The Table also shows the present minima in each of these cases and the percentage increase which these represent.

Trade.	Men.			Women.		
	Minimum Rates.		Increase per cent. in hourly rates.	Minimum Rates.		Increase per cent. in hourly rates.
	July, 1914, or when first fixed.	Oct., 1921.		July, 1914, or when first fixed.	Oct., 1921.	
<i>In operation at July, 1914 :—</i>						
Chain	s. d. 0 5½ to 0 7½	s. d. 1 5 to 1 11½	205 to 209	d. 2½	d. 8½	214
Lace Finishing	—	—	—	2½	7½	173
Paper Box (Great Britain)	0 6	1 1½	129	3	9½	208
„ (Ireland)	0 6	1 1½	125	2½	7½	173
Ready-Made and Wholesale Bespoke Tailoring (Great Britain).	0 6	1 2	133	3½	8½	162
Ready-Made Tailoring (Ireland) ...	0 6	1 0½	113	3	8	167
<i>Fixed subsequently :—</i>						
Sugar Confectionery (Great Britain)	0 6 (June, 1915).	1 2½	142	3 (June, 1915)	8½	183
„ „ (Ireland)	0 5½ (Sept., 1915).	1 1½	157	2½ (Sept., 1915)	7½	210
Shirtmaking (Great Britain)	1 1½ (Nov., 1919).	1 4	14	3½ (July, 1915)	8½	143
„ (Ireland)	1 1½ (May, 1921).	1 1½	—	3½ (Dec., 1915)	8	146
Tin Box (Great Britain)	0 6 (Nov., 1915).	1 3	150	3½ (Nov., 1915)	9	177
Hollow-ware (Great Britain)	0 5½ (Jan., 1916).	1 2½	164	3 (Jan., 1916)	8	167

For men the percentage increases range from 113 to about 200, and seven of the nine cases fall within a range of 125 to 164. This is rather less, on the whole, than the percentage increase in hourly rates in organised industries generally since July, 1914, which is estimated to average at least 150 per cent. for adult workers generally, and considerably more for the lower paid grades of workmen. For example, the percentage increases in the hourly rates of unskilled labourers in the cotton, coal mining, engineering, and building industries and in agriculture range between 145 and 200 per cent., and in the railway service they considerably exceed the latter figure.

For women under the Trade Boards the percentage increases shown are rather greater than those for

men, ranging from 143 to 214. In the principal women's industries not covered by the Trade Boards Acts the increases in hourly rates of wages have varied widely, ranging from little more than 100 per cent. in some cases up to more than 200 per cent. in others. On the whole, the percentage increases in the Trade Board minima appear to be somewhat greater than those in the wages of women in well organised industries, but, as has already been shown, there are numerous cases in which rates equally high have been fixed for workers not covered by Trade Boards. Moreover, in the case of three of the trades shown in the Table in which the percentages are relatively high, viz., Paper Box, Sugar Confectionery, and Tin Box (Great Britain), proposals for reduction of rates have been issued.

ANNEX V.

EFFECT OF TRADE BOARD LEGISLATION ON INDUSTRIAL EFFICIENCY.

Important evidence on the effect of Trade Board rates in increasing efficiency in equipment, organisation, and methods of supervision has been obtained in the course of inspection, and the good effects in these respects have been admitted by employers. Some of these have, under the pressure of circumstances, so reorganised their methods as to pass from a position in which they had accumulated arrears of wages amounting to hundreds of pounds to one in which they were fully capable of keeping their trade, while paying Trade Board rates.

The following notes give summaries of a few cases in the Corset, Shirtmaking and Laundry Trades. Examples from other trades could also be given.

1. *Corset Trade.—Machinery and Equipment.*—The Inspector found four groups of piece-workers underpaid to the following extent:—9½ per cent.,

10½ per cent., and 26½ per cent. (two groups). He found that the power provided was insufficient properly to drive the cutting machines and the stitching machines. The machines' speeds were very poor and had a big effect in causing the low earnings of the general machinists. The position was explained to the employer. At a later visit it was found that the firm had had the engine and the machines overhauled by competent engineers and the improvements were reflected in the improved earnings of the machinists.

2. *Corset Trade.—Organisation, Supervision and Equipment.*—The failure to pay the Trade Board rates was traced in this case to a variety of causes. The equipment was fairly good, but the machines were of varying values owing to different drives. This was reflected in the workers' earnings and output. The organisation was found to be bad. The machinists had to do their own fetching and carry-

ing, as well as other operations, which the Inspector considered should have been done by juveniles. The stitchers had to keep the machines idle 10 per cent. of the working day while they did boning. As regards supervision, the Inspector reported that the factory had apparently been run in a slipshod manner and that this was largely responsible for the low earnings. Later the firm undertook to make good the deficiencies, including the lack in supervision and general management.

3. *Shirtmaking.—Equipment and Organisation.*—The Inspector reported that in this case both equipment and organisation were bad. Breakdowns were frequent owing to the poor quality of the gas used for the gas engine. Even when there were not stoppages there was often a slowing down of the engine, which materially affected machine speeds. He considered that the machines ought to be run at a speed 20 per cent. higher than they were when he made tests. Workers were frequently kept waiting for work, and the machinists had to do their own fetching and carrying, which ought to have been performed for them. Later the firm admitted that they had relied on their apparently more than adequate piece prices to fulfil the Trade Board requirements, and that they had not realised the importance of the conditions referred to.

4. *Shirtmaking.—Equipment, Organisation and Supervision.*—In this case the Inspector reported that the inability to pay the Trade Board rates was due to faults in respect of equipment, organisation and supervision. The machines were reported to be very poor and worn. During one visit of the Inspector he reported breakdowns in three different machines during the short time he was in the factory. These the workers themselves had to repair, the lost time varying from 8 to 15 minutes. Work was found to be given out oddly and irregularly; the workers came and went at their own times and no time records were kept. There was a big variation in work, which was done in short runs. An improvement which had taken place between two visits of the Inspector was attributed in part to the appointment of a foreman in place of a forewoman; the foreman stayed behind, when necessary, in order to tune up the machines. The employer admitted that the very low earning power had been due to the working conditions.

5. *Shirtmaking.—Organisation.*—In this case piece prices paid appeared to be fairly high. The employer showed from an adverse audit report that

the firm could not, without grave risk, again raise their piece prices. On examination, the Inspector found that the low yield of the piece-rates was due to a very poor system of manufacture. He pointed out to the employer that he should be able to keep the machines working full time and to increase daily output from 20 to 30 per cent. if he made the following changes:—(1) slight readjustment in supplying work; (2) the creation of a full-time and properly balanced creasing team, using the slowest stitchers for this purpose, first on time-rates and afterwards on piece-rates; and (3) readjusting the stitching rates to allow for the taking away of the creasing.

6. *Laundry.—Organisation.*—The inspection in this case was made at the instance of the firm itself. The management felt that although apparently high piece-rates were being paid, the earnings of the workers on these piece-rates might not be sufficient to satisfy the Trade Board requirements. The firm desired, therefore, to have the matter cleared up by the Inspector. The Inspector found that the earnings of the piece-workers were inadequate, requiring to be increased by about 25 per cent. He found the piece prices, however, the same as had in other circumstances yielded higher earnings and, on examination, reported that the low earnings were due to the following causes:—(1) waiting for work, especially on Fridays; (2) time lost by workers (ironers) in fetching and carrying their own work; (3) faulty preparation of work, i.e., either too wet or too dry; (4) workers (ironers) doing their own goffering; (5) workers folding and pinning shirts after ironing them. The Inspector made suggestions remedying each of these deficiencies.

As illustrative of the manner in which Trade Board inspection work may lead to greater efficiency and at the same time bring to light facts as to uneconomic employment of juvenile labour, the following remarks from the report of a special inquiry into the wages paid on the carding of safety pins (Pin, Hook and Eye Trade) may be noted:—“Most home workers were found to card by the quickest method, i.e. opening pin, inserting pin in card, and closing pin in one operation; other workers taking much longer to get through the work were found to card by first opening all pins, next inserting all pins and lastly closing all pins (such workers usually had the help of children, who generally opened all the pins ready for the mother to insert them in the cards, afterwards helping in the closing).”

ANNEX VI.

NOTES SHOWING THE RESULTS OF INVESTIGATION OF SPECIFIC STATEMENTS THAT TRADE BOARD RATES HAVE CAUSED UNEMPLOYMENT.

(1) *Laundry Trade.*

In June, 1921, a Steam Laundry announced to its customers that it was closing down “because a Government Department had ordered the company to raise wages again.”

Investigation revealed that:

1. The output of the laundry was low owing to inefficient organisation of work and antiquated machinery;
2. Overhead charges were disproportionately high in relation to turnover;
3. Difficulties in obtaining coal during the coal strike had led to a further lowering of output;
4. Owing to the admission of an official of the company, to the high overhead charges and old machinery, there had been little or no profit from the business for some considerable time.

It was admitted by the firm that the variation of rates to which the closing down had been originally attributed (involving an increase of £3 per week on a £50 wages bill) was not really responsible for this

result, and that the laundry had only been kept running during the last 12 months in order that it might, if possible, be sold as a going concern.

Corset and Dressmaking Trades.

It was stated in an article in the “Evening News” on 19th January, 1921, that 600 dressmaking and corset workshops in Hampshire had been closed down on account of the operation of Trade Board rates, which showed, it was alleged, an increase of about 700 per cent. on pre-war rates.

Enquiries showed that the total number of employers known to be engaged in these trades in Hampshire was:—

In the Corset Trade ...	22
In the Dressmaking Trade ...	403

and that since June, 1920, two corset establishments and 10 dressmaking establishments had closed. Further investigation showed that the closing of the corset establishments in question was due to general causes and not to the operation of particular Trade Board rates. This was admitted by the manager of the most important establishment, who, while of the opinion that Trade Board rates might be acting to some extent prejudicially, attributed the depression obtaining in the Corset Trade at that time to the

inability of the English manufacturer to compete in Continental markets, owing to the breakdown of the foreign exchanges.

It may be noted that if the Trade Board rates in the Dressmaking and Corset Trades in January, 1921, did in fact represent an increase of 700 per cent. on pre-war rates, the pre-war rates were 1d. to 1½d. per hour for fully trained adult workers.

Dressmaking, Millinery and Retail Bespoke Tailoring—Salisbury.

The Salisbury Chamber of Commerce passed a resolution in March, 1921, attributing the general state of unemployment in the country mainly to the action of Trade Boards, which they called upon the Government to abolish. They also wrote to Mr. Hugh Morrison, M.P., stating that about 60 workers in the above trades in Salisbury had been dismissed owing to the operation of Trade Boards rates.

A special enquiry was carried out in Salisbury in April, as a result of which it was ascertained that:—

- (1) Three firms had closed down dressmaking workrooms employing 39 hands within the past 12 months, mainly owing to their inability to pay Trade Board rates;
- (2) No serious change in the numbers employed in Hat, Cap and Millinery and Retail Bespoke Tailoring workshops had taken place;
- (3) Great slackness of trade in all three trades had conduced to the closing of the workrooms referred to in (1) above and elsewhere had led to slight reductions of staffs and general short-time.

Note.—It should be noted that the rates which formed the main subject of criticism in the above cases, the rates for juveniles in the retail dressmaking, millinery and tailoring trades, have been substantially reduced in the course of this year (1921).

ANNEX VII.

RELATION OF WAGES TO COST OF PRODUCTION IN THE FLAX AND HEMP AND JUTE TRADES.

The demand of certain employers for the removal of the Flax, Hemp and Jute industries from the operation of the Trade Boards Acts is put forward on the ground that if the employers had been free to lower wages they would have been able to sell at such lower prices as would have enabled them to dispose of more goods, and in consequence much of the present unemployment in the Flax and Hemp and Jute industries would have been avoided; and, similarly, that if they could be free from now onward to lower wages, they would be able to avoid discharging further workers and in a better position to re-engage workers when trade revives.

The reduction in wages which would suffice to secure these advantages is understood to be one of 20 to 25 per cent. To judge the strength of the argument, it is necessary to consider what reduction in the total cost of production (including the cost of raw materials) such a reduction in wages would effect.

According to the Census of Production, the value of the raw materials used in the linen, hemp and jute trades of Scotland constituted almost exactly three-quarters of the gross cost of production, the remaining one-quarter comprised the whole costs of manufacture; and of this quarter (as may be ascertained from a comparison of average net output per head in 1907 with average annual earnings per head as given in the Earnings and Hours Enquiry of 1906) one-half represents wages. Consequently wages represented one-eighth (one-half of one-quarter) of the gross cost of production, and a reduction of wages by 25 per cent. would in 1907 have affected the selling price of the finished product by one-quarter of one-eighth, or approximately by 3 per cent.

The Census of Production does not differentiate, so far as the cost of raw materials used is concerned, between Flax, Hemp and Jute, and consequently the inference drawn above is applicable only to those trades regarded as a group, and is not necessarily true of any section of that group or of any particular establishment.

In considering how far the conclusion reached above is true of the first nine months of 1921, it is necessary to take account of the changes in the pro-

portions in which wages and materials entered into the gross cost of production during that later period.

In the case of Jute it is estimated that wages have increased in greater degree than the cost of raw materials. But assuming the ratio of wages to gross cost of production in the jute trade to have been in 1907 not greatly different from the ratio ascertained for the whole group, the relative increase is not so great as to render wages costs more than one-fifth of the total costs of production (including the cost of raw materials), and a reduction of wages by 25 per cent. would, during the first nine months of 1921, have affected the selling price of the finished product by less than 5 per cent.

In the case of Flax the position is even more striking. The cost of the raw material increased in far greater degree than the cost of labour, so that the part played by wages in determining the cost of the finished product became of even lesser importance. It must be remembered, however, that in consequence of the high price of flax a considerable admixture of lower-priced materials, such as hemp and cotton, have been used, and any final statement would depend on a knowledge of the degree to which these cheaper materials have been introduced.

It may be pointed out that the prices of imported flax, hemp and jute have fluctuated violently during the three years ended September, 1921.

In the case of Flax the average monthly c.i.f. price, according to the Board of Trade Returns of the weight and value of imported flax, has varied between £605 per ton in March, 1920, and £127 per ton in September, 1921. In the case of Hemp the average c.i.f. price has varied between £107 in December, 1918, and £38 in June, 1921. In the case of Jute the average monthly c.i.f. price has varied between £69 per ton in December, 1919, and £19 per ton in May and June, 1921. In so far as the volume of sales, and consequently of employment, is conditioned by the practicable price at which the finished article can be offered, the effect of these violent fluctuations is such as to overwhelm the effect upon selling prices which could be obtained by cutting wages by 20 or 25 per cent.

Should the price of raw materials used by these trades decrease in greater degree than labour costs the importance of wages as a factor in the gross costs would be correspondingly increased.

ANNEX VIII.

Table showing (a) Number of Actual Employers and Workers.

(b) Number of whole-time Officials of Employers' Associations and Trade Unions who hold seats on Trade Boards in Great Britain.†

Trade Board.	Workers' Side.				Employers' Side.			
	No. of Representatives of Workers on the Board.	Actual Workers.	Full Time Trade Union Officials.	Percentage of Trade Union Officials on Board.	No. of Representatives of Employers on the Board.	Actual Employers.	Full Time Officials.	Percentage of Officials on Board.
Aerated Waters (E. & W.).	20	14	6	30	20	19	1	5
Boat and Floor Polish (G.B.).	10	5	5	50	10	10	—	—
Boot and Shoe Repg. (G.B.).	19	12	7	37	19	18	1	5
Brush and Broom (G.B.).	17	12	5	29	17	16	1	6
Button Making (G.B.).	16	13	3	19	16	16	—	—
Chain (G.B.)....	6	3	3	50	6	6	—	—
Coffin Furniture (G.B.).	7	4	3	43	7	6	1	14
Corset... ..	12	5	7	58	12	10	2	17
Cotton Waste (G.B.).	10	5	5	50	10	9	1	10
Dressmaking (E. & W.).	30	18	12	40	30	28	2	7
Flax and Hemp (G.B.).	22	8	14	64	22	22	—	—
Fur (G.B.). ...	15	13	2	13	15	15	—	—
General Waste (G.B.).	30	20	10	33	30	29	1	3
Grocery and Provisions (E. & W.).	39	29	10	26	39	37	2	5
Hair, Bass and Fibre (G.B.).	9	6	3	33	9	8	1	11
Hat, Cap and Millinery (E. & W.).	28	18	10	36	28	26	2	7
Hollow-ware (G.B.).	17	13	4	24	17	17	—	—
Jute (G.B.). ...	16	7	9	56	16	16	—	—
Lace Finishing ...	8	7	1	13	8	8	—	—
Laundry (G.B.). ...	24	11	13	64	24	23	1	4
Linen and Cotton, &c. (G.B.).	11	6	5	45	11	10	1	9
Made-up Textiles (G.B.).	18	13	5	28	18	17	1	6
Milk Distributive (E. & W.).	25	12	13	52	25	22	3	12
Ostrich and Fancy Feather (G.B.).	11	8	3	27	11	10	1	9
Paper Bag (G.B.). ...	16	13	3	19	16	15	1	6
Paper Box (G.B.). ...	19	16	3	16	19	18	1	5
Perambulator (G.B.).	14	8	6	43	14	13	1	7
Pin, Hook and Eye (G.B.).	9	6	3	33	9	8	1	11
Ready-made Tailoring (G.B.).	24	12	12	50	24	22	2	8
Retail Bespoke Tailoring (G.B.).	24	17	7	29	24	20	4	17
Rope, Twine and Net (G.B.).	24	14	10	42	24	23	1	4
Sack and Bag (G.B.).	14	9	5	36	14	14	—	—
Shirtmaking (G.B.).	24	20	4	17	24	23	1	4
Stamped or Pressed Metal Wares (G.B.).	18	10	8	44	18	17	1	6
Sugar Confectionery (G.P.).	22	17	5	23	22	21	1	5
Tin Box (G.B.). ...	21	14	7	33	21	20	1	5
Tobacco (G.B.). ...	24	17	7	29	24	24	—	—
Toy (G.B.). ...	16	9	7	44	16	15	1	6
Wholesale M. & C. (G.B.).	22	9	13	59	22	19	3	14
Aerated Waters (S.).	10	6	4	40	10	9	1	10
Dressmaking (S.). ...	20	14	6	30	20	19	1	5
Hat, Cap and Millinery (S.).	13	10	3	23	13	12	1	8
Grocery and Provisions (S.).	26	21	5	19	26	24	2	8
Milk Distributive (S.).	15	10	5	33	15	15	—	—
	795	514	281	35	795	750	45	6

† At 31st December, 1921.

ANNEX IX.

Table showing the number and percentage of visits to firms
and total number of visits paid.

Number and percentage of firms
visited, and total visits paid in
8 months—January–August, 1921.

Trades.	Date of 1st effective order.	No. of firms on list.	Period of enforce- ment.	No. of firms visited.	Perce- tage of firms visited.	Total No. of visits paid.	No. of firms visited in 8 months, Jan.–Aug.	Perce- tage of firms visited.	Total No. of visits paid.
			yr. mth.						
Paper Box	11-3-12	1,245	9 6	958	76.9	—	73	5.8	—
Sugar Confectionery ...	7-6-15	2,464	6 3	1,201	48.7	—	99	4.0	—
Hollow-ware	1-1-16	167	5 8	82	49.1	—	5	3.0	—
Lace	18-8-11	*987	10 1	†382	39.7	—	1	.1	—
Shirtmaking	5-7-15	1,102	6 2	739	67.0	—	39	3.5	—
Tailoring	19-8-12	—	—	—	—	—	—	—	—
Tin Box	20-11-15	438	5 10	217	49.5	—	13	2.9	—
Chain	22-8-10	1,398	11 1	—	—	—	—	—	—
Tobacco	5-8-19	545	2 1	264	48.4	434	9	1.7	33
Boot and Shoe Repairing	17-11-19	27,000	1 10	1,339	4.9	2,546	472	1.1	944
Paper Bag	24-11-19	692	1 10	133	19.2	447	36	5.2	115
Laundry	25-11-19	8,021	1 10	1,632	20.3	3,549	234	2.9	681
Corset	1-12-19	499	1 9	153	30.6	574	5	1.0	133
Brush and Broom	1-1-20	983	1 8	89	9.0	162	40	4.1	92
Rope, Twine and Net ...	2-4-20	989	1 5	48	4.8	212	30	3.1	141
Fur	12-4-20	1,329	1 5	36	2.6	111	10	.8	47
Wholesale Mantle	19-4-20	1,164	1 5	77	6.6	208	48	4.1	147
Aerated Waters (E. and W.)	1-5-20	1,634	1 4	340	20.8	554	36	2.2	127
Hat, Cap, and Millinery (E. and W.).	10-5-20	15,029	1 4	705	4.6	1,557	365	2.4	874
Dressmaking (E. and W.).	24-5-20	23,818	1 4	681	2.8	1,464	437	1.4	988
Coffin Furniture	26-5-20	43	1 4	28	65.1	51	8	18.6	22
Jute	4-6-20	433	1 3	15	3.4	41	7	1.6	26
Retail Bespoke Tailoring,	7-6-20	—	1 3	—	—	—	—	—	—
M.									
" " " " " " " " " "	11-11-20	18,379	- 10	1,207	6.5	2,664	866	4.9	2,010
Aerated Waters (S.) ...	14-6-20	254	1 3	42	16.5	54	8	3.1	15
Perambulator	21-6-20	351	1 3	13	3.7	52	10	2.8	43
Button Making	7-7-20	356	1 2	32	9.0	132	21	5.9	108
Hair, Bane and Fibre ...	3-8-20	359	1 1	187	52.0	232	3	.8	9
Flax and Hemp	3-8-20	258	1 1	20	7.7	47	11	4.2	28
Stamped Metal Wares ...	11-8-20	767	1 1	40	5.2	130	28	3.7	94
Ready Made Tailoring ...	16-8-20	4,870	1 1	301	6.1	1,001	237	4.9	767
Dressmaking (S.)	27-9-20	3,126	1 0	67	2.1	111	58	1.8	99
Hat, Cap and Millinery (S.)	27-9-20	2,276	1 0	37	1.6	50	35	1.5	48
Milk Distributive (E. and W.).	8-11-20	52,522	- 10	166	.3	394	161	.3	388
Pin, Hook and Eye	10-11-20	65	- 10	24	37.0	65	6	9.2	27
Household Linen	11-11-20	3,385	- 10	34	1.0	56	31	.9	53
Cotton Waste	31-1-21	289	- 8	16	5.5	24	15	5.2	23
Grocery and Provisions (E. and W.).	Not fixed	135,548	—	13	—	20	12	—	19
Toy	13-6-21	1,115	- 3	4	—	14	—	—	—
General Waste	Not fixed	6,570	—	—	—	—	—	—	—
Ostrich Feather	4-7-21	437	- 2	—	—	—	—	—	—
Milk Distributive (Scot.)	Not fixed	5,431	—	—	—	—	—	—	—
Made-up Textiles	Not fixed	910	—	—	—	—	—	—	—
Grocery and Provisions (Scot.).	Not fixed	15,671	—	—	—	—	—	—	—

* This includes middlewomen now added to List.

† This includes visits to middlewomen for year ending 1920.

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MR. JOHN CARR.

[Continued.]

FOURTH DAY.

Wednesday, November 2, 1921.

PRESENT:

The Right Hon. the VISCOUNT CAVE, G.C.M.G.
(Chairman).

The Right Hon. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

The Hon. MRS. ALFRED LYTTLETON, D.B.E.

MR. JAMES BELL, M.P.

MR. W. T. LAYTON, C.H., C.B.E.

MR. ARTHUR F. PEASE, Bart.

MR. A. PUGH.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (Secretary).

MR. JOHN CARR, called and examined.

906. *Chairman:* You are a director of Messrs. Peek, Frean and Co., Ltd., who are biscuit makers and manufacturing confectioners, of Drummond Road, S.E.?—Yes.

907. You are also the chairman of the manufacturers' section of the London Chamber of Commerce, and it is on their behalf that you have come here to give evidence before the Committee?—Yes.

908. I suppose the manufacturers' section is composed of manufacturers engaged in business?—Yes, of all kinds of manufacturers.

909. They include manufacturers who are not affected by Trade Boards, I suppose, as well as some who are?—A very large number who are not affected.

910. How many in all are there?—There are 1,350 members of the manufacturers' section.

911. How many of those do you estimate to be interested in trades controlled by Trade Boards?—I am afraid I am not in a position to give you that information.

912. About a quarter, or something like that?—Yes, I should say about a quarter.

913. Have you yourself had experience of the operations of some of the Trade Boards?—Yes, in my experience with Peek, Frean and Co. I have come in touch with dressmaking and women's light clothing, laundry, tin box and canister, paper box and paper bags, and sugar, confectionery and food preserving—more largely with the tin box and sugar confectionery, perhaps, than with the others, which are in a smaller degree.

914. I think mainly you have come here to inform the Committee of the views obtained in answer to a circular addressed by the manufacturers' section of the Chamber to its members?—Yes. Some months ago the manufacturers' section of the London Chamber of Commerce, before this Commission was set up, had determined to institute this inquiry as a matter of interest initiated by themselves, and I am here to give evidence as a result of that inquiry; and it is general evidence rather than evidence affecting individual traders, which the Chamber realised would be dealt with by the Trade Associations affected by the individual Boards.

915. Can you tell us what questions were put to the members?—It was a general questionnaire as to whether the Trade Board system affected craftsmanship and whether it resulted in unemployment, and it invited a general expression of opinion as to the value of Trade Boards and so on. The inquiry was very general.

916. How many reports did you receive?—We received 150 reports. I have had those summarised in this document, of which I have several copies. (Copies were handed in. Not printed.)

917. Perhaps we may consider these reports as part of your evidence showing what you have received?—Yes.

918. I see the reports affect a large number of trades: tailoring, retail tailoring, costume and mantle, dressmaking, shirt making, corset making,

the elastic fabric trade, millinery, button making, confectionery and food preserving, aerated waters, the paper box trade, the brush trade, the tin box trade, the laundry trade, the tobacco trade, boot polish and dubbin, the stamped or pressed metal wares trade, the hemp, twine, canvas and allied trades, the distributive trades, and other trades. Can you give the Committee shortly the effect of those reports? We will of course read this document.—Yes. In the first place there is no evidence from these communications received that Trade Boards threaten the existence of any valuable craft. In some trades it is affirmed the Boards have been the direct means of causing unemployment. There is no general desire for the total abolition of the system, and, further, any proposal to adopt such a course would meet with opposition from some traders on the ground that the Boards have prevented sweating, and have thus eliminated unfair competition amongst traders by this means. It is, however, apparent that strong objection does exist to the Act of 1918, under which many matters of detail hitherto left to the Boards were transferred to the Minister of Labour, causing duplication of work and increased expense. The repeal or the amendment of this Act would therefore be generally welcomed, and would not destroy any of the benefits provided by the original Act of 1909.

919. Will you just explain shortly what were the matters of detail which were transferred to the Minister by the Act of 1918?—It seems to be a general resentment to any power being transferred from the Trade Board itself to the Minister of Labour.

920. What powers were transferred by the Act of 1918? I know that there is the requirement of approval by the Minister. Is that what you mean?—Yes, that is the chief objection.

921. I am reminded that there is a provision in Section 3, Subsection (5), that a rate shall not be varied in less than six months without the consent of the Minister. Is that what you have in mind?—Yes, that is one, because there has been a general criticism that the machinery of the Trade Boards is too slow, as it is.

922. That is another matter, but I wanted to get at the bottom of what you meant?—Yes, that is one of the points.

923. Is there any other?—No, I think that is the only one.

Mr. Pugh: Where in the Act does that arise?

924. *Chairman:* It is the proviso to Section 3, Subsection (5): "Provided that where a rate has not been effective for a period of at least six months, the Trade Board shall not, without the consent of the Minister, be given on an application made to him by the Board for the purpose, give notice of a proposal to vary the rate, and the Minister shall not give his consent to such an application unless he is satisfied that the special circumstances of the case render it desirable that such notice should be given

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[Continued.]

immediately." The purport of that is that a rate shall run for at least six months without alteration unless the Minister thinks it desirable to vary it sooner?—Yes.

925. Before you go on to other matters, I noticed that you said that in some trades the Boards are said to have been the direct means of causing unemployment. Have you any cases of that kind?—I have here the letters in reply, but the chief instances referred to as being cases in which unemployment has been caused are instances where the manufacturer has ceased to manufacture rather than pay the Trade Board rate.

926. Are any specific cases of that character given?—There is a sort of general statement by many of them, and I have to represent that view, although personally I do not share the view of the people who have made that complaint.

927. You do not yourself know of any such case?—Personally I am quite satisfied that the rates fixed by the Trade Boards have in no case caused unemployment.

928. Will you give us the cases where they are said to have caused unemployment, because of course you will appreciate that that is not unimportant. I do not know whether that is contained in this abstract of yours?—Under "retail tailoring" there is an instance where a small country tailoring business employing three assistants and an improver has been compelled to discharge all assistants in consequence of the Trade Board rates.

929. Is the name given?—Yes, I have the letter here.

930. Will you hand me that letter? I do not want to use names unless it is necessary. If you will leave the letters we will have them looked through?—I will leave all these with you, if you like.*

931. *Mr. Pugh*: Will that state the number of persons thrown out of employment?—Yes, the letters would give details.

Chairman: You will see that the summary at the bottom of the first page of the document handed in by the Witness says that that was a small country tailoring business employing three assistants and an improver.

932. Then you were going on to say that there is a strong feeling, even among trades which are favourable to the Boards, in favour of amendments to the system?—Yes.

933. What kind of amendments are proposed?—A greater elasticity in the fixing of wages to meet varying conditions of industry from time to time.

934. Will you develop that?—I think that arises from the fact that some Trade Boards have got beyond fixing a minimum rate, and have entered into a discussion as to what an industry could afford to pay, and have fixed some rate which is perhaps above what would be considered a minimum rate. Those people under those Trade Boards now want some greater elasticity to rectify that somewhat high minimum rate which has been established when the cost of living and conditions of industry make it difficult to maintain that higher rate.

935. That means greater facility for varying rates, does it not?—Yes. Then the next point is the speeding up of the machinery for altering rates.

936. Before you leave the first point, as to the machinery for varying rates, I should like to know exactly whether you have any suggestion to make. Is the criticism directed to the time occupied, or to some other feature?—It is suggested that the period prescribed for notice of variation should be reduced—that three months is too long a time.

937. Is there any other suggestion?—No. I think not. That is the chief. It is the length of time that it takes to make an alteration.

938. *Mr. Pugh*: Will you tell us whether the time to which you refer is after the arrangement has been made, or previous to the Board making the arrangement?—It is the time taken between the publication of the proposed rate and its coming into force.

939. After the rate has been made?—Yes.

940. *Chairman*: The objection which you are conveying to us relates to the alteration of a rate already made, I understand?—Yes.

941. Not to the time taken in fixing the original wage rate?—No, it is alterations taking place now, or possible alterations taking place now.

942. I see that is your second point. Is your first point something different?—No, they are practically both the same, really.

943. The second is put down here as "A speeding up of the machinery for altering rates." Have you any time to suggest?—We would suggest one month instead of three.

944. What is the next suggestion?—The next suggestion is really the point that in big manufacturing concerns there may be a great number of Trade Boards affecting them, such as I have in my own personal case, and the minimum rates fixed by those Trade Boards are all different, so that when you transfer a worker from one department to another to save her being unemployed—supposing one department gets slack, and you can employ her in another department, and you transfer her—it means an increase or a decrease in her rate, because she comes under a different Trade Board. That causes a great deal of dissatisfaction in quarters where more than one Trade Board exists.

945. They are doing different work, of course?—Yes, but I mean a pure labourer who is not skilled in anything may be transferred from your confectionery department to your tin box department; he is sweeping the floor in both rooms; he knows nothing about confectionery, and he knows nothing about tin box making; but because he is transferred from one room to another he has to have a different rate. That is really the point which is made by No. (iii), and undoubtedly it does cause a considerable amount of dissatisfaction in factories, because if you transfer someone to a department where he gets a higher rate he goes back and tells his late friends that he has got a higher rate by the transfer, and there is, undoubtedly, a lot of dissatisfaction and unrest caused amongst the workers by that fact.

946. Are those all people paid by time-rate, or by piece-rate?—The majority of them by time-rates, because it is the pure rank and file worker who is affected by this. Of course directly you get to piece-rates you are probably paying more than the Trade Board rates. There is a certain amount of skill necessary, and it is a different condition of affairs; but in the case of the pure labourer, the person who sweeps the floor or wheels a truck about in the place, he knows nothing about the industry concerned, but he is simply a labourer.

947. *Mr. MacCallum Scott*: Is your illustration of a man sweeping a floor in one room and being transferred to sweep the floor in another room a concrete example?—Yes, it would happen.

948. Does it actually happen?—Yes, I have had it happen in my own factory; when I have had slackness in one department and have been able to employ them in another, I have had to alter their rates in consequence.

949. I do not mean the general case, I mean this particular instance of a labourer sweeping the floor?—Yes, I have had personal experience of that in my own factory.

Mr. Pugh: I do not know whether we should interject questions now, Mr. Chairman?

Chairman: Yes, it saves going back.

950. *Mr. Pugh*: I should assume that if you fix varying rates there must be varying conditions, and if you fix those rates for different departments those conditions will be known when the rates are fixed; so that if for the convenience of an employer or to meet temporary conditions you have to move one worker from one department to another where the rate is different, surely there can be no difficulty arising in consequence of that, because you possibly replace somebody else who had the rate. What I want to find out precisely is what is the difficulty

* Letters handed in—not printed.

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that arises from that?—You have the Confectionery Trade Board, which fixes a rate for a girl of 14 or 15 years of age who is a messenger in your confectionery department; your confectionery department gets slack, and you want to employ or you can see your way to employ an additional messenger in your laundry; she is transferred to the laundry and comes under the Laundry Trade Board, which has fixed a different minimum rate.

951. Quite. I am trying to see whether there should be any difference in principle in regard to the trades which are covered by Trade Boards, and trades generally. Taking my own experience, I do not quite see the difficulty. I want to try to see your difficulty if I can. In trade generally where you fix rates for different departments or for different occupations, and you take a worker from one occupation or from one department where a certain rate is paid and you put him or her to another occupation or to another department, he or she receives the rate which is payable in that department, and the employer does not seem to me to be inconvenienced. At any rate that is not my experience. What I want to do is to try to get to the bottom of the difficulty, because generally in industry we find no difficulty at all; you simply pay the rate which is payable for the job to which you put the worker in the particular department to which you transfer him or her.—I think that is quite simple when it is a case of some particular skill—say a tin box maker being deliberately transferred to do something else; but in the case of the pure rank and file labourers in a big factory whose work is identical, it does not matter what department they go into, why should they have varying rates?

952. *Mr. Bell*: You mentioned confectionery and laundry. Supposing you were giving a girl the choice between working in the confectionery department at a lower rate and going into the laundry at a slightly higher rate, which would the girl choose?—In the cases to which I am referring she would have no choice really, except—

953. But suppose she had?—She would always choose the higher rate.

954. That is not my experience. They choose the pleasanter work unless there is a very big difference in the rate.—That is assuming that the laundry is unpleasant work.

955. I am judging, from what I have seen of it, that confectionery is nicer work than washing.

956. *Mr. Pugh*: Do we understand that if you take the particular employment which you mentioned, sweeping the floor, a different rate would be fixed for sweeping the floor of a laundry from the rate for sweeping the floor in your confectionery department?—Yes; different rates are fixed by the Trade Boards.

957. For purely sweeping the floor?—Yes.

958. *Lord H'air*: There is no rate for sweeping floors.—No, but there is a minimum rate in the industry.

959. *Mr. Bell*: Which is the dirtier floor?—Well, take two industries where the floor is identical, and it still applies.

Mrs. Lyttelton: It is curious that sweeping a floor should make you a confectioner, is it not?

960. *Mr. Bell*: May I put another question: Supposing conditions are identical and there is a different rate, I can understand an objection. You suggest co-ordination. Who do you suggest should be the co-ordinating authority in view of the criticism against the Ministry of Labour?—I suggest that it should be incorporated in a revision of the Act that the Trade Boards should, in fixing a minimum rate for unskilled workers in an industry, seek to establish a rate which is not widely varying from that established in some other industry.

961. *Mr. Pugh*: But a minimum rate, I take it, is the lowest rate for which you could get consent to pay to any worker employed. If, therefore, the rate of the sweeper is the lowest rate, then surely any rate which is paid above that will be due to difference in conditions, and you are not prejudiced, are you?

May I put it in this way: If you fix the lowest rate that you can fix as a minimum rate for a sweeper in your confectionery department, is it possible to fix a lower rate than that for a sweeper in your laundry department simply because he is working in another department? Have you not, in other words, reached the absolute minimum, and therefore any variation of the rates would be above the minimum and due to their own special conditions?—I think my answer to that is: Yes, in the confectionery trade it can be said to be at an absolute minimum; but take the tobacco trade, for instance: They have fixed rates which are admittedly away above what a purely minimum rate should be, and if you get the rates fixed by all these different Trade Boards, the minimum rates for all the unskilled workers right the way down—in a number of instances they are overlapping—you will find that they are varying rates.

962. Assuming that there is a grievance in that respect, to what do you attribute it? Is it due to the fact that your Boards do not know the business with which they are met to deal? I rather gather that the Boards consist of representatives of employers and workmen in the trades concerned; that they are people who are fully conversant with the conditions in the trades; and they are assisted by certain other persons. I assume that a body of that kind, being conversant with the conditions of the trade, will know what it is doing, and therefore it seems to me that when one criticises what the employers and the workpeople in that trade, which they understand, have done, it is not a reflection upon the machinery of the Board, but upon the persons who comprise the Board, is it not?—Yes, it is, certainly.

963. Do you not get rid of that by appointing people who know their business and will see common sense in their arrangements? Is that a criticism of the Boards, or is it not rather a criticism of the individuals whom you appoint; and therefore, is not it the fault of the trades themselves?—To a very large extent, yes, but it has created a difficulty.

964. *Chairman*: I suppose there are traditions in different trades; I mean, some trades have always paid higher rates than others for similar work, or at any rate certainly for unskilled work?—Yes, I think the difficulty has arisen very largely through the employers' and employees' sides of many of the Boards being insufficiently organised and being largely affected by sentiment at the moment when they established their rates, a great number of which were established in 1919 and 1920, at a time of great prosperity, when they did not foresee this difficulty. If you take the Confectionery Trade Board which was set up in 1914, they have presumably fixed an adequate rate, but they are not in the difficulty in which all these Boards are which have been set up since.

965. *Mr. Bell*: You say it has created a difficulty. I want to ask whether it is your opinion that these varying rates are due to the operations of the Trade Boards, or were there different rates in operation long before the Trade Boards came into existence?—No.

966. One employer might pay a slightly higher rate than another employer; and was not that very largely the reason why the Trade Boards were set up—because of these varying rates? If the rate was 3d. per hour, say, in one place, and the Trade Board came to deal with it, and in another place it was 5d. per hour, and the Trade Board came to deal with it, there might be a variation?—I think I can perhaps shortly answer your question in this way: that in a big factory comprising a number of industries, before the existence of Trade Boards they have had a Trade Union agreement or an agreement with their workpeople to pay a minimum rate for unskilled work. That applied to the whole factory; but in the particular case which I have mentioned of confectionery and tin-box making, we paid a uniform minimum rate before the existence of Trade Boards in both those departments, which rate was identical. In those days the tin-box industry paid

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[Continued.]

a very much lower rate. The confectionery trade established a minimum under their Trade Board, and the Tin Box Trade Board established a minimum which is higher than the confectionery trade rate.

967. *Lord Weir*: The co-ordination of rates was done in the factory instead of by the Trade Board?—Yes, and that co-ordination ceased to exist because you have to obey the Trade Board now.

968. *Sir Arthur Pease*: You just mentioned that they are not only fixing minimum rates but they are grading rates. You did not develop the point, and I did not quite know whether you considered that the duty of a Trade Board was only to fix minimum rates, or to grade rates?—I would urge that the duties of Trade Boards be confined to fixing the purely minimum rate.

Chairman: You are rather getting on to a future point of Mr. Carr's. If you like to go on now, please do, but I think the Witness is coming to that later on.

Mr. Pugh: Just following up the last question which I put to Mr. Carr—

Chairman: I must not stop *Sir Arthur* if you are going on, but I was hoping that you would postpone all your questions to the end of his examination.

Mr. Pugh: Certainly, if that is your wish.

Chairman: I am afraid we are getting a little bit into conversation. I want to finish the evidence-in-chief first.

969. What is your next suggestion?—It is a demand that there should be a modification of the existing law in order to meet the special conditions of seasonal trades.

970. What does that mean?—It is submitted by certain manufacturers—it will transpire in that correspondence which I have handed in—that there are such things as seasonal trades where they employ people for three months, say, and they want to be in a position to pay those people who are only working just seasonally for a rush period less than they pay to the workers who are with them the whole year round.

971. Why less?—The theory being that they come in for only three months, they are unskilled, and they are simply rush labour for the time being. That is the demand. I must say that I cannot personally share that view, because I do not think that any manufacturer ought to be encouraged to do his business on a seasonal basis, but he ought to be encouraged to spread his work as far as he can over the whole year so as to maintain employment rather than have these rush periods of partial employment.

972. *Dame Adelaide Anderson*: Is there any evidence about the extent to which this is really unskilled labour which comes in seasonally?—Yes, I think so, more especially in trades like the straw hat trade in Luton, which has a rush period just before the summer.

973. It might, however, be more skilled labour?—Yes, but I do not think this criticism would apply then, because they would be getting more than the minimum rates.

974. *Chairman*: What is the next suggestion?—The next point is one which is provided for by the Acts, but which some of our correspondents maintain has not received sufficient consideration; that is, that the question of fixing district rates should be given very full consideration on all occasions. That is provided for in the Acts, but so many of these correspondents mentioned it as if it did not exist in the Acts.

975. Can you give the reason for that?—The reasons are that a manufacturer in a provincial town says that he ought not to be asked to pay the minimum rate which is applicable in London; and it seems to me that that is quite a reasonable argument if the Trade Board rate has been based on London. If they are fixing a minimum rate presumably the Trade Board take an average of the country and fix a rate which is applicable to the whole country. The unfortunate manufacturer who works in London may have to pay more than the Trade Board rate to get his workers; but it does not seem to me that you can assume that every Trade Board has simply taken London as its basis for fixing a minimum.

976. If they take the whole country I suppose the rate must be too high in some districts and too low in others?—My answer to that would be: No, the absolute minimum rate, even though you can get people to work for less, should be paid by all, if it is the minimum rate. I mean to say, you get back to sweated conditions, where people are willing to work for less, but then I do not think that they ought to be asked to.

977. I am rather trying to get this suggestion that there should be district rates developed. Is the reason given that the cost of living differs in different districts?—Yes, and the cost of rent, and all that sort of thing, but the majority of the Boards, or many of the Boards, I understand, have carefully considered this point and have invariably come back to the point of view that it is desirable to fix a flat rate for the country and not to go about in districts.

978. You are not supporting the suggestion?—I am putting it forward but not supporting it.

979. *Lord Weir*: But there is a substantial body of opinion among your people that it is operating against them?—Yes—that greater consideration should be given to the fixing of district rates.

980. *Mr. MacCallum Scott*: I presume that that view would be put forward in the respective Trade Boards by the people present?—Yes.

981. The Boards having that before them decide otherwise?—Yes.

982. *Sir Arthur Pease*: But if you fixed a minimum for the whole country, as you suggest, and it was not sufficient for London, you would give no protection to the London worker?—Yes, that is so, if it was not sufficient for London.

983. If, on the other hand, you fix a rate which protects the London worker, it will be too high for some of the country districts?—Yes.

984. And yet you argue that there should be one minimum rate for the whole country?—Yes, because the difficulty of defining districts is so great. It is not just a difference between London and the country, because there are many provincial towns, like Brighton and such places, where it is quite as expensive to live as it is in London, so that you would have great difficulty in determining these areas. The Confectionery Trade Board have district committees covering east, west, south, north, and London, but they have found in attempting to define these areas that it is quite impossible.

985. *Lord Weir*: I think that was foreseen in the Acts, which permitted the formation of district committees and the fixing of district rates?—Yes.

986. *Mr. Bell*: Is it your opinion, then, that if a flat minimum rate were fixed there is nothing to prevent London employers from paying more if they desire?—Yes, certainly, nothing at all.

987. *Mr. Layton*: Do I understand that the majority of the members for whom you are speaking to-day would like to see district rates?—Yes.

988. The great majority of them?—The great bulk of them consider that there should be district rates.

989. *Chairman*: I think there is one Board which has fixed one rate for London and another for large urban areas and a third for other areas?—Yes, country areas. It is one of the distributive Trade Boards, I think.

990. Is that the kind of thing which your members have in mind, do you think?—Yes, an application of that to all the Trade Boards.

991. *Mr. Bell*: Supposing that were done, would not that be another system of unfair competition?—Yes, but I do not see that you can get over that difficulty, can you?

992. You have large industries in the country with a flat rate, whether for large towns or country districts, in order to get rid of that very thing—unfair competition. You are aware of that?—Yes, that is so.

993. *Lord Weir*: I take it that those views have been put forward by the employers' representatives on the Trade Boards?—Yes, in a great many cases they have, but you must realise that a great many of these employers have no employers' organisation. Certain employers have been selected, in some cases

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by the Ministry of Labour, to serve on the Trade Board, but the industry itself has no masters' association or federation, and the non-members of the Board never have an opportunity of expressing their views to those who are representing them on the Board.

994. Is there any suggestion that London, for example, is over-represented?—No, I do not think so; no, certainly not.

995. *Mr. Layton*: I did not quite catch Mr. Bell's question, and therefore I did not follow the import of your answer to it, but I gathered that you said that if you had varying district rates it might involve unfair competition between the country and London. Was that the import of your answer?—Yes, that was his question to me, and I say, Yes, decidedly, it would.

996. Is there not the other view, that the variations in rates as between London and the country are in fact economically equalising the fact that in competition an industry in a big centre has many advantages from the point of view of transport, and so on?—There are counteracting influences.

997. And these variations are the natural result of economic considerations?—Yes, to a very large extent.

998. Therefore, if you had varying district rates you would be adapting the Trade Board machinery to those varying conditions?—Yes, to some extent.

999. But I understand that the point which you put forward was that the minimum should be the minimum adapted to the economic conditions in the least favourable area, and you would leave the London rate, which, for economic reasons, could be higher, to be settled, not by the Trade Board, but by arrangement or by offering higher rates?—Yes, I should be an advocate of the Trade Boards fixing something between the London rate and the lowest economic rate outside London.

1000. For the whole country?—Yes.

1001. But that is not the opinion of the majority of your members?—No; the majority of my members are in favour of district or area rates.

1002. *Mr. Pugh*: Fixed by the Board?—Yes.

1003. *Chairman*: What is the next point?—The next point is a point to which I have referred before; it is urged that the Board should confine themselves to fixing minimum rates, and should not take into consideration any particular skill or conditions in particular industries—that a Board should simply fix a minimum rate for unskilled labourers.

1004. That is the present state?—Yes.

1005. It should not fix the higher rates for skilled labour?—No.

1006. Because they cannot be sweated; is that the attitude?—Yes, there would not be sweating there. You always get up against the difficulty of definition of a job. What one manufacturer calls a machine minder another man calls a worker, and the definition of a job is very difficult; and different jobs vary so much in the same industry; but when a Trade Board attempts to go beyond the fixing of a minimum rate for the unskilled worker it always leads to difficulties.

1007. *Lord Weir*: That is a suggestion to go back to the 1909 Act?—Yes, to confine it to fixing the minimum rates.

1008. *Dame Adelaide Anderson*: For what?—Unskilled workers.

1009. Unskilled workers only, leaving the crafts entirely outside?—Entirely outside the Trade Boards.

1010. You think there is no danger of semi-skilled or skilled labourers being affected by competition so as to fall down to a sweated rate?—My answer to that would be that that is something outside the operations of the Trade Boards, and it should be dealt with through unions or anything else you like.

1011. Even in the kind of unorganised trades which are covered by the Act of 1918?—Certainly.

1012. *Chairman*: You say that it is wage regulation, and not anti-sweating regulation?—Yes.

1013. *Mr. Pugh*: By what machinery would you fix those rates above the minimum?—As they are fixed in a good many cases now. There are Industrial

Interim Reconstruction Committees in the cocoa and chocolate trade who have automatically adopted a rate which is away above the Trade Board rate for the chocolate trade.

1014. But there you have a fair degree of organisation on both sides, have you not?—Yes.

1015. You have an Industrial Council, or something of the kind?—Yes; but if the Trade Board is to go beyond fixing the minimum unskilled rate, where will it stop? It should go right up to the very top of an industry.

1016. Then you do not suggest that rates other than the minimum rates should be fixed by the wage Trade Boards?—No.

1017. What do you suggest will take the place of the Trade Boards for fixing rates above the minimum?—Trade union negotiations, as is done now in a good many instances.

1018. But the 1918 Act specifically provides for the trades which are not sufficiently organised to look after themselves, so that if you take away the protection of Trade Boards you have nothing in its place?—Not for the skilled worker, no.

1019. Have you now for any of the workers so far as fixing any rate above the minimum is concerned?—No.

1020. Having no machinery, you would have to leave the thing to ordinary negotiations between the individual employers and all their workmen to a great extent. Would you admit, therefore, that the result would be that the whole tendency would be for the rates to sink to the minimum?—That would be the tendency inevitably, would it not?

1021. So that if that tendency is to be avoided, we have to have some kind of protective machinery where it is not supplied in the trade itself?—Yes.

1022. There does not appear, therefore, to be any alternative to the Trade Boards for that purpose, does there?—No, unless you could push on the organisation of industries in other directions by means of Industrial Councils or anything else.

1023. Let us assume that you have got a trade with a fair measure of organisation in it, and that you set up a body representative of employers and workmen, and they come to an arrangement in regard to rates above the minimum, but that they only represent a part of the trade; how is it proposed that those rates can be fixed for the trade?—Do you not think that when such a thing has occurred the unions then see to it that that agreement is observed?

1024. But this is only a partly organised trade?—But if it is an agreement between masters and men of a section of a trade, my experience is that the union quickly sees that the agreement is applied throughout the industry.

1025. I admit that, but this is rather an important point, because you are really asking for the repeal of the 1918 Act; but one has to have in mind the importance of that Act from the point of view of its intentions. I want to get at what you are going to do to meet the situation, assuming the Act to be repealed. You have admitted that you have nothing at the moment to take the place of the Trade Boards. I would therefore like you to consider what would be the effect upon the trades and upon the workpeople and upon the fair employers of attempting to deal with the situation without the machinery of the Trade Boards; and consequently I would be glad if you would enlighten the Committee as to how, when any body of employers and workmen had fixed rates above the minimum, that is going to be enforced in the trade, and if it cannot be enforced, whether it would be possible to apply it at all and do justice to the fair employer?—I think it would be very difficult to get it applied, but as it exists at present the Trade Board in many instances in fixing a flat rate minimum have fixed a rate which is applicable to a certain degree of skill. If they had established two rates, an absolute minimum rate and then a rate for someone just immediately above that, the position would have been different, but they have not done that in a great many cases; they have taken

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[Continued.]

a certain degree of skill into consideration, and fixed a rate which should really be one of the secondary rates.

1026. *Mr. Bell*: A minimum rate for that particular trade?—Yes.

Mr. Pugh: It seems to me, Mr. Chairman, that after all we keep coming back, not to a difficulty in the machinery of the Board, but to its application.

Chairman: Of course we are really in a difficulty, because the witness is very fairly representing a view which is put before him and then saying that he does not agree with it. Perhaps it might be better to put these points to somebody who does support the views which his members have put forward.

Mr. Pugh: Yes.

Chairman: Mr. Carr is in obvious difficulty, because he does not quite agree with his correspondents, or some of them.

Witness: That is almost bound to arise with a large number replying to an inquiry like this.

1027. *Mr. Pugh*: We have appreciated that there is considerable difference between a defect in machinery and a failure properly to apply it?—Yes.

1028. *Sir Arthur Pease*: In these industries which you represent I suppose in the past prices fluctuated and rates of wages went up and down in accordance with those fluctuations?—Yes, for a period of years.

1029. Before there were any Trade Boards?—Yes.

1030. When in the past wages fluctuated did not the skilled man's wages go up or go down in proportion to those of the unskilled man?—Yes, certainly.

1031. If the Trade Board fixes a minimum rate which is higher or lower than the rate at present being paid, would you not anticipate that the skilled workers would automatically go up or down as well?—Yes, proportionately to the other alteration.

1032. Then the fact of fixing a minimum rate for the unskilled would in practice vary all the other rates in the trade?—Yes. For instance, in the confectionery trade you have a rate of 54s. for a man, and directly that is determined your sugar boiler gets something more, your machine minders get something more, and so on right the way up the whole scale. It all bases back on to that minimum rate.

1033. So that even if there were no Trade Board machinery for fixing skilled and semi-skilled rates, when the rates of the unskilled men were put up you would anticipate that almost automatically that would affect all the others?—Unless there were such a terrible shortage of employment that the skilled man was willing to accept the bare minimum.

1034. *Mr. Pugh*: Arising out of that question, would not the argument be very strongly put forward by the employers if you were going to raise the minimum of the unskilled man, that that should not be done because of the effect which it would have in raising the wages of the other classes of workers?—That always occurs. During the period from 1914 onwards whenever a Trade Board has increased the rates, it has automatically increased the rates of everyone above.

1035. That is part of the general arrangement, but I rather think Sir Arthur's questions were directed to establish the point that if without the existing machinery for regulating the wages above the minimum of the unskilled you altered the rate of the unskilled man, that of itself would have an effect upon all the other workers and their wages would be altered proportionately. I want to suggest that while that might apply under a proper Trade Board system, it would not apply if the alteration of those rates were left to voluntary arrangement, and they would not be effected by an alteration merely of the minimum wage to the unskilled man. What is your view upon that?—I think they would be effected because many of the Boards have only dealt with the minima. The Confectionery Trade Board, for instance, has never dealt with anything more than the minimum for an unskilled worker. Each alteration of that minimum for the unskilled

worker has carried with it automatically a proportionate advance to the skilled worker, although the Board has never said a word about anybody but the unskilled worker.

1036. And the arrangement for the other workers not being part of the Trade Board settlement?—Never having been referred to at the Trade Board.

1037. *Chairman*: If I understand you, that rather modifies what you said just now about the tendency being for the wages of the skilled worker to sink to the level of the wages of the unskilled. I gather you say that that would happen only in cases where there was great lack of employment?—Yes, and perhaps the semi-skilled who was getting 1s. or so more than the minimum at present would in a number of cases be brought back to the minimum.

1038. By what pressure?—Simply by lack of employment; he will accept it.

1039. *Mr. Bell*: Supposing the minimum is increased, you are of opinion that it has a tendency to increase the wages of those not affected by the fixing of the minimum?—Invariably.

1040. Supposing the minimum is reduced, what effect has it on the other rate?—The high wages are reduced.

1041. May I call your attention to your Clause 3 Sub-section 1, and Clause 4? In Clause 3 (1) you say: "For greater elasticity in wage fixation to meet the varying conditions of industry from time to time," and then at the end of your Clause 4 you say: "The powers of the Trade Boards might be limited to fixing minimum rates only for the lowest class of labour." Do you not think there is a conflict there between the two statements? If you ask for elasticity in wage fixation to meet the varying conditions of the industry, why not have varying rates to meet the conditions in the industry in question?—I do not think those are really in conflict. They are both intended to refer to the minimum rate for unskilled.

1042. *Chairman*: No. 1 being practically the same as No. 2?—Yes.

1043. *Mr. MacCallum Scott*: It is suggested that the Board should confine itself to minimum rates for unskilled labour; I can understand that in trades like the confectionery trade where, I should think, the bulk of the labour was unskilled; but take the trades that are mentioned here, such as tailoring, dressmaking, shirtmaking, the corset trade, and so on. I should think that most of the labour there was skilled in some way, and it was that skilled labour which was found under sweated conditions. In practice I believe in the confectionery trade it resolves itself into fixing rates for the unskilled only, but that is a trade where there is a very large volume of unskilled labour, and in those trades which consist mainly of skilled work, is not that rather an attempt to get out of the operation of the Board?—I do not think so, because in every industry there must be a number, more or less, of unskilled workers.

1044. *Chairman*: What is your next point?—Some trades complain that the appointed members have too great an influence on the decisions of the Boards.

1045. What does that mean?—The point they raise there is that in many of the unorganised industries the employers and the employees are all at sixes and sevens, and to get the thing settled the appointed member has to step in and settle it.

1046. Why is that an undue influence?—Because they say that in a great many instances the appointed member has picked on the higher rate under discussion and fixed that higher rate.

1047. *Mr. Pugh*: Would you rather have had a fight?—I say again that I am in a very awkward position in representing a point of view which has been put forward. Some say: No, instead of having appointed members let us choose a member ourselves: let the employers and the employees meet, and if there is a difference of opinion say, That is our Referee, let him be Chairman. It is only another form of appointing an appointed member.

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1048. *Chairman*: If he were an impartial man he would have to agree with one side or the other?—Yes.

1049. *Sir Arthur Pease*: The members of the Board are not appointed by anybody, are they?—Yes, they are appointed by the Minister of Labour.

1050. Therefore they would choose somebody to act under an Act of Parliament for whom the Minister was not responsible?—That is the suggestion, that they should choose their own referees.

1051. But those representatives are not representative of the country; they are appointed by the Minister and they might choose somebody that the trade as a whole did not approve of?—Yes, under existing conditions.

1052. No, under the conditions that you suggest?—At the present moment the employees and the employers on the Board have no voice in the choice of the appointed member, and it is suggested that they should have a voice, that they should be consulted as to whom should be appointed as appointed member or referee on the Board.

1053. But the representatives on the Board are not elected representatives, they are appointed by the Minister themselves?—Yes, and then the employers say, "Let us have a voice in the appointment of these appointed members."

1054. There are a great many employers who are not represented at all by those members, are there not?—A great number.

1055. And could not those who are not represented object to having somebody appointed whom they did not like?—Yes, quite easily.

1056. Whereas now the responsibility rests with the Minister?—Yes.

1057. *Mr. Layton*: Is this a criticism against the people actually chosen, or is it the fact that they are appointed by the Minister?—It is divided into two: it is against appointed members as a whole, and in a number of instances it is against the individual appointments. They evidently think that unsuitable appointments have been made in some industries.

1058. Is the complaint only heard where there is a lack of organisation in the main, and therefore they say that the rates have fallen into the hands of the appointed member?—Yes, in my personal opinion that is so.

1059. *Mr. Bell*: If the Trade Board were composed entirely of representatives of the employers and workpeople and a referee were called in and gave a decision, would it be alleged that he had been unduly influenced by the workers' representatives on the Board if he fixed a higher rate than the employers wanted, or would it be alleged that he was influenced too much by the employers' view if he fixed a lower rate than the workpeople's representatives wanted?—My answer is that whoever you have in that capacity is not going to give complete satisfaction to everyone. Whether he be appointed by the people themselves or by the Minister, he is bound to give dissatisfaction to one party or the other at some time or another.

1060. *Chairman*: In some cases the appointed members try to get the two sides to agree before giving any decision?—Yes.

1061. In those cases a compromise may be accepted?—We have evidence before us of great appreciation of the appointed members in some industries, which I have not, of course, put forward because it is not a criticism.

1062. *Mr. Pugh*: You have had a good deal of personal experience of Trade Boards; what is your own opinion with regard to this matter?—My own view is that it is completely satisfactory.

1063. *Mr. Layton*: And that the Trade Boards machinery would not work without the appointed members?—Certainly not.

1064. The last point with which you have to deal relates to expenditure?—Yes, clause 6 relates to expenditure. That is not the expenditure incurred

in the administration of the existing Trade Board findings, but in the number of officials who have been touring the country—that is the way it was expressed to us at a meeting which we had—in a species of rivalry between the Industrial Councils and Trade Boards. A representative of the Minister of Labour calls to see whether your industry is sufficiently organised for an Industrial Council; then a week or so later an official of the Ministry of Labour calls to satisfy himself that you are not sufficiently organised, and must have a Trade Board; and it has been very apparent to manufacturers throughout the country that there has been a rivalry between those two sections, each seeking to enlarge its own department, so to speak.

1065. There has been a great sense of public duty in both?—I have had personal experience of that, because in the biscuit making industry we were strongly in favour of having a Trade Board, and every biscuit manufacturer in the country has been called upon by two representatives, one in favour of an Industrial Council, and the other in favour of a Trade Board. They have been investigating matters as far north as Aberdeen and as far south as you like to go, right throughout the whole country. That paragraph 6 is perhaps not very well worded, because it does not seek to criticise the administration of the existing Trade Board system, but it criticises the investigation which takes place with regard to the establishment of Trade Boards or Industrial Councils.

1066. *Chairman*: What about the Inspectors? Have you anything to say about them?—The number of Inspectors administering the existing findings of a Board is, if anything, inadequate. There are barely sufficient of them, and there is no criticism of the expenditure on that side. A few more have been appointed lately, but not too many.

1067. *Dame Adelaide Anderson*: In fact you think that there was too much inquiry before?—Whether your industry is coming under an Industrial Council or a Trade Board, it is really all under one department of the Ministry of Labour, and you go through the same procedure. You call up your Works Committee to talk to different people both really in the same department of the Ministry, but both making the same investigation.

1068. You suggest that they should agree together to send one official instead of two?—The suggestion is that it is unnecessary that there should be two departments incurring the same expense.

1069. It is in no way necessitated by the Act, is it?—No, but when we asked this question that was a very general criticism which was made.

1070. *Lord Weir*: In connection with that matter in the different trades which have Trade Boards now and with which you are personally conversant, do you consider that the Minister was justified in constituting each of those Boards on the ground that there was insufficient organisation for the regulation of wages?—I think so, unquestionably.

1071. In every case?—Yes, because with regard to many of those earlier Boards, like the Sugar Confectionery Board, the mere existence of the Board has organised the industry. There was no organisation previously.

1072. *Mr. Layton*: Your constituents have not generally complained about the extension so far as the field covered was concerned under the 1918 Act?—No, the general opinion is that the Boards have been of value.

1073. *Lord Weir*: If you consider you are organised now, is it now time to give up the Trade Boards altogether and progress towards Industrial Councils?—No, I am afraid that ambition will never be realised. You must in an industry have some legal power to enforce your decisions, and in an Industrial Council you have no legal power to enforce your decisions.

1074. *Chairman*: In an unorganised industry?—If you are a highly organised industry and you agree in the Industrial Council to pay a given rate, however highly organised the industry is, there is sure

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to be some one manufacturer in it or some one manufacturer will start in it who will pay less, and you have no legal power to make him pay the rates.

1075. What you say is rather in favour of extending the compulsory power?—Personally I am in favour of extending Trade Boards with a compulsory legal backing behind them.

1076. Even in an organised industry?—Yes. As an instance of that, the tobacco trade asked for it and the biscuit industry have asked the Minister of Labour to set up a Trade Board for the industry. Although we have our minimum rates fixed, every manufacturer in the country is a member of our organisation, and we can fix minimum rates which we impose upon ourselves, at the same time we feel that it would be of value to have a Trade Board.

1077. *Sir Arthur Pease*: You now say minimum rates, but you previously said a minimum rate?—It is a minimum rate, but it is different according to whether it is for a girl or a man, and it differs at different ages; there is a difference between the rate for a girl of 14 and a boy of 14, and so on.

1078. *Mr. Pugh*: I should like you to assist us on one point, that is to say, with regard to speeding up. I am assuming it is necessary to speed up Trade Boards for the benefit of both sides: could you tell us from your own experience of Trade Boards whether before the rate is fixed or after, it is possible to facilitate the machinery? For example, could you do everything that was necessary as regards investigation previous to fixing your rate? Would you not have to get everything that was necessary done before the rate was fixed so as to apply it directly after it was fixed, consistently with the necessity for the Ministry of Labour approving it?—There would be no difficulty in applying it, I think, in any industry in a period of a month, instead of three months.

1079. I understood there was considerable loss of time after the rate was fixed, and that it often happened that before the rate could be applied there came some changes again; is that your experience?—Yes. During the last year that did occur in some of the Trade Boards. But I think this criticism is directed to this—that in almost every trade not subject to Trade Boards but subject to Trade Union agreements, they have had reductions in rates before the Trade Board industries could get theirs through. If you have watched the papers you will have seen that the engineering rate came down and this, that, and the other came down, all following fairly closely on the cost of living, while the Trade Board rates are the last of all to move because of the length of time that it takes to get a rate through. Another point is that when rates were going up the manufacturer had almost invariably to pay the increased rate immediately it was proposed, but now that they are coming down he has to wait three months before he can pay the reduced rate.

1080. How do you account for that difference as between going up and coming down?—Theoretically we should have had three months for the going up, but the workers in the boom period said, "No, unless you pay this increased rate which has been published on your walls here, we will leave you;" so, by the economic conditions, when a rise of wages is justified the manufacturer is forced to pay it immediately the proposal is made, without making any conditions. When the rates are coming down he is held up for three months before he can pay on the agreed reduction.

1081. That is in abnormal conditions?—The conditions may not be abnormal when a Trade Board rate varies, but those conditions exist.

1082. Can you suggest any means by which the machinery can be speeded up?—I consider that a reduction of the three months to a month would have a material effect.

1083. A great deal of time is now taken up in investigation with all the people concerned, and where you have thousands of small employers would you

suggest that if a Board which substantially represents the trade comes to a decision, the giving of notice should be sufficient without their having to consult those people again to hear their objections?—Do you mean the circulation of the bills and posters which have to be posted up in factories and so on?

1084. Yes?—My experience is that in many cases those arrive now weeks after the proposal has been made.

1085. Should there be any necessity for an opportunity for objections after the parties have been informed what is going to take place, and a fairly substantial representation of the trade has come to a decision?—My view is that it should be published officially somewhere, and that we should not have to wait for the department to circulate those bills to every little factory all over the country. They are sometimes reported at present in the "Times" and of course in the "Labour Gazette," but my suggestion would be that there should be some recognised official method of publishing in the Press the figures or proposals of a Board, and that that should constitute notice to anyone who wishes to make an objection.

1086. *Mr. Bell*: I wanted to clear up the same point. Are not contracts very often entered into by manufacturers in which the price of the article bears on the wage rate to some extent?—I think very few manufacturers now will enter into any contract in which they do not insert a clause that they are relieved of their quotation if there be a variation in the rates.

1087. Would that apply to all industry?—When there are substantial variations in wages now there is usually a clause in the contract to say that the contract is to be affected by that variation.

1088. Does that apply to all industries?—The great majority of trades affected by the Trade Boards are not large contracting trades, but are more composed of people who, as I should say, take an order which is not spread over a long period like it is in the engineering industry.

1089. Take the tailoring trade for instance?—I do not think in the tailoring trade at the present time you could enter into a contract for a period of years which was not subject to such a clause.

1090. They might enter into a contract for the supply of cloth. What I want to bring out is this: suppose the period were decreased by one month being inserted instead of three months, what effect would that have on any industry in which a contract was necessary?—I do not think the mere shortening of that period would have any effect.

1091. Taking your own industry, you said you had applied for a Trade Board, although you had a minimum rate already in operation: what was the object of applying for a Trade Board?—It was realised that there were manufacturers who were not prepared to abide by the findings of the Manufacturers' Association.

1092. Did your Association fix more than minimum rates as minimum rates for one class of workpeople, or were minima fixed for other classes?—There was simply a minimum rate for the unskilled worker.

1093. And it did not deal with the skilled workers?—No.

1094. So that your object then in asking for a Trade Board would be to legalise your own agreements?—Yes.

1095. You legalise them and make them binding on everybody?—Yes.

1096. *Mrs. Lyttelton*: May I ask if your opinion that compulsory rates would be a great benefit everywhere, and therefore you would like to see Trade Boards everywhere, is quite consistent with the opinion which you expressed before, that you would like Trade Boards only to deal with the minimum rate? I do not quite understand the two opinions. You stated first that you would like Trade Boards only to deal with the minimum rate, and not to touch skilled trades at all; then a little later on I understood you to state that you personally would like to see

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Trade Boards in other trades, because that might make their rates compulsory. Are you still thinking of the minimum rates there?—Yes.

1097. Mr. Layton: I understand that is not only your personal opinion but the opinion of your constituents, and that they have no objection to the extension which has taken place under the Act of 1918?—That is so.

1098. And the suggestions contained on page 5 of your *présis* of evidence, including the suggestion that the Board should be limited to fixing rates, could be met by an amendment of that Act?—Yes.

1099. And that therefore the views of your constituents whom you represent would be met by an amendment of the Act, and it would not be necessary to repeal the Act?—An amendment of it to meet this particular point would meet the view.

1100. Not merely your own personal view, but the view of the body which you represent?—Yes. On page 4 I say "The repeal or amendment of this Act would therefore be generally welcomed."

1101. That is rather different?—Yes, but I have gathered from meetings of them throughout that the amendment of the Act would meet the objection.

1102. Sir Arthur Pease: You stated that contracts were made now with a clause in them about the rise or fall of wages; has not that largely disappeared within the last few months?—No, my experience as a purchaser in the manufacturing business is that that exists very largely still.

1103. Have you experience with any trade abroad?—Not at the moment.

(The Witness withdrew.)

Mr. HARRY TROTMAN, called and examined.

1113. Chairman: Are you a member of the Milk Distributive Trade Board?—Yes.

1114. Are you one of the employers' representatives on that Board?—Yes.

1115. How long have you been on the Board?—From its start.

1116. Just to get it on the notes, the Board was formed, I think, under a special Order dated 9th January, 1920?—I am not sure of the date, but that would be about the period.

1117. It was established in February, 1920, and I think your first proposals for a wage rate were made in June, 1920?—They became operative, I think, in November.

1118. There has been no variation since that time, has there?—There was a variation made at our last meeting, proposals for which are now being published.

1119. Does your Board fix time rates only?—Yes.

1120. And overtime rates?—Yes.

1121. I think you have fixed district rates, that is to say rates varying in different districts?—Yes, rates that we have had occasion to vary. We are now in line with the Grocery Board; proposals are going out to that end.

1122. Just to take the original scheme, you fixed rates for London; rates for large urban districts and rates for small urban districts, and rural districts?—Yes.

1123. Three classes of rates?—Yes.

1124. The highest, of course, being for London?—Yes.

1125. You say it is now proposed to vary them?—Yes.

1126. In what way?—In respect of the rural rate, the A rate. The original intention and agreement of both parties was that places with less than 10,000 inhabitants should come under Scale A; but there appeared to be some difficulty in drafting, and our intentions, therefore, were not really carried out. Complaints were made of this at several meetings. The grocers' representatives saw our difficulty, and after a good deal of trouble they revised the area. One was drafted in an inclusive manner, and the other in an exclusive manner.

1127. But you still fix the lowest rate for places with a population of less than 10,000?—Yes.

1104. If you were competing with a foreign country you would be bound to quote a fixed price then?—No. For our particular industry we have no fixed prices.

1105. Have you no fixed price at all?—No.

1106. Does the price just go up and down?—A buyer abroad has to pay the price ruling at the date of the receipt of the order.

1107. Would you consider that exceptional or not?—No, the confectionery trade and the biscuit trade are both of them on that basis. Most of the food-stuff trades, such as jam manufacturers and manufacturers of tinned foods and so on, are on a similar basis.

1108. Lord Weir: You have been speaking largely as a manufacturer competing in foreign markets?—Yes.

1109. You do sell in foreign markets?—Yes, in normal times we did very largely. Many of these people here are exporters.

1110. Chairman: How is the price at the date of delivery fixed? Is there a market price?—In my own industries the price is the price ruling on the date.

1111. Ruling where?—In London.

1112. Mr. Layton: Are these long period contracts of the receipt of the order in London, for manufacture over a period or mainly out of stock?—Mainly out of stock.

Chairman: We are very much obliged to you for your evidence.

1128. Do you also fix overtime rates?—Yes.

1129. On what basis?—On a time basis, time-and-a-quarter or time-and-a-half, as the case may be.

1130. What do you call overtime in your trade?—Time worked beyond the number of hours set out, which in this case is 48 hours a week.

1131. Firstly, what have you to say about the principle of the Trade Board Acts?—In the first instance I think that while I am personally in favour of some kind of official referee such as the Trade Board, I do say that the time taken in altering or varying rates is much too long. We have considered in the Metropolitan Dairymen's Society that a period of about six weeks or a maximum of eight weeks should suffice from the time of coming to a decision on the Board to its becoming operative. Of course it may be said that prices are falling and that we are speaking as employers, but I would point out that when the rates were first fixed we came to some arrangement with the Trades Unions that the payment should become operative really on proposal.

1132. Did that apply also in the non-organised trades?—I can only speak for my own trade.

1133. Was your trade well organised?—No, it was not well organised.

1134. But it was sufficiently organised to enable you to make an agreement with a Trade Union?—Yes, so far as London is concerned, but I should not like to say what the Provinces did.

1135. So that the proposal for a rise came into operation at once?—Yes.

1136. That was agreed to by the Trade Board?—Yes, in London.

1137. But a proposal for a fall does not come into operation until the whole formalities have been gone through?—That is so.

1138. That is three months from the notice?—Yes. If I may say so, I think the time for objection is really too long.

1139. At all events that would not matter very much if the rate came into operation within a fixed time from the resolution of the Trade Board proposing the rate?—That is so.

1140. And you suggest what?—Six weeks.

1141. Is there any other amendment or machinery which you would propose?—There is the question of inspection. The Board has been in operation for

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[Continued.]

over a year, and I do not want to be the one who is first prosecuted, but no prosecution so far, I think, has taken place. A certain number of inquiries have been made, particulars of which were circulated to us at the last meeting, and they appear to have come to agreement with them, but those agreements are only private—they are not known—whereas if there were a prosecution in a bad case it would get publicity, which would strengthen very much the position of those who are loyally carrying out to the best of their ability the orders of the Board. If things go on in a hole-and-corner way it will mean that there will be more and more evasion.

1142. When you speak of a hole-and-corner way, you mean, I take it, that the inspector finds out some evasion and tells the employer that he must remedy it, and he does so?—Yes, they come to some arrangement and no one outside the trade knows it.

1143. You can come to no arrangement except that the law shall be applied?—That is so, but if there were prosecutions and publicity in a bad case, that would help us, I think.

1144. *Mr. MacCallum Scott*: As a deterrent to others?—Yes.

1145. Whereas if there is no prosecution it only acts as a deterrent in that particular case?—Yes.

1146. *Dame Adelaide Anderson*: A prosecution would also spread knowledge amongst the obscure people?—Yes.

1147. *Mr. Pugh*: Would you advocate that cases should be reported to the Board?—Cases have been reported to the Board, and the reports that we get which are marked "Strictly private and confidential" only give a number.

1148. Would you advocate that the whole of the cards should be put on the table so far as the Board is concerned, and that the Board should be fully conversant with what had taken place?—Yes, I should.

1149. *Chairman*: What is the next point?—I may say that in my capacity I am rather representative of the larger employers, and I do feel somehow that there are a number of small traders who have perfect liberty to do so who have put in a good many more hours themselves in competition than the paid worker can do.

1150. You do not blame them for that, do you?—No. I have been told over and over again by them that whatever rates were fixed they will do so many more hours themselves; they say: "I am working myself."

1151. That is the owner of a business?—Yes. The matter came up for consideration; it was a point that the workers on the Board made particularly, and it was considered at the time; but just then, when we were negotiating, there was a Bill promised which would make some restriction on shop hours, but that never became law: it died in its infancy.

1152. Have you anything to suggest about that?—It is simply a point that will be put, I think, by workers, and I thought possibly it might be right for me to mention it here.

1153. Do they suggest that a tradesman or the owner of a manufacturing business should be forbidden to work more than so many hours? Is that the suggestion?—If I were speaking as a worker I should say "Yes."

1154. *Mr. Layton*: Is there not some misunderstanding here perhaps? There is already a regulation as to the keeping open of shops, is there not?—Yes, there is a Shop Hours Act now.

1155. *Chairman*: But that does not prevent the owner of a business working at his business after the shop is closed. He cannot sell things, that is all?—Yes.

1156. *Mr. Bell*: I take it your point is not that the shop is kept open for a certain number of hours, but that the man may be working himself distributing milk any number of hours he likes?—Yes.

1157. Does not that also apply to the larger employer if he cares to go round with the milk himself?—He would have some job, would he not?

1158. *Chairman*: However, you are not putting that forward yourself?—No, I would not put that forward myself. There is a matter as regards ex-

perience in working that we are having some little difficulty about, and that is in connection with the outside workers; there does not appear to be proper or suitable provision in the Act for them. When we fixed the rates for the dairy workers we were told by the officials in authority that we were bound to settle a daily number of hours for the workers for the purpose of reckoning overtime. A good deal of effort was put in to obtain some elasticity over the week, but we were told it was not possible to do it. That was on our first proposal. Then we dealt at a later period with clerks and shop assistants, and when they came under review this elasticity was yielded in respect of their class, and it was pointed out that there was a Shop Hours Act regulating their hours. Now roundsmen go out and they are very largely free from supervision, and we think that they should come in a separate class, irrespective of any particular day, considering that they are being paid on a weekly basis. The question is how to make the Act apply. Of course, bearing in mind the peculiar nature of the trade, and the article in which we are dealing, which is a highly perishable one, we are dependent upon rail transit; it is outdoor, healthy work, and, of course, we have varying times and seasons and so on to contend with. If you take workers at the seaside, the demands upon their time during the holiday period are, of course, very great, while at other periods they can work very much shorter hours; and even in London, if you take the City and the business portion of the West End, there is very little business done there from Saturday midday until Monday morning, while the reverse is the case in domestic industrial districts on Sunday: that is their one day at home. If some arrangement could be made in the Act by which a given number of hours in a week, say 54, could be spread over the days indifferently, it would be a welcome proposition not only to the employer, but to a very large number of workers, many of whom, of course, are elderly men.

1159. Cannot your Board do this themselves?—We are told not.

1160. Why not?—We were told definitely by the officials that it was absolutely necessary to fix a daily number of hours rather than a weekly number.

Lord Weir: It is one of the duties of the Board.

1161. *Chairman*: The Act does not say that that is so, does it?—I do not pretend to understand the Act.

1162. *Chairman*: I am told, and you will correct me if it is wrong, that the matter arose in this way: The Board wanted to fix a daily overtime rate, and they were told that they could not fix a daily overtime rate without fixing a daily rate. That would not prevent you, if you were willing to fix a weekly overtime rate, from fixing a weekly rate?—I believe there is a daily overtime rate. It is generally understood throughout the trade, and I think that members of the Board understand it that it is a daily number of hours.

1163. Yes, if you fix a daily overtime rate you must fix a daily wage.

Lord Weir: That is what the Board exists for: it was to fix those very conditions that you are objecting to: it is the duty of the Board.

1164. *Chairman*: It is a matter of detail, but you can discuss it now with the Ministry. I think you can do as you wish with regard to that?—Our difficulty has been that we came in our initial stages to certain agreements with the workers. It was a matter of compromise, and so on, and when we got together and came to decisions which were appointed and sent up to the Ministry, and we were told that our proposals could not be agreed to because they were not according to the letter of the law. We were pretty well sick of it, because neither of us got what we thought was right; but we had to make the best of it, and now we are taking good care, if we can, when we come to a decision to endeavour to get the opinion of the legal members of the Ministry as to whether we are on the right track or not.

1165. *Sir Arthur Pease*: With regard to overtime, do you find many instances of people making overtime

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on purpose, that is to say, not getting through their work in order to be able to earn overtime?—There was a good deal of that at the start, but I think very little overtime is being paid to outdoor roundsmen now. The reason being that they get out and go into a public-house, or they may want some bread and cheese or go into a coffee shop, and they spend a good deal of time in gossiping, and that kind of thing. The matter was fully discussed with the trade union leaders, and a working arrangement was come to with them, though whether it is correct or not I do not know, that any round should be tested by an average man, and if that average man could do the work within the time, that should form a sort of basis for the work.

1166. Then a man might take eight or nine hours to go round, but if it has been tested by an average man he is not entitled to overtime?—That is the position which has been taken up in consultation, I think, with the trade union.

1167. Outside the Trade Board?—I presume so, and I rather gather that that is not an infringement of the Trade Board Order, judging from the leaflet which they circulated.

1168. Are you quite sure? Is that overtime in respect of the time of day or only in respect of hours?—In respect of hours.

1169. *Chairman*: You have some other point to make about people who manufacture products and who are not only milk distributors coming under the Board?—That question has been under review by the Board. The difficulty has been as regards some of the provincial creameries, and so on, which occasionally send up certain supplies to customers, sometimes fairly regularly, though perhaps not all the year round. The Board has given this matter a good deal of consideration as to their being included within it. Inspectors have been down, and they have felt so far satisfied that although the trade might be somewhat large in volume it did not form any large or appreciable proportion of the work of the creamery: they could not very well find a dividing line. But the Board does not seem quite satisfied about it, and they have referred the matter back for further enquiries to be made as regards given months in a year.

1170. *Chairman*: When you come to your conclusions about that point, perhaps you will let us have a note of them?—Yes.

1171. Is that all you have to say?—Yes, I think that is all that is necessary.

1172. *Lord Weir*: There has been a considerable increase since 1914 in the cost of delivering milk to any specific area, say in London, has there not?—Yes.

1173. Could you give us any figures of the difference in cost of delivering milk between 1914 and to-day in the same area, and is it possible to give us the proportion of that increase which you would say was due to the operations of the Trade Board? I know it is rather a difficult question?—The figures are, I believe, all in the hands of the Ministry of Food. They took out very careful costings, and that kind of thing before they granted the working margin which there was: how far that would be comparable with pre-war times it would be very difficult to say, because wages and everything were rising and rising during the whole period of the war, and to get back to a comparable period before would be very difficult.

(The Witness withdrew.)

Mr. W. E. SMER, called and examined.

1191. *Chairman*: I think you come to give evidence on behalf of the National Federation of Dairymen's Associations?—That is so.

1192. Are those Associations of Employers?—Yes.

1193. What do you say on their behalf as to the Trade Boards?—I have not very much criticism to make of the Trade Board itself, except that it is very slow. That has already been touched upon by the previous witness, and I think we are all agreed

1174. I am only asking about the cost of delivering milk, not about the cost of the milk. Your own business is distributing, I take it?—Yes.

1175. Can you tell me what it cost to deliver milk in 1914 and what it is costing to-day, and of the difference how much you would attribute to the operations of the Trade Board?—I should not attribute very much to the operations of the Trade Board.

1176. I am really asking if you can give us such figures from your Society?—From the Metropolitan Dairymen's Society?

1177. Yes.—I am afraid I could not give you those figures offhand; it would take a good deal of investigation, but, generally speaking, I do not think there is very much due to the Trade Board, because we had arrived at very nearly the Trade Board figures before the Trade Board came into operation.

1178. You made no change, for example, in the rates?—Yes, higher rates.

1179. Of course, I should like to know how much that cost. Perhaps you will ask your Society, and see if you can give us an answer to that question?—There may be some difficulty in getting it, but I will certainly ask them if they can do so.

1180. *Chairman*: Will you write to the Secretary about it?—Yes.

1181. *Dame Adelaide Anderson*: In your opinion the Trade Board having fixed the rates in accordance with the general view of the trade, the advantage is in the enforcing of them throughout the trade?—Yes, so that each one is on a fair and proper footing with the other.

1182. Have you made any estimate of the amount of inspection which is necessary?—It is very considerable if properly carried out, and what I think is a very strong point in connection with that is that inspectors as far as possible should be those who have experience in the trade.

1183. You have had some inspection, have you not?—We have had some little inspection.

1184. A little?—Yes, but I think the Trade Union leaders have given a good deal of gratuitous work—I mean gratuitous so far as the Trade Board is concerned—to this, and they have done quite a good deal of work in connection with it, and they, of course, can refer anything they find to the Trade Board or to the Ministry for attention.

1185. Would you think that seven inspectors with surprise inspection would be adequate?—Yes; I think with surprise inspection that should be sufficient.

1186. *Mr. Bell*: A question which I wanted to put has been partly covered already. It is with regard to surprise inspection, which you have referred to. How would you carry that out, and who should make the surprise inspection?—The Ministry of Labour.

1187. Someone appointed by the Minister, you mean?—Yes.

1188. It is difficult for even the smallest distributor to keep an accurate record of the wages he pays?—I could not say.

1189. If he did not, even surprise inspection would not find out exactly what amount of wages he was paying?—He would have access to the worker, of course.

1190. And if the worker and the employer were acting in collusion there would be no remedy.—That is so.

Chairman: Thank you. We are very much obliged to you for your evidence.

upon that. For one thing, two months is allowed in which either employers or workpeople may make objections to the proposal, and that, I think, is about four times too long; a fortnight ought to be sufficient. I agree with a previous witness that the wages went up when the proposal was issued, but we have to wait for the proposal to come into operation before they go down again. Apart from that, I have very little criticism to make of the Act itself, except so far as it applies to the milk trade.

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[Continued.]

1194. As to that last point, what have you to say to us? You say, except so far as it applies to the milk trade: What do you mean by that?—I mean the working of the Act in the milk trade. We have had twelve mouths' experience at the present time, and my experience is that not fifty per cent. of the trade are carrying out the whole of the conditions of the Act. That is a serious statement to make, and I made it before the full Wages Board in July.

1195. How do you explain that?—From personal experience and by my knowledge of my fellow tradesmen.

1196. Do you mean that 50 per cent. or more are paying wages which are less than those fixed by the Trade Board?—I said carrying out the strict letter of the Act. It may be a matter of the minimum wage per week, but I think the trouble is that they work longer hours; that is the whole difficulty, and the chief difficulty as it applies to the milk distributing trade.

1197. Do you mean longer hours on one day, or longer hours if you take it by the week or the season?—By the week or by the day.

1198. So you are not referring to the same point as the last witness mentioned, that the hours are longer at one time of the year than at another?—I agree with him on that point, but I say generally that the men are working longer hours than they are actually paid for.

1199. Has your Association called the attention of any of the authorities to any case?—As a member of the Trade Board I personally called the attention of the Board to that fact, but you cannot expect the dairymen to be policemen on each other—at least, I would not like the job. There are, of course, difficulties so far as a seasonal trade is concerned. I have made out a rough chart of our own particular business in the West End trade, and you will see the difficulty of putting that on an hourly basis (*exhibiting a chart*). At one time of the year a man would be practically getting nothing, or at any rate a comparatively low wage, and at other times he would be getting a good deal more than the minimum wage.

1200. Will you put that chart in?—I only brought it for inspection.

1201. You shall have it back again?—Very well, (*Handed in for inspection*). That, of course, applies to many businesses, and I brought it as an example of how the conditions vary.

1202. What does this show?—It shows the amount of milk actually sold taken on a weekly average. I hope you will regard the figures as confidential.

1203. Yes. There seems to be some very rapid variations?—Yes. That, of course, applies particularly in the West End trade, where our firm carries on business mostly.

1204. *Mr. MacCallum Scott*: I suppose it is in a district like the West End where many people go away for long periods that those variations would apply?—Yes, they go away from the second week in July until the second or third week in October.

1205. *Chairman*: There is a fairly rapid fall at Easter, which is one holiday season, and there is a big fall in the latter part of July and in August and September; and then in October it rises again?—Yes, and then it goes down again at Christmas for a good period. If the strict letter of the Act were carried out in a business of that description, an hourly time rate, I think, would be a disadvantage to the men: they would have a good deal of money at certain seasons of the year, and they would have to go very short at the slack seasons. That has never been the custom in the milk trade, but if this Act were to be carried out as it should be, that would be the effect as far as that particular district is concerned.

1206. *Sir Arthur Pease*: Is there any great variation as between the different days of the week?—No, except speaking personally of my business in the West End we do a good deal less on Saturday and Sunday. That we do not object to, because Sunday is a short day of only six hours; but in the suburbs you will find that on Saturday and Sunday, when the business men are at home, the sales go up. That applies also to seaside towns.

1207. *Lord Weir*: In fixing the rates of your Board you must have brought up all those points?—We did.

1208. But you were not able to arrive at a system under the law which would cover the conditions of your industry?—Quite so.

1209. *Chairman*: Is your rate of wages a weekly rate or a daily rate?—It is practically an hourly rate. We pay a certain wage for seven hours a day for six days a week, and six hours on Sunday, making up a week of 48 hours.

1210. *Lord Weir*: That was in the hands of the Board to settle. The Act does not say that.—As a Board, I agree, we fix what hours we like; we can have an 8 or a 10-hours' day, but the trade union members who are on the Board will not consider anything except a 48-hour week.

1211. You mean they do not consider the conditions of the industry in association with the construction of the Act?—No, they are trying to apply an Act which is quite a good thing for a factory, but when you come to the milk trade, which is quite a different and a separate business, the two do not agree, and I personally, though I should like to see something which would bring things into line, cannot see how under an Act of this description you can do it.

1212. *Chairman*: Even when trade is most slack you would have to pay a wage enough for a man to live on?—I quite agree. For instance, all through the slack season since we have been under the Act my firm particularly have paid the full wage, although the men in some instances were only doing 40 hours a week. We do that because it has been the custom of the trade not to work by the hour.

1213. *Sir Arthur Pease*: Then it is not an hourly rate. You said at one stage that it was an hourly rate?—It is as an act of grace that we pay.

1214. Under the Trade Board decision could you pay for, say, 3½ hours instead of for 7 hours for one day?—As I understand, you can engage a man for whatever hours you like, and you have only to pay him per hour. I am open to correction upon that, but that is my reading of it.

1215. *Chairman*: Then what is your suggestion upon this point?—I have given it very careful consideration, but I have no suggestion under this Act to offer for the milk trade.

1216. But have you any suggestion for amending the Act to meet your difficulty?—If I might leave that point for the moment, we come to the carriers. They are paid an hourly rate of wages; they leave your business perhaps in the early morning, and in some businesses they have their breakfast away, and they come back to the shop again, and that is all you see of them. In my business they go out at 6 o'clock in the morning, and are back again at 8; they are back to the shop again at 9 o'clock, and they go back again, say, at 1 o'clock, or they should do. They wash up, book in, and are supposed to finish at 2 o'clock. That man has finished his work for the day. That is the only way that we can get in 7 hours to suit the customers who require milk for breakfast and again before lunch. We do not deliver milk at all after lunch. That applies, I think, in nearly every dairy business.

1217. *Mr. Pugh*: But the Act does not lay down that you should work 7 hours a day, does it?—You can work what hours you like provided you pay for it.

1218. Then this is not a complaint against the Act, but against the arrangement with the Trade Union?—I was only explaining how we work. If you are paying an hourly rate, and you agree to pay a man overtime, he can come in at what time he likes. You can, as we have done, test a round, as they call it, for the time it takes. That man on some days does not feel very well, and he is not going to do his round in the same time on that day as perhaps he did it in on the previous day. Are you going to pay him overtime? Supposing a man is not scrupulous, but he is willing to make as much overtime as he can, he can easily spend half an hour or an hour extra on that round, for which the employer has to pay. My point is that there is no reasonable check except at great expense as far as the milk business is concerned.

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[Continued.]

Sir Arthur Pease: Does the amount of work which a man has to do on a particular round vary very much from day to day?

Mr. MacCallum Scott: You mean on the same round?

1219. *Sir Arthur Pease:* Yes, on the same round.—From day to day?

1220. From day to day or from week to week?—From week to week, yes, but not from day to day, except that in our business Saturday and Sunday are quiet days. In other businesses Saturday and Sunday are busy days. The only thing beyond that which would vary it is the question of the seasons.

1221. The point I want to put is this: Supposing you put a large number of extra customers on to a particular round which was the same distance?—We should naturally expect that it would take longer.

1222. The man might be justified in taking longer to go that round?—There you bring up a point where this Act favours the large firm with a compact round as against a small man with a scattered round. A man with a large, compact round can say, "We will do (in round figures) 40 gallons a day in the 7 hours." A smaller man with a scattered round may only be able to do 20 gallons in the 7 hours. Therefore the big man pays less per gallon for his carriers' wages than the small man.

1223. That was not quite my point. My point was this: if a man were entitled to overtime, the average man might have gone the round and found that he could do that round in a certain time, but if you put on another 25 per cent. of customers?—Naturally you would have to re-test that round to see what the new time should be.

1224. That is what you have to do?—Yes.

1225. If there were any substantial variation in the number of customers served you would have to re-test the round?—You would have to re-test the round.

1226. *Mr. Bell:* May I ask whether there is any variation in the number of men you employ during the year?—Personally, I should say not.

1227. *Mr. MacCallum Scott:* Say in August?—In August we do not employ less; in fact, this August, speaking of my own personal business, we were employing more, because we gave the men 10 days' holiday.

1228. *Chairman:* At full pay?—Yes, at full pay, or at least the minimum wage.

1229. *Mr. Bell:* When you say "personally," are you expressing a personal opinion which applies simply to your own firm, or a personal opinion which you think is true of the industry as a whole?—On particular points, where I say "personally" it refers to my own business.

1230. Can you tell us what is the custom of the trade?—Do they as a rule employ fewer men at one period of the year than at another?—No, the custom of the trade has been to keep the men on through the slack seasons at the ordinary weekly wage.

1231. You said at the beginning, complaining about the machinery of the Act and the length of time, that wages went up very quickly, but that it is taking a long time to get them down?—Yes.

1232. When the Trade Board was set up, did it force wages up more quickly than the rate at which prices had gone up?—We have only had one rate fixed, and that was when the Act first came into force. We have only had that one rate fixed.

1233. Has there been no alteration since?—No. There is a proposal now for a reduction.

1234. So that the cost or the prices have never made any difference to the rate?—No.

1235. *Lord Weir:* This rigidity of which you speak, I presume, has increased the cost of delivery; I mean those conditions to which you have referred?—Yes.

1236. Can you give us any idea as to what that represents? I do not mean just now, but can you send us any information upon that?—I do not think it would give you very much information, as our Trade Board came in only last year when wages were high, and to the best of my knowledge it only made an increase of about 10s. or 15s. per week per man.

1237. That is the increase in the rate of wages, but you have not said anything about the increases of wages, you have taken objection to changed conditions?—In addition to the increase in wages, of course there are the shorter hours. Against that is the less waiting on (if you like to put it in that way) that the customer has had. The public has suffered to a great extent.

1238. It is not an equal service?—It is not an equal service, so it is difficult to figure it out accurately. You are not only paying higher wages for shorter hours, but you are not giving the same service as you did, say, in pre-war times.

1239. Perhaps you will think it over, and if it is possible to give us any figures you will do so?—If it is possible I will let you have them.

1240. *Chairman:* Have you any other points on your notes?—I consider that the Act will be very difficult to enforce. After making the statement that 50 per cent. of the trade in my experience are not carrying it out after 12 months, I consider that it will require an army of inspectors to enforce it. As I understand, there are 50,000 or 60,000 notices sent out under this Milk Trade Board. I consider it as an asset to a large firm or to a big company against a small man. There is also the effect on the workers themselves. It is favourable in our particular business for a young, active man, and against an older, less active man.

1241. *Mrs. Lyttelton:* You mean because he is dismissed if he cannot do his round in the specified time?—The point is that from the business point of view you ought to dismiss him.

1242. Yes. I only asked the question?—My own experience is that the men would rather do their work as milk carriers without being tied down to half an hour or so.

1243. May I ask whether it is chiefly the question of regulation of the hours in which you feel the Act cannot be enforced? Is it mainly upon that point?—It is mainly on the point that you have no reasonable check on a carrier's hours.

1244. It is not the wages, it is the hours?—It is not the wages at all. I want to make that quite plain. I have no objection to the amount of wages we pay, but when it comes to the position that a man has got to be paid overtime over a certain period, then I say that it is a thing on which we cannot keep a reasonable check. In fact I consider that to start paying overtime would be a very dangerous experiment; it would tend to encourage a man to take as long as possible on his round.

1245. *Dame Adelaide Anderson:* Is it not possible to arrive with the help of the Union at averages of the times to be taken?—I disagree with the last statement, that you can make an arrangement with a Union which is outside the Act. I do not think you would have a leg to stand on.

1246. The Board cannot?—You can make no agreement outside the conditions of the Act, either with a Trade Union or with anybody else.

Lord Weir: An agreement might be made although it were outside of the Act. I think that is all that the last Witness said.

1247. *Dame Adelaide Anderson:* I only meant a working arrangement—calculating this question of cost in relation to the hours of work. It is, of course, manifest that you cannot go on long paying for work which is not done. I was only suggesting that it is possible for your class of business, after a certain length of time when you know the area which you are going to cover, to arrive at the proportion of time, and you can work it out on the average?—Then you are still in the man's hands to keep to that time.

1248. *Mr. MacCallum Scott:* Is there not a little misconception as to the use of the words "outside the Act"? Of course you can make any number of agreements outside the Act, but what you meant, I think, was rather that you cannot make an agreement contrary to the terms of the Act?—Yes, contrary.

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[Continued.]

1249. You may make any agreement you like on things that are not covered by the Act?—I may be misunderstanding the last speaker, but she gave an instance—or rather I took it in that way—that if you test a man to take seven hours a day, and that is the time in which he should do that round, if the man takes nine hours to do that round nothing is said about it, because the union people do not bother about it. Still, I think you are breaking the Act. It says definitely that you have got to keep proper time sheets and proper records of the hours that a man works and the rate of pay at so much per hour.

1250. *Sir Arthur Pease*: May I just clear up that point? You mean if one man went round in six hours, and another man took eight hours, the average being seven hours, you would strictly under the Act be liable to be prosecuted if you did not pay the man who took the eight hours for overtime?—Yes.

1251. Although it was the man's own infirmity or the man's own fault that he could not get round in seven hours?—Yes.

1252. And you have no way of checking that?—No.

1253. *Mr. Bell*: May I ask what was the arrangement with regard to hours before the award?—I do not think there was anything, apart from what you made in your own business.

1254. You could work a man as long as you liked?—No, you worked a man as long as he liked to work.

1255. That was not so long as you liked?—A man will work as long as he wants to, and that length of time will be sufficient to enable him to earn sufficient money to keep him going. You cannot work a man as long as you like.

1256. *Mrs. Lyttelton*: Did you have different rates of pay for a man who would work long hours?—We had different rates of pay according to the different rounds. A good man got more pay; an indifferent man slightly less pay.

1257. *Mr. Bell*: So that without any award, if a man did not like to work more than six hours per day you could not make him. Is that your point?—You would not employ him.

1258. And if he did not like to work more than eight hours a day, and you wanted him to work 12 hours, what then?—You would employ the men who were willing to work as you wanted them to.

1259. That was my first question?—But that is not making a man work longer than he wants to.

1260. *Chairman*: Have we got all your points now?—There is one other. The circular here issued by the Trade Board says: "It has been argued that the minimum rates tend to become the maximum rates, but experience has not borne out this view." My experience and the experience which I have gathered from the Association is that a minimum rate is, with few exceptions, the maximum.

1261. *Chairman*: You are dealing with two different points altogether. You mean to say that they fix what they call the minimum, which is really the maximum?—Yes.

Chairman: That circular deals with another point altogether, which is: Whether the wages of skilled workers tend to come down to the minimum rate of the unskilled workers. It is a wholly different point, but I quite understand what you say of your own experience.

(The Witness withdrew.)

FIFTH DAY, Wednesday, 9th November, 1921.

PRESENT:

The Right Hon. the VISCOUNT CAVE, G.C.M.G., (*Chairman*).

The Right Hon. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

The Hon. Mrs. ALFRED LYTTETTON, D.B.E.

Mr. W. T. LAYTON, C.H., C.B.E.

SIR ARTHUR F. PEASE, Bart.

Mr. A. PUGH.

Mr. A. MACCALLUM SCOTT, M.P.

Mr. H. D. HANCOCK (*Secretary*).

Mr. MICHAEL FREDERICK CAHILL, called and examined.

The Witness handed in the following statement as his Evidence-in-Chief:—

MEMORANDUM OF EVIDENCE OF MICHAEL FREDERICK CAHILL on behalf of the Grocery and Provisions Trade Board, England and Wales, Employers' Side.

(Given pursuant to a Resolution of the majority of the Side.)

Grocery Board.

1. The Grocery and Provisions Trade Board, England and Wales, was constituted by Order dated 23rd June, 1920. It consists of 83 members, being five Appointed Members, 39 employers, and 39 representatives of workers. It deals with the Grocery and Provision trade, which is mainly a food trade dealing with great part of the £300,000,000 home and £700,000,000 imported food of the United Kingdom. The number of persons affected by its decisions is estimated by the employers at about 600,000, and is unofficially estimated at about 400,000, these figures being arrived at as follows, namely:—Employers, as per official list at the Trade Boards Offices, 153,000; Workers, as per unofficial estimate 250,000, but as per employers' estimate 400,000. It is the largest Trade Board ever created, and it is to be noted that while in Victoria there are no less than 147 Boards

to deal with 150,000 workers, in England this one English Board has to deal with twice the number of workers there dealt with by 147 Boards.

Proposed Evidence.

2. The working of the Trade Boards Acts and their effect will, it is thought, be best shown under three main headings, concerning respectively:—(a) the institution of the Board, together with its personnel and the manner of their appointment; (b) the operation of the Board, showing the precise nature of a Trade Board; (c) the decisions of the Board and their operation; and it is desired under each of these three headings to make certain submissions to the Committee, based upon the experience of the Grocery Board to date. It is, however, first necessary that the Committee should be informed of the composition and nature of the trade and its place in the national economy.

Composition of Trade.

3. The trade is tripartite in composition, the three interests being respectively:—

- (1) Private Trader, whether wholesale or retail;
- (2) Co-operative Movement;
- (3) The Multiple Shops;

and between each of these sections, as also between the members of each section, there is the keenest competition. The respective traders differ considerably

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in magnitude, ranging from the small single shop grocer in the rural village to the great multiple shop company or West End emporium, but while the private trader carries on business for his personal benefit, the co-operative movement and the multiple shop companies carry on business for the benefit of their members, of whom the majority are persons of the middle and lower middle classes. The cardinal feature of the trade is the case with which the grocery assistant may become a masterman with a shop of his own, there being many single shop grocers, as they are called, in existence. When a man has successfully worked one shop he may gradually extend and take another and others, and so become gradually a multiple grocer possessing several shops, and it is then only a matter of concentration and perseverance for him to develop ultimately into a great multiple shop concern. Many of the employers unite with the Grocery and Provision trade separate and independent trades quite outside the scope of the Grocery Trade Board. Many employers, also, combine the process of manufacture with that of distribution, and in the case of many employers, retail shops, factories and wholesale warehouses are operated in conjunction, and frequently the various buildings are situated closely together. Any rate of wages, therefore, fixed for one department or portion of the premises immediately has an automatic effect in the adjoining portions of the premises and in the adjoining buildings, if any, of the employer. On the side of the workers there are no sharp divisions into classes of workers. Practically the whole of the workers are what may be described as general workers, the reason being that, except in a few highly organised businesses on the wholesale side, there is not sufficient work in any one operation to keep the worker continuously engaged, and he turns himself to whatever is required to be done. The operations in the trade are myriad in number, and the divisions of the workers which the employers recognise are in gradation of authority, *e.g.*, foremen, managers, etc. Moreover, as no monetary difference has hitherto attached to the description by which a worker was called, workers doing the same kind of work are known by different names in different parts of the kingdom, and even the same name has a different meaning in different localities, *e.g.*, the meaning of the term "warehouseman" is widely different in London from that in Manchester or Liverpool. Neither is it possible to classify workers as being in the wholesale and retail trades, because in numerous cases the retailer also carries on a wholesale business in the same premises and by means of the same staff.

Nature of Trade.

4. The trade is mainly a food trade dealing with numerous articles of food, the majority of which are imported from other countries. This is the cardinal fact of the trade and in consequence thereof the traders become divided as follows, namely:—(1) The importers, who are necessarily situated in the chief ports. These importers sell in enormous bulk to (2) the great wholesalers who, under Food Control, were termed "primary wholesalers," and are situate in the chief cities. From them the food is distributed to the lesser areas of the kingdom, being sold necessarily to (3) other wholesalers (who are called "secondary wholesalers") and the larger retailers; from these secondary and primary wholesalers the various retailers necessarily derive their supplies. The various wholesalers, in fact, serve the purpose of central and local depots for the distribution of food. On the wholesale side, however, there is no wholesaler who handles all the staple articles dealt in by the retail grocer; on the contrary, nearly all the staple articles of food form the subject of an independent and separate wholesale trade. For instance, there are butter and cheese merchants, also cheesemongers separately. There are bacon dealers, and there are merchants dealing in bacon, butter, cheese and eggs collectively. The dried fruit market is practically an independent trade; similarly the canned goods trade

and the tea trade; sugar also is largely separate. In fact, on the wholesale side, almost every article of food comes from a different country and undergoes separate and different treatment, with the result that the several articles of food form the subject of separate and independent wholesale trades. These separate wholesale trades may be compared to streams which all converge into a main outlet, namely, the retail grocer's shop, by which the public is supplied. Turning now to the retail side of the trade, the retail grocer is the general store of each locality, and so far as the poorer classes are concerned, he is, in fact, the larder or cupboard by which they are daily supplied with food. The trade of retail grocers varies widely throughout the country according to local custom; in some parts the grocer is also the baker; in many parts he sells bread although not baked by him; in other parts he will also deal in millers' offals and cattle food. Some grocers sell groceries, others sell provisions in addition. Some grocers sell butcher's meat. Most grocers combine with grocery the sale of other articles, such, for instance, as hardware, cutlery oil and colour, china, glass and earthenware, mats, rugs, baked bread and confectionery, cooked meats, wine, spirits and beer, tobacco, greengroceries, patent medicines, etc. Many carry on Post Offices. On the other hand, there are very many articles sold by a grocer which are quite easily saleable, and are therefore sold by many other traders, such as dairies, butchers, corn chandlers, Italian warehousemen, oil and colonmen, bakers and confectioners, drapers, ironmongers, and others, and the sale of these separate articles by such traders has become a matter of serious competition to the retail grocer. The retail grocer is also considerably affected by competition from street traders, who, being free from rates, taxes, wages, etc., and being subject to lesser inspection in the matter of weights and scales, quality of food and so on, are able to undersell the grocer in many cases. It will be seen, therefore, from the foregoing (which might be much extended), that on the wholesale side the Grocery and Provision trade comprises a large number of separate and independent trades which find their main outlet in the retail grocer, but also sell their products freely to his competitors. On the retail side, it will be seen that the trade is inextricably interlaced and interwoven with the rest of the distributive retail trades of the country. The effect of this is that it is quite impossible to frame any other than a purely arbitrary definition of the trade for the purpose of putting it within a Trade Board Order, and that accordingly any such definition must necessarily be (as it in fact is) both defective and unfair. It is defective because it includes persons not within the trade, and it excludes many persons who are in the trade, and it is unfair because it thus brings about inequality between competing traders in the same locality.

Place in National Economy.

5. The outstanding feature of the trade is that it is in the main an internal or domestic trade; it occupies the same place in the industrial community as the Army Service Corps in the National Army. The price of its goods constitutes the root basis of all wages costs in the kingdom, and in particular it deals in the majority of the articles of food upon which the Ministry of Labour cost of living index figure is founded. Any increase in price, therefore, of such goods will have an immediate effect on such index figures and directly affect all wages depending thereon. This, however, is no reason why workers in the food trade should not be properly paid, as the public have no right to cheap food at their expense, but it is submitted that it is a very distinct reason for seeing that the settlements of wages in the food trade shall be conducted with the greatest possible care; and it will be noted from the number of workers affected by the Board, that an increase of 1s. per week per person means a total sum of £676,000 per annum on the low estimate of 250,000 workers concerned, while, if the employers' estimate of 400,000

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workers is accepted, an increase of 1s. per week means an addition of one million pounds per year to the foods costs of the country. It will be noted also that the great bulk of the trade is distributive in character; no question of output exists, and no increase of wages, therefore, can be reproductive except by increased work on the part of each employee, which, owing to the nature of the work, would necessarily bring about a reduction of staff, with consequent unemployment. A third characteristic of the trade is that it is an intermittent trade varying in the case of retail shops with the shopping hours of each locality, and in the case of a wholesale trade the intensity of the work also varies with the localities, workers, therefore, in all localities sometimes working at great pressure and at other times having nothing to do. The effect of this is that the amount of labour that may be absorbed in the trade is variable and may be easily decreased.

Trade Organisation.

6. Apart from the Co-operative Movement, the only employers' organisations existing in the trade on the retail side are the various Grocers' Associations throughout the kingdom, who are united in the Federation of Grocers' Associations. These Associations are limited to retail grocers only and are estimated to comprise a membership of about 20,000 only. On the wholesale side there are various Wholesale Associations throughout the localities of the kingdom, most of which are now federated in the National Federation of Wholesale Produce Merchants, but the number of wholesalers included in the Wholesale Federations again is estimated at not more than 20,000. The great Multiple Shop Companies have a Multiple Shop Association, but this comprises only the main firms and the membership is trivial in number. The result is that so far as the employers side of the Grocery trade is concerned, there are only approximately one-third of the employers comprised in any organisation.

So far as the workers are concerned, on the Co-operative side there was, prior to the institution of the Grocery Trade Board, only the Amalgamated Union of Co-operative Employees, which is stated to have comprised 80 per cent. of the workers in the Co-operative Movement. The Co-operative Movement has, it is estimated about forty thousand distributive workers in the Grocery section. Let it be assumed, therefore, that these are all comprised in the A.U.C.E. The only other union in the Grocery trade on the retail side which was of material importance was the Shop Assistants' Union, whose total membership at the present time, according to their published reports, is approximately 100,000, but their membership extends to all distributive trades and not Grocery alone, and in a Labour journal they are estimated to comprise not more than 10 per cent. of the workers in the distributive trades. It is a generous estimate, therefore, to assume that they comprise 40,000 grocery workers. On the wholesale side the union whom the employers have been mainly brought into touch with is the General Workers' Union, which again is a very general union and extends to many other trades besides the grocery. If it be assumed that they have 20,000 members directly in the Grocery trade, the estimate is probably generous. The result is that of the workers in the Grocery trade, approximately only 100,000 or about 30 per cent., are comprised in any Trade Union whatever, and taking the whole of the trade, the Shop Assistants' Union, in particular, standing alone, does not comprise more than one-sixth at the utmost of the workers in the trade. A curious result of this is (as will be hereafter seen) that by the institution of a Trade Board the whole of the trade is ruled by the organised minority of 30 per cent., the remaining 70 per cent. being outside the various organisations. The membership of all organisations, moreover, is unevenly distributed throughout the kingdom, but the greater number of members are resident in the industrial centres; and the workers' and employers'

Unions in the rural and country areas have only a meagre membership and possibly in some districts none at all, so that various districts are probably wholly unrepresented on the Trade Board.

State of trade prior to Trade Board.

7. Prior to the Trade Board, the trade throughout the entire country was comparatively peaceful and harmonious, with the exception of the Co-operative Movement, in which several strikes had occurred. With that exception, there had been practically no disturbance in the trade and no labour unrest except in the districts of South Wales, the Cleveland Mining District, Liverpool, North Staffs, Manchester, Birmingham and Newcastle, and in these districts, with the assistance of the Unions (whose good services require to be acknowledged), strikes and trouble had been avoided. Apart, possibly, from some black sheep employers, throughout the bulk of the trade wages had been, broadly speaking, advanced proportionately to the increase in the cost of living, though not doubtless so much as many workers would desire. It is expressly to be noted that, speaking of geographical area, quite seven-eighths of the country was in industrial harmony so far as the Grocery trade is concerned.

Institution of the Board.

8. The application of the Trade Boards Acts to the distributive trades was first publicly mooted at a meeting held at the Ministry of Labour about February, 1919, to discuss the formation of one Trade Board for all the distributive trades, and the Press statement of the meeting was the first notification received by some of the chief bodies in the Grocery trade. The formation of one omnibus Board for all distributive trades was desired by the Trade Unions, who were appreciative of the difficulties set out in paragraph 4 above, but was keenly disputed by the various employers; but it was ultimately ruled that as under the Statutes the power of the Minister was only to set up a separate Board for each separate trade (the idea of the Statutes being to give each trade autonomy within itself), he had no power to set up an omnibus Board for several trades (as this would render each trade subject to the power and interference of outside persons), and therefore the institution of one omnibus Board fell through, and the Minister proceeded to institute separate Boards for the separate trades. Note expressly, however that this was solely and exclusively an arbitrary decision of the Minister. No employers in any distributive trade had made any application whatever for a Trade Board, and the reasons for its institution were never communicated to the employers. The Grocery Board, in particular, was arbitrarily imposed upon the Grocery trade against their wish.

Cause of Institution.

9. It is understood that the action of the Minister was founded upon *ex-parte* representations made by the Shop Assistants' Union to him, but those representations were never submitted to the employers, and they never had any opportunity of considering their accuracy, and it was idle and impossible for them to attempt to resist the imposition of the Board, because under the 1918 Act the Minister is empowered to set up a Trade Board in any trade in which he is of opinion that no adequate machinery exists for the effective regulation of wages throughout the trade (Section 1, 1918 Act); and it is clear (as shown above) that there was no such organisation in the Grocery trade.

Effect of Board's Institution.

10. The effects, however, are these, viz.:—(a) At the application of one Trade Union representing not more than one-sixth of the workers in the trade, and

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by reason of unverified statements made by that Union, a Trade Board has been imposed upon the Grocery and Provision trade without their consent; and at the instance of a representative claiming to represent 40,000 workers, the lives and earnings of at least 400,000 persons have been thrown into a dispute which did not previously exist, and which the great majority of them did not desire. (b) Whereas prior to the Trade Board the trade had industrial peace in seven-eighths of the country and unrest only in one-eighth, now, at the instance of the one-eighth, the unrest has, by force of law, been compulsorily extended to the seven-eighths. The entire country has been thrown into turmoil, and the question of wages and hours and conditions of labour have been compulsorily made the subject of an obligatory and fresh dispute between employer and worker throughout England. The institution of the Trade Board, *ipso facto*, manufactured the very labour trouble which its formation was no doubt desired to avoid. (c) As a further effect, preparation has necessarily been attempted to be made to meet the increase in wages which the Board have proposed as "minimum" wages, and this has necessitated the closing of some shops and the discharge of many employees, and all this takes place at a time when, as stated in the Journal of the Shop Assistants' Union for 15th October, 1921, page 717, "it is only too true to say that never before was unemployment so great among shop and warehouse workers as it is to-day." Ample evidence in support of this paragraph is to be found in the 2,843 objections lodged with the Grocery Board since its institution; but the employers in the trade are helpless to remedy the effects mentioned or to prevent further dismissals because they are saddled with the Trade Board.

Legal Reason for the Board.

11. It is not as if the trade were a sweated trade. It never has been a sweated trade, and there is not the slightest likeness or comparison between workers in the Grocery trade and the home workers, outworkers, etc., engaged in the Tailoring and other sweated trades for which Trade Boards were instituted under the 1909 Statute. The operations of the trade are carried on wholly in public; its retail shops are visited by the public daily; they are subject to inspection under the Shops Acts, and by Food and Sanitary Inspectors, and the nature and conditions of employment of the assistants are well known. The occupation of a shop assistant is, in fact, a pleasant occupation. On the wholesale side substantially similar conditions prevail, and the warehouses are subject to inspection by the Authorities. The customary hours of employment on the wholesale side vary from 46 to 52 per week, and on the retail side the average hours are 52 to 56 per week, notwithstanding that the maximum hours fixed by law for all juvenile workers are no less than 74. Wages have been in accordance with all other distributive trades, and they have been substantially advanced by the great bulk, if not the whole of the trade, to correspond with the increase during recent years in the cost of living. If there had been any suggestion of sweating, the trade might easily have been brought under the Trade Boards Act, 1909, as a sweated trade, but no such attempt was made. It is, therefore, clear that the Grocery trade is not a sweated trade under the 1909 Act. The only reason why the Board was imposed upon the Grocery trade was the fact that in the opinion of the Minister "there is no adequate machinery existing for the effective regulation of wages throughout the trade" (Section 1 of the 1918 Act).

Defect of 1918 Statute.

12. Surely, however, a Trade Board representing a form of collective bargaining can only be successful where a trade is sufficiently organised to *assimilate*

and accept a Trade Board as a part of its organisation? All Trade Union experience confirms this, and where any Trade Board may have had any measure of success, it is submitted that it will be found to be due largely to this reason. Unorganised trades, *ex hypothesi*, in which no machinery exists for the effective regulation of wages are obviously without experience in collective bargaining, and therefore necessarily proportionately unfitted for the exceedingly difficult task of fixing wages upon a national basis. It seems extraordinary, therefore, that the 1918 Statute should have made the very lack of organisation which unfits a trade for the task, the very reason why they must undertake it. Surely it is clear from the experience during the War that the fixing of wages upon a national basis is not a task to be thrown upon unorganised trades or traders? While it may be true that where no sufficient organisation existed for fixing wages, such lack of organisation might possibly be made good by the formation of a Trade Board, a Trade Board can only exist where there is sufficient organisation and willingness to work it. It must be *suius* to the trade if it is to succeed, and if the gravest difficulties are to be avoided, there must be somewhere in the trade the requisite knowledge and ability and willingness (free of remuneration and at a personal loss and inconvenience) to settle wages for the kingdom on a large scale. It is submitted that no Trade Board should ever be set up in any trade unless that trade is sufficiently organised to receive and accept it, and that the best test of whether the trade is so organised is the application of the trade for the institution of a Board. Except for sweated trades no Trade Board should, it is submitted, be entertained or set up except upon the application of both employers and workers, and then only provided the application be made by bodies truly representative of the different sections of both workers and employers and comprising, in number, at least one-half of the employers and one-half of the workers.

Discussion of Trade Board Principle.

13. As we are now dealing with the institution of Trade Boards, it seems proper that we should offer our views as to their principle, and this we proceed to do as follows:—

In view of the evil effects caused by the Trade Board in the Grocery trade, there ought to be great advantages to outweigh those effects, but the Employers' Side are not able at present to see what those advantages are. The advantages usually claimed for these Trade Boards are three—(a) that they put an end to sweating; (b) that they prevent strikes; (c) that they place all employers on a level. The first of these claims is very doubtful, and the last two are directly contrary to the fact.

Sweating.

- (a) The Grocery trade is not concerned with sweating, as it is not and never has been a sweated trade. When, however, it is alleged that sweating is prevented by a Trade Board, it is necessary to remark that this has never been proved. Sweated workers are composed of the weak and more or less incompetent workers. The only effect of a Trade Board is to make a legal Order fixing a rate of wages. The result of that has been (*vide* R. H. Tawney's Works on the Tailoring Trade Board, the Chain-making Trade Board, and the Box-making Trade Board, and Mr. and Mrs. Sydney Webb, in "Industrial Democracy") to cause the employers to choose their workers more carefully, and to see that they get value for the higher wage which they are compelled to pay. It may be true that under Trade Board enforcement new and higher wages are

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being paid, but the fact seems to be that they are being paid to different and higher class workers worthy of the money in question. The net result of the humanitarian efforts to abolish sweating, therefore, has possibly been to throw the sweated workers out of employment. In other words, it has simply been a question of the survival of the fittest.

Strikes.

- (b) It is alleged that Trade Boards prevent strikes, but no proof has ever been attempted on this point. It seems to the Grocery employers that what is really important is not the Board or persons by whom a wages Order is made, but the actual Order itself. The fact that wages may be fixed by a National Conference, Cabinet Council, a Joint Industrial Council, or a Trade Board, is not material. What really matters is the actual Award. If workers are satisfied, nothing is heard; if they are dissatisfied, then they express their dissatisfaction by strike or in such other manner as they please. Experience shows in this respect that a decision of a Trade Board is of no greater sanctity than any other decision. In point of fact, the decisions of Trade Boards have themselves been a prolific source of strikes by reason of the grave discrepancies in wages to which they give rise. So far, therefore, from preventing strikes, Trade Boards have themselves caused numerous strikes. This is conclusively shown by the great number of strikes which have occurred in Australia on this very ground, *vide*, for instance, H. M. Murphy, Secretary to the Department of Labour, Melbourne, in his work in 1917 on *Wages and Prices in Australia*, page 56, where he expressly says:—"As long as we have separate tribunals, wages boards, and courts of arbitration throughout Australia it is inevitable that the wide powers which they possess for fixing wages high or low as they please will be used in such a way that wide divergencies in wages will occur. These divergencies, in some cases resulting in one man getting in the vicinity of double the amount of another doing similar work, have been, in my opinion, a most fruitful source of strikes." At page 44 he says: "The hostility of trade unions against piece work payment has been so great that strikes have occurred against it and the strike method of attempting to prevent piece payment by force has even been employed in trades where the tribunal has fixed prices and so legalised piece payment." Again, at page 51 he speaks of Australia having topped the world's records in strikes. If it be true that in England there have been no strikes under the eleven Trade Boards created under the 1909 Act, it would appear to follow that the workers were satisfied with the Awards made by their Trade Boards, which is not to be wondered at, as prior to the exceptional circumstances recently existing, those wages were uniformly steadily in an upward direction.

Undercutting of Employers.

- (c) it has been asserted that the effect of a Trade Board is to place all employers on a level. This claim, in turn, appears wholly invalid. Experience shows that the moment the Trade Board proposals become operative, the Unions immediately agitate for

higher wages from the better employers on the ground that those fixed by the Trade Board are minimum rates, and this very thing is happening at the present time in the Grocery trade. Moreover, even if wages were fixed at standard rates, it would still depend entirely upon what Order the Trade Board made whether this equalisation of competition amongst employers took place, and it will be found that the Orders made by the Trade Boards upon the pressure of the Appointed Members frequently fail to secure to the employers this advantage. This is especially so with regard to the proposals of the English Grocery Boards and the areas set out by them. Most wages settlements have substantially gone upon the principle that all employers competing for the same market shall be compelled to pay at least the same minimum wages, but this principle is wholly disregarded in the Grocery Board proposals, because the same areas are prescribed for the wholesale and for the retail trade. The interest, however, of the wholesalers as regards area is directly opposed to that of the retailers as the wholesalers' competitors are spread over a wide area, while the retailer's competitors are limited to a few miles from his shop.

Trade Board Principle.

14. As the extension of Trade Boards to all trades in the country is proposed (Mr. Humbert Wolfe, at the Ministry of Labour, on 20th October, 1920, foreshadowed no less than 200), the Grocery employers feel bound to offer their evidence on such proposal, so far as their present experience extends; and having also made enquiry on the subject elsewhere, they feel justified in referring the Committee to authoritative criticisms of the result of the Trade Board system elsewhere, with a view to the Committee enquiring whether similar defects or weaknesses exist here, and what protection or defence may exist against them.

15. First with regard to the Grocery trade:—

Smaller Employers driven from business.

- (a) The institution of the Board and its proposals will drive out of business many of the smaller and middle employers, many of them being in fact ex-Service men, and widows of ex-Service men endeavouring to earn a livelihood by keeping on their deceased husband's shop, or in some cases preserve their business for his young son. Others are elderly men, others are disabled men who only require to employ assistants because of the loss of a limb or other war injuries. We do not understand why these men and women employers have not as good a right to earn their living as anybody else; but there is no legal provision in the Trade Boards Acts enabling them to pay lesser wages than those prescribed, where the assistants are willing (as they are) to work for less. Instances of this class of case are to be found in the objections addressed to the Board.

Slow workers dismissed.

- (b) There are very many workers in this trade (as in every other) who, while not physically or mentally defective, are nevertheless dull or slow and not so bright as their fellows, and are paid a living wage, but not so high as a more efficient workers. These are now being dismissed in some cases

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not worth the wages proposed by the Board. This may, in the judgment of our superiors, be a proper thing, but we fail to understand why these workers in turn are to be prevented from earning their living within the limited measure of their ability or weakness as the case may be. They are completely outside the permit system existing under the Acts.

Late entrants excluded from trade.

- (c) Owing to the practice of Trade Boards to fix wages by reference to age, it will be very difficult for newcomers to enter the trade at a later age, as they will not be worth the prescribed wage as beginners, and will be prevented by law from being paid less.

Unfairness of definition.

- (d) By reason of the necessarily defective definition of the scope of the trade contained in our Trade Board Order, the continued existence of the Grocery Board or the enactment of its proposals will be productive of unfair competition within the trade, with consequent financial difficulty to the traders affected. The scope and extent of this difficulty we are unable at present to estimate; but we are decidedly clear that the operation of the Grocery Board and its proposals should be completely suspended until this defect is removed and until our competitors and competing traders are also brought under a Trade Board.

Closing hours of small shops.

- (e) Provision should be made fixing the same closing hours for small shops employing no assistants, as for the rest of the trade. Otherwise the proposals of the Board with their declaration of a 48 hour week and overtime pay thereafter will place the other retailers at a still greater disadvantage to these small shops than at present. The workers are at one with us in this view, as it is the long hours of these small shops which in many cases necessitate the longer keeping open of other shops where assistants are employed.

Secrecy of Board.

- (f) The proceedings of the Board (as of all Boards) have hitherto been secret and the Press have not been present. This privacy is essential if any decision is ever to be come to upon the Board, but it is totally impossible to expect that 400,000 people will perpetually be content to have their lives interfered with by a secret body representing not more than 30 per cent. of their number without being aware of the reasons for their action. Yet, if the Press are admitted and reports of the proceedings are published, as in some countries, such publicity, it is considered, cannot tend to industrial harmony in the trade.

General effect of Trade Boards.

16. Next, with regard to the general effect on the country of the institution of these Trade Boards, we desire to call the attention of the Committee to the following opinions of H. M. Murphy, the Secretary of Labour at Melbourne, in his (1917) work on Wages and Prices in Australia, and we respectfully suggest that these published opinions of a gentleman of such high authority afford matter of serious inquiry here:—

Unemployment.

- (a) *First with regard to unemployment:*

The Secretary of Labour writes (page 45):—"Many workers have lost their places through being below the standard. When minimum wage fixing was first proposed it was said that to insist on a minimum wage involved forcing the employer to insist on a standard capacity in the worker and as minimums were fixed all workers below the average would be discharged. The experience of the Labour Department shows that this argument was well founded. The inelastic minimum wage does not fit the slow and the fast worker alike, employers will not keep slow men while they can get faster ones, and so the law has pushed many slow workers out of employment. With piece payment, which fits all workers, fast, average or slow, this would not have happened."

Strikes.

- (b) *Next with regard to strikes:*

The Secretary of Labour affirms (page 56) that the system of Trade Boards produces divergent awards of wages which are a most fruitful source of strikes, and he considers these divergent awards inevitable. It seems to us that the extension of the system here must also inevitably lead to the same result, because the decisions of a trade Board (as we have found) depend upon a thousand and one things other than the value of the work and they necessarily differ. The decision depends very much upon the strength of the evidence and case made out; on the course of bargaining between the sides, one thing being traded for another, or the interests of one locality (say Cornwall) being sacrificed for the benefit of other parts of the country; or because of the pressure of the Appointed Members, or of the rest of the side in question; or for fear of worse things befalling, or the chance of the voting, the character of the representatives on each side, the fortune of the debate, informal and unbinding assurances given by representatives of either party as to the interpretation to be placed upon the Boards Order, the profits of the particular trade, the profits of some trades being greater than others; or the times in that trade possibly more favourable; the circumstances in the locality or several localities where the majority of either side carry on business; the ease with which any increased wage must be passed on to the public; the individual interests or lack of interest of members of the Board; the cost of living, etc. The decision of the respective Boards, therefore, even if consistent with themselves, are necessarily frequently inconsistent with each other. In the case, for instance, of a porter, what difference does it make to him whether he trundles draperies or cheese? Yet the wage fixed by the Wholesale Tailoring Board for Great Britain for a porter is 54s., and by the Grocery Board is, for England, 48s. to 56s. 6d. according to locality, and for Scotland is 47s. to 52s. according to locality, and, of course, other comparisons may be made with other Boards and other workers.

Industrial Training Discouraged.

- (c) With regard to apprenticeship and industrial training, the extension of which was so

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great a cause of the enactment here of the Education Act, 1918, the Secretary of Labour speaks as follows:—

"One of the most serious consequences of our laws is to be found in the fact that the skilled worker is not encouraged. A comparison of rates of pay shows that the unskilled in some trades are paid more than skilled in others, and in all trades the pay of each class is so near to being equal that there is little inducement for the increase in skill and knowledge which under other conditions the worker might aim at. The inducement for a young worker to spend his time at a Technical School is his ambition to command a higher wage. Our labour tribunals have failed to provide that inducement. The adolescent worker sees ahead of him as much or almost as much pay if he spends his evenings at the picture shows as at the working men's college. He is more likely to choose the easier way than to face the work and deprivation involved in the effort to become a highly skilled artisan. As time has passed the tendency of the tribunals to make only slight difference in the skilled worker has become rather more marked than otherwise."

Similarly, the English Ministry of Labour in "Labour Overseas," December, 1920 (Vol. 1, No. 2, page 1) writes as follows:—"Efforts to popularise apprenticeship and the training of juveniles for skilled work are being made in South Africa, in France, and in Denmark. As the wage of unskilled labour tends to approximate more closely to that of skilled workers, the incentive to embark on a long course of training becomes weaker. The problem first became acute in Australasia as the result of the fixing of a basic minimum wage; it has developed in Europe with the general rise of prices owing to the necessity of paying a living wage to all workers and the difficulty of paying much more to the efficient."

It seems curious that H.M. Government should pass the Education Act, 1918, to encourage industrial training, and in the same Session pass a Statute (the Trade Boards Act, 1918) the effect of which, by the publications of their own Ministry of Labour, is to weaken industrial training.

Cost of Living.

- (d) Finally with regard to the *Cost of Living*, the Secretary of Labour writes as follows:—

"When tribunals for fixing wages were first set up it was with the idea that the employers would pay the wages granted. It was never dreamt that Courts or Boards could give the workers higher pay out of the pockets of others than the employers, yet this is what has happened. At first every request for a rise in the current rates of wages was bitterly fought. Employers talked of being ruined, and having to close their businesses on account of increases in their employees' pay. As experience ripened, however, employers in certain trades found an easy way out of their difficulties, and found, too, in many cases, that it returned them more than they gave. The discovery was the process known as 'passing it on.' . . . That means that the employers can, by slightly raising the retail price of the article, recoup themselves for the extra wages

paid. . . . The worker does not know it, but he is playing the employers' game, for the obvious effect of passing it on is higher cost of living. The employer, in fixing the higher price of his article, cannot exactly pass it on. He cannot fix an extra cost which will return him no more and no less than the extra cost in wages. Therefore he fixes on an increase which will give him a margin on the right side. . . . The proposition amounts to something like this: The employees say: Why should you oppose the advance in wages we are asking for? It will not cost you anything. All you have to do is to pass it on by an increase in the retail price and the public will pay, not you. The employer accedes to this proposal and plays the benefactor by allowing the rise in wages to be carried. In due time he raises his prices and in return for his friendly acquiescence extracts from the pockets of the public not only a reimbursement of the extra wages, but also something more into the bargain." (*Wage Wages in Australia*, p. 27.)

Again, at page 1 he writes:—

"In practice regard is had almost solely to the cost of living. Cost of living goes up, the employees go to the Wages Board and wages are raised. Evidence is not seriously gone into as to how the higher wages are to be found, but it is generally assumed that the cost will be passed on to the consumer by means of an increase in the cost of the article dealt in. The process of raising wages has become almost mechanical in recent years, and during the period of about 20 years that Australia has had Labour laws, the trend has been always upward. No tribunal has yet lowered wages."

The Employers' Side feel that a grave danger is here suggested as possibly arising from the extension of the Trade Boards Acts to the distributive trades. Many of the Employers' Side of the Board were much engaged with the Ministry of Food during the Food Control, and they were witnesses as members of numerous Committees of the extreme anxiety of H.M. Government to reduce the cost of living, which it is rightly considered is at the very root of all industrial trouble to-day, and they respectfully marvel that at the very time when, by means of fixing prices and by Food Control Orders, and by Agricultural and Fisheries subsidies, the Government were doing their utmost to reduce the cost of living, the power to nullify and undo their work by unduly inflating wages was placed in the hands of a Trade Board open to all the difficulties and dangers set out in this evidence. Had the original demands of the Trade Union on the Grocery Trade Board been acceded in full, the employers estimate that they would have added upwards of 50 millions a year to the cost of living, and therefore have sent up the cost of living figures more than six points. Proportionate results in other distributive trades may follow unless wages are wisely regulated. The gravity of this suggestion will be readily appreciated by the Committee. The employers consider that the better policy of both employers and workers to-day is not to inflate wages to correspond with the increased cost of living, but to reduce the cost of living so that greater value may be obtained for the wages.

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The employers suggest that Trade Boards act only in the direction of increase. When they increase wages the employers are compelled by law to pay; when they reduce wages the reduction is nullified by trade union action.

Principle Impossible to Continue.

Finally, on page 80, the Secretary of Labour writes as follows:—

"In Australia we have tried one of the boldest and most remarkable experiments in legislation known to history, in the enactments for the fixing and enforcement by law of a minimum time wage for workers. Experience has shown such serious defects in this legislation and such dangerous possible consequences that it is permissible to believe that the breaking point is approaching. It seems impossible to go on as we are doing indefinitely. Our experimental laws in this connection are regarded in many quarters as having nearly run their course," etc., and he goes on to suggest a system of profit sharing to take their place.

Trade Union Extension.

- (b) A further result of the Board is to encourage all workers to become members of a Trade Union; and ultimately this must inevitably be the case if Trade Boards are to continue. We are aware that owing to the policy of the Whitley Council Committee and other causes, there seems to be a predominance of expert opinion in favour of compelling all employers and all workers to join Unions respectively, and this idea seems to be based upon the expectation that it will secure the authority of the Unions on the side of industrial peace, but, as stated by the Secretary of Labour, they have had ample experience in Australia of the futility of such authority as a strike preventer, and he gives instances in support of his view.

Personnel of the Grocery Trade Board.

17. Turning now to the personnel of the Grocery and Provision Trade Board, it is understood that both workers' and employers' representatives were appointed upon the nomination of Trade Unions and Employers' Associations, and the Appointed Members by the Ministry of Labour. The Appointed Members are as follows:—

- (1) Professor L. T. Hobhouse, D.Litt., Chairman, Professor of Economics at the London School of Economics, Author of the following Works:—
Development and Purpose, Philosophy and Evolution.
Social Evolution and Political Theory.
Questions of War and Peace.
Mind in Evolution.
The World in Conflict.
The Material Culture and Social Institutions.
Metaphysical Theory of the State.
Theory and Knowledge.
Democracy and Reaction.
Labour Movement.
Liberalism.
Morals in Evolution.
- (2) Mr. W. Addington Willis, LL.B., Barrister-at-Law, and Author of various legal works, including one on Trade Boards.
- (3) Professor Knoop, of Sheffield University, Author of Outlines of Railway Economics,

Principles and Practice of Municipal Trading, and American Business Enterprise.

- (4) Professor E. A. Lewis, of the University of Wales, Aberystwith, Author of Medieval Boroughs of Snowdonia.
- (5) Miss A. V. Gordon, of Nottingham.

The Employers' Side comprises representatives of the following organisations, namely, nine of the National Federation of Wholesale Produce Merchants, Manchester; two representatives of the Bakery and Allied Traders' Association, Eastcheap; one of the Wholesale Distributors' Association, London; eleven of the Federation of Grocers' Associations; three of the United Kingdom Multiple Shop Proprietors (the great Multiple Companies); four representatives of the Parliamentary Committee of the Co-operative Congress; one of the Incorporated Association of Retail Distributors (which comprises the great London and other Departmental Stores); five of the National Chamber of Trade, and one of the Wholesale Tea Federation.

The Workers' Side consists mainly of Trade Union representatives by whom the work on the Board, so far as the Workers' Side is concerned, is exclusively conducted. So far as we can trace, the Workers' Side comprises one representative of the Amalgamated Union of Carters and Motormen, Leeds; one of the National Union of Clerks; one of the United Kingdom Commercial Travellers' Association; six of the Amalgamated Union of Co-operative and Commercial Employees and Allied Workers (now understood to be merged in the National Union of Distributive and Allied Workers); one of the Dock, Wharf, Riverside and General Workers' Union; one of the National Union of General Workers; one of the Journeymen Butchers' Federation; 18 of the National Amalgamated Union of Shop Assistants, Warehousemen and Clerks; one of the United Vehicle Workers; one of the National Union of Vehicle Workers; two of the National Warehouse and General Workers' Union; one of the Workers' Union; one of the National Federation of Women Workers; and three workers chosen to represent all employees not comprised in any Union. Of these Unions the employers do not understand the appointment of representatives of the Carters' and Vehicle and Transport Unions, as prior to the Institution of the Board the trade generally had nothing to do with them. They were concerned only with those few employers who had an independent transport of their own. The sale of butchers' meat is only carried on by comparatively few grocers, and the Journeymen Butchers' Federation has not been brought into contact with the trade otherwise. The United Kingdom Commercial Travellers' Association was a necessary appointment in consequence of the strange inclusion of Commercial Travellers in the scope of the Board. The General Workers' Union have been met only on the wholesale side of the trade and not to any great extent. The main and most important Unions in the trade are the Shop Assistants' Union, which deals with both wholesale and retail, but rather more with retail, and the Co-operative Employees' Union, which, prior to its recent change, devoted its activities almost exclusively to the Co-operative Wholesale and Retail Trading Societies. The National Federation of Women Workers is unfamiliar to the employers. As before stated, the main Unions of importance to the trade are the Shop Assistants' Union and the Co-operative Employees' Union, and their representatives—Mr. J. Turner, General Secretary of the Shop Assistants' Union and a member of the Trade Union Council, and Mr. J. Hallsworth, General Secretary of the Co-operative Union, and N.U.D.A.W.—are the workers' spokesmen and leaders on the Board.

The employers' representatives were appointed by the Minister on the nomination of the Employers' Associations on account of their knowledge of the trade, and with a view to their fitness to act upon the Board. It is particularly to be noted that, except

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by accident, there was no professional or other representation of any kind on the part of the Employers' Side, although their Secretary accidentally happens to be a solicitor. It is to be noted, also, that representation was accorded to the Co-operative Movement, which is a body of generous working-class employers governed mainly by Trade Unionists of the working class. On the other side, the representatives of the workers comprise many Trade Union advocates experienced for many years in the advocacy of wages questions, and possessing also experience on other Trade Boards, and with many years' study of the Labour Movement and of Labour difficulties of every kind. In other words, trained and experienced Trade Union advocates with knowledge of other Trade Boards and of conspicuous ability, accustomed to the ready and accurate formulation of their thoughts on wages subjects, and possessing the most complete knowledge of labour problems, aided and backed by the Labour Research Bureau, and all the records of the excellent Labour Organisation of the kingdom were placed upon the Board to meet a body of employers in an *unorganised* trade who had no knowledge or experience of Trade Boards and had never before met together as a side, and who had not necessarily had any experience in dealing with wages except with their own staff, or with their own localities. The seriousness of this is increased by the fact that employers are not entitled as of right to any professional assistance; and it is submitted that, if Trade Boards are to continue, full information and guidance as to their procedure and the evidence required thereon should be previously afforded both to workers and employers, and both sides should be entitled as of right to have professional assistance.

Professional assistance necessary but not desirable.

18. It would appear from the foregoing that if Trade Boards are to continue and are to be applied to unorganised trades, then the very lack of organisation on either side renders it essential that either side shall be able to employ, if they so desire, expert professional assistance, so as to make up for the defective organisation existing. These questions of wages, especially upon Trade Boards, necessitate on the part of the professional advocate a considerable quantity of work. They necessarily involve a study of economics, knowledge of law, an ability of advocacy, and, furthermore, a constant study and acquaintance not only with the Orders of other Trade Boards, but also with all Trade Unions claims and negotiations not only throughout the trade, but also throughout the other trades in the kingdom, and a continual keeping up to date with all labour problems, Government publications and labour questions, both here and abroad, if the experienced and skilled advocates of the Labour party are to be faced on equal terms. In New South Wales the foregoing considerations have, we understand, led to this advocacy before Trade Boards and Courts of Industrial Arbitration, forming a department of legal work and books are issued for the guidance of lawyers to qualify in practice before that Court, and to qualify in advocacy upon Trade Boards. There appears a considerable opening for lawyers in this respect. Nonetheless, if such intimate and important questions as wages are to become a matter for lawyers to argue, on Trade Boards, it seems to us that the result cannot possibly be beneficial to trade, but must be deleterious and harmful to a degree. Our uniform and lifelong experience leads us to the considered judgment that the less trade has to do with law or lawyers the better it is and the more likely to be more harmoniously conducted. If the Trade Board system is to be extended, as provided by the 1918 Act, there is, however, no alternative that we can see to the Australian system and the increase and extension of lawyers' work indicated.

Appointed Members.

19. The institution of Appointed Members appears inexpedient. They are ignorant of the trade, and

their presence induces the workers to put forward claims of a highly extravagant nature, presuming upon the ignorance or sympathy of the Appointed Members. Then, when the employers make an offer, sometimes they are told to make their utmost offer immediately and not to go through any tedious process of bargaining, with the result that they may make their highest offer at the start, and the Appointed Members nearly always split the difference, with the result that that tends to become true in practice which is now commonly stated around London, namely, that a Trade Board is an institution where workers ask for three times what they are entitled to and get two-thirds of their excessive demand. It would be far better that employers and workers alone should sit upon these Boards, with the assistance only of an independent chairman without voting power, who could act as a conciliator, and that the decisions when come to by agreement between employers and workers shall be given legal effect to in the same way as in the Agricultural Conciliation Committees recently instituted. If, however, Appointed Members must continue, it is respectfully suggested that both the workers and employers should be consulted in the nomination of the Appointed Members, so that, if possible, they may be appointed by agreement of the sides. It is suggested that the Chairman or Vice-Chairman should preferably be a lawyer of recognised status, so as to have the benefit of the judicial mind.

Operations of the Board.

20. In order to show the operation of the Board, we give the following short statement of the proceedings on the Grocery Board to date:—

On the Grocery Trade Board the Employers' Side met for the first time on the 21st July, 1920, the date of the first meeting of the Board. They were wholly without experience of any Trade Board whatever, and were in ignorance of the procedure upon the same, contrary to the workers, various of whose representatives sit upon other Trade Boards and are fully experienced in the procedure and practice. The proceedings opened with a slight address by the Chairman, and claims were put forward by the workers, which are hereafter dealt with. The Employers' Side looked for guidance from the Appointed Members in what manner the enormous task of fixing wages for the whole of the kingdom should be accomplished, but no guidance was forthcoming. The workers merely clamoured for their enormous demands, hereinafter referred to, and were totally indifferent as to the manner in which their demands should be met, caring nothing about the adjustment of the burden to the individual shoulders, merely clamouring for payment of their wages demands, and caring nothing where the money was to come from, which they said was the business of the Employers alone. The employers' idea was that on entering upon a task of such magnitude the only way in which it would be undertaken was by means of District Trade Committees, who would know the local conditions and the local differences in every area, and be able to advise the Board with reasonable authority what rates of wages the various areas were able to stand, but the formation of District Trade Committees was with the consent of the employers in deference to the Chairman of the Board ruled by him as premature. The employers anticipated, however, bringing up the question later because they understand it is one of the objects of the Board to improve the organisation of the employers and employees respectively, so that ultimately the Trade Board may be superseded by a Whitley Council, and if District Trade Committees are set up, as might be done, based upon the foundation of the District Grocers' Associations throughout the country, they hoped that the complete organisation and binding together of the employers of the trade might be commenced. The Chairman, however, pressed the Board immediately to proceed to fix wages for the main classes of workers in the trade, leaving all other questions in abeyance for the moment, the

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matter being regarded by him as urgent. The employers, therefore, felt that as the Appointed Members had the casting vote it was incumbent upon them to fall into line with the views of the Chairman. The demands of the workers had not been formulated prior to the Board; they were presented to the employers' side on the afternoon of the first day of the meeting, as to part, and as to further part, on the following day. These demands are hereinafter referred to. The rest of the Board meeting was devoted to speeches by the workers and the meeting closed in a slightly heated manner, after three days discussion. The next Board meeting was held on the 24th 25th and 26th August, 1920, when further demands were put forward by the workers. The employers put forward a counter offer dealing first, in accordance with the views of the Appointed Members, with the main classes of workers in the trade. Those classes were, on the wholesale side, all workers engaged in warehouses, and, on the retail side, all workers engaged in shops; the employers' classification being (1) Warehouse workers, (2) Shop Assistants. Much discussion ensued upon the employers' counter offer and the Board meeting was ultimately adjourned. The next meeting took place on the 28th, 29th and 30th September. The question of classification of workers was particularly dealt with. The employers understood that the workers were dealing with all classes of warehouse workers upon the basis of their classification, but that the workers were not satisfied with the name "warehouse worker" which the employers desired to use, and the workers wanted to substitute the name "porter" with a definition of the duties. The employers never understood that the workers meant merely to deal with some of the warehouse workers only but thought all along that what they were dealing with was the great bulk of the workers in the warehouses and not merely a part of them. The workers, on the other hand, as it has subsequently appeared, intended to deal only with the labouring and unskilled workers to whom they applied the term "porter," although the words in the definition are, in the employers' view, sufficiently wide to include the great bulk of workers in the warehouses. The misunderstanding appears to have arisen in the course of negotiation, and it has never been cleared up. On the 28th September the Appointed Members sent for representatives of the employers and intimated that the matter must be brought to a head and that they were going to put their votes up for auction to either side, the votes to be cast in favour of which ever side would come nearest to the views of the Appointed Members. This being so, the employers were placed in a dilemma of accepting something they did not want for fear of worse, and the employers side decided to accept the Appointed Members' views subject to certain amendments which the Appointed Members agreed. This being so, the views of the Appointed Members, as backed by the employers, were carried against the workers. The next meeting of the Board took place on the 27th and 28th October, when the question came up what wages were to be fixed for women porters and women shop assistants, and inasmuch as the men's rates had been settled by the vote of the Board, an agreement was arrived at through the Appointed Members, between the two sides, and the women's rates were accordingly fixed by agreement, but it has to be borne in mind that the agreement in question was a most peculiar agreement and it is very questionable in the minds of the employers whether any agreement of any Trade Board is really an agreement at all seeing that whatever agreement is entered into, it is merely the necessary and compulsory result of the position in which each side is placed by law. There was nothing voluntary about the agreement at all. In other words, they were compelled to agree voluntarily instead of having a voluntary agreement. The Board next met on the 17th and 18th November, when, after discussion, rates were proposed for male and female clerks, and male and female cash desk workers, which were carried by the vote of the Appointed

Members and the employers against the workers. A long discussion subsequently ensued on the question of the definition of warehousemen and their classification. The proposals of the Board as to porters, shop assistants, clerks and cash desk workers were advertised, and no less than 2,648 objections were lodged, which are hereafter dealt with. The next meeting of the Board took place on January 11th, 12th and 13th, 1921, when the discussion as to classification of warehouse workers was resumed. The employers considered that they had already fixed a minimum in the porters' rates for the lowest grade of the warehouse staff, but the workers desired that all warehouse workers other than porters should be given the same wages as those of shop assistants, and they wanted special rates of wages proposed not only for head warehousemen, foremen and chargehands, but also for mealers and storemen in bacon drying, and curers in bacon curing, boners, rollers, and cutters. The employers felt that it was quite impossible to have distinctions created by law in the Grocery trade which did not correspond with the distinctions existing in fact; neither could the employers see where the process of dividing up and creating differences and distinctions, not now existing, was going to end, as it was quite impossible to take each one of the operations in the warehouse and say that workers performing those operations formed a separate class, inasmuch as the workers are at present general workers and turn their hands to several operations as they may be directed. The next meeting took place on the 2nd and 3rd February, 1921, when the objections to the advertised rates were discussed. Imagine the astonishment of the employers' side then to be told that although objections had been advertised for for two months at much expense, and although an individual copy of the Board's proposals had been sent by post to 133,000 employers asking for objections, the Legal Adviser of the Ministry of Labour had ruled that the Board could not pay any attention to these objections or make any material alteration in the wages without abandoning the whole of the proposals and issuing fresh proposals based upon the objections, which fresh proposals in turn would have to be readvertised for a further two months as before. This is a grave flaw in the Trade Board procedure, as at present constituted. The Employers' Side of the Grocery Board consider that it is perfectly ridiculous to advertise for objections if the Trade Board cannot give full effect to the objections if it wishes, and they think that the Trade Board should have the fullest power in this respect. Ultimately an agreement was arrived at between the employers and the Appointed Members, by which certain alterations were agreed in the proposals, and these alterations were carried by the vote of the Appointed Members against the workers. By agreement, however, between the Appointed Members and the Employers' Side it was agreed that if the Minister of Labour should not be able legally to confirm the alterations, the Appointed Members were no longer to be bound to the Employers' Side, but that the Board was then to revert to the same position as on the morning of February 2nd, and would have to resume discussion of all objections received to the original proposals *de novo*. The altered proposals were then sent to the Minister of Labour for confirmation. He was unfortunately advised that it was impossible for him legally to confirm at once the altered proposals as a whole. He intimated, however, that he could confirm a part at once, and the other part after readvertisement. At the next Board meeting, however, on March 9th and March 10th, the Appointed Members took up the attitude that they could accept the confirmable part of the proposals and could alter afresh the portion of the proposals of which the confirmation had to be deferred. To this the Employers' Side strongly objected, saying, as the fact was, that the alterations made on the 2nd February had only been agreed by compromise amongst themselves and must be taken as a whole, and that the alterations which could not now

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be confirmed were the price which the employers had received for passing the portion of the proposals which could be confirmed. The altered proposals remained a part of the original bargain, and the Appointed Members could not fairly take the benefit of a part of that bargain without accepting the burden of the other part. The Appointed Members did not share this view, with the result that the Employers' Side withdrew in a body from the Board and appealed to the Minister, who took the same view as the Employers' Side and referred all proposals back to the Board. No further meeting of the Board was held until the 18th and 19th May. By that time the cost of living had fallen from 161 on the 30th September, when the porters' and shop assistants' rates were first resolved upon, to 128 on the 18th May. Grave falls had occurred in the markets, heavy losses had fallen upon the trade, and strong representations had been made to the Employers' Side, in view of the altered circumstances, the rates proposed nearly eight months before were now unfair. The Employers' Side accordingly moved that all advertised proposals should be withdrawn and fresh proposals should be issued, reduced in accordance with the fall in the cost of living, but this proposal was rejected by the votes of the Appointed Members and the workers. The workers then moved that the Board confirm the confirmable portion of the original advertised proposals and send them back to the Minister for confirmation, and this was carried by the votes of the Appointed Members against the employers. Consciously or unconsciously, the effect of this was that instead of looking at the actual present position, the Board (which is really the Appointed Members) were really adhering to their previous attitude, notwithstanding the Minister's action, and thus again the Appointed Members were in fact taking the benefit of the agreement with the employers without the burden. The Board met again on the 31st May and the 1st June, when the rates for clerks and cash desk workers were considered, but here again, in view of the extraordinary conditions then prevailing, the unstable and falling markets and the depression in trade, it was impossible for the employers to accept the originally proposed clerks' rates, but inasmuch as the proposals for porters and shop assistants were basic rates and had been confirmed by the Board, the employers were unable to put forward any reasonable figure in substitution the original clerks' proposals without proposing figures out of proportion to those already passed for porters and shop assistants. The clerks' rates were therefore confirmed against the employers and sent forward to the Minister of Labour, to whom the employers accordingly appealed for non-confirmation of all rates by reason of the extraordinary change in circumstances which had taken place since September, 1920, nine months before. The Minister, after consideration, decided to send back the rates to the Board for reconsideration. The next meeting of the Board took place in July, 1921, and was adjourned until 18th/19th August, 1921, when fresh reduced proposals (print herewith) were arrived at and sent for advertisement by agreement between all parties. It is, however, to be understood that although nobody dissented from these proposals, they were in no sense whatever a voluntary agreement on the part of anybody. On the contrary, on the Workers' Side, they were, it is understood, only obtained by considerable pressure from the workers' leaders. Many of the workers disagreed with them. Similarly, on the Employers' Side, there was not even a pretence amongst themselves that the proposals did justice to the whole of the country; on the contrary, the proposals were regarded as most harmful and injurious by the rural representatives, and particularly so as regards Cornwall, Devon and Somerset, which counties, owing to circumstances, are stated to be totally unable to pay the proposed rates of wages, but in deference to the views of the rest of the Employers' Side, the representatives of Devon, Cornwall, Somerset, Cumberland and Westmorland on the Board did not press their objection to the rates to a vote, but they expressly

stated to the Employers' Side that although they did not go to a vote at the request of the rest of the employers, they reserved the fullest liberty and intended to inform the Minister of Labour of the exact situation and that Cornwall and the other counties in question could not pay the proposals of the Board, even although they might pass into law, the rates of wages being totally beyond their ability, and Cornwall in particular being quite bankrupt in consequence of the closing of the mines and the failure of the fishing industry, which are the Cornish staple industries.

Minimum Wage: Average Minimum at date of Board.

21. At the institution of the Board grocery wages varied widely. There was no standard wage anywhere, and there was no uniformity of wage at all except in so far as provided by the trivial number of agreements entered into with the Unions for a few towns of the country. No particulars are available of the wages in agricultural areas, but, broadly speaking, in rural areas, the wages are understood substantially to have followed the agricultural rates of wages, the rise in which naturally compelled the local wages to correspond. It may reasonably be assumed, therefore, that in July, 1920, broadly speaking, the wages of adult assistants in rural areas averaged, men about 45s., women about 38s. on the average. Certainly this corresponds with the information given to the Employers' Side. The average wages in urban districts, boroughs, mining districts and towns also followed the prevailing wages of the respective localities, which respectively depended upon the wages obtainable in other local industries. The figures obtained by the employers show that there was a wide discrepancy in these wages both in different localities and in the same town, but the employers estimated the prevailing lowest average on the figures supplied to them at, men 50s., women 35s. In the chief industrial centres of London, Manchester, &c., the average lowest wage was about 60s. men, and women ranged about 35s. to 38s. These were average estimates; the wages in all areas varying with the different employers, some employers in each area paying more and others less, and these figures were for the *lowest grade workers*. This statement is based on the information obtained by the Employers' Side, but much difficulty was experienced in getting it, and many refusals were experienced, people not understanding the object of the request, being unwilling to inform their competitors and ignorant and distrustful of the Trade Board, which was and is looked upon as a bureaucratic pest; but, broadly and generally speaking, these were the average actual figures prevailing in the trade at the institution of the Board. Agreements had been entered into in various localities with the Union for standard wages in various towns and with different firms; these varied widely according to area, in Manchester 72s. 6d. being agreed for experienced assistants and clerks age 26; 65s. for porters; women assistants, 49s., age 28; women porters, 40s., age 25; in Plymouth the corresponding wages being assistants at age 28, male, 59s. 6d.; women, 47s. 6d.; porters, aged 28, male, 55s.; women, 43s. 6d.; general clerks at 21, male, 43s.; female, 34s. 6d. Wages were widely varying in these agreements, and these are fair instances respectively of high and low agreements; there are lower agreements with individual firms, but hardly any higher. Wages in the Co-operative Movement were for adult male assistants, 72s. at 21, rising to 80s. at 23; women at 21, 50s.; clerks, male, 72s. at 21, to 84s. 6d. at 23; women, 54s. at 22; adult warehousemen, 77s. at 22; porters, male, 72s. at 21. These figures show the wages level at July, 1920, the institution of the Board.

The Shop Assistants' Union has had a national minimum wage campaign for many years. The national minimum wage demand at Easter, 1919, asked for a minimum wage of 45s. for a male shop

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assistant at 21, rising to 65s. at age 28, with 5s. extra for London. At the Easter meeting of 1920 the scale was increased to 65s. for a male assistant at 21, rising to 80s. at age 26, with 10s. extra for London, and this national demand of 1920 was persisted in by the Union continuously; and on the morning of the 20th July, the day before the first meeting of the Grocery Trade Board, a letter was received by a member of the Employers' Side pressing a claim for this 1920 minimum wage demand of 65s. at 21 and 80s. at 26.

Union's Demand at Board.

22. The Workers' Side of the Trade Board met for the first time in the afternoon of the 20th July. The Board meeting was held on the morning of the 21st July, and in the afternoon of the same day, the 21st July, a minimum wage demand was put forward for the lowest workers in the Grocery trade, males 90s. per week at 21, females 72s. at 21. Porters at 21, 5s. a week less. Or, in other words, there was asked as a minimum for the lowest grade worker 13s. to 18s. a week (male) and 22s. a week (female) more than the standard wage agreed for experienced workers with the Co-operative Movement, a body of generous working-class employers. But this was not all. Claims were put forward on the following day for what are known as first counter men, 5s. to 10s. a week above the 90s.; branch shop managers, £6 per week up to £100 turnover, and 1s. for every £10 above £100 per week turnover. Supervisors and shop walkers, £6 per week; inspectors, £8 per week; commercial travellers, £10 per week, plus expenses; canvassers, £5 10s. per week, plus out-of-pocket expenses; warehouse charge hands, 5s. to 10s. a week above the 90s.; the charge hand to receive £5 10s. per week; bacon boners, rollers and cutters to be paid £5 per week; head warehousemen and foremen, £6 per week; vehicle workers' minimum wages to be according to the demands made by the Central Council for the Transport Industry; overtime rates to be in addition to the foregoing. Claims were made for clerks at a later date—male at 25, 95s.; women, 75s.

It is to be noted that the claims paid were vastly in excess of the Union's National Minimum Wage demand set out above, and demanded from one employer on the morning of the 20th July. That is to say, that in one night the demands of the workers and the minimum living wage which they required had gone up by 25s. per week at age 21; and these wages were required for every part of the country, whether rural village or Metropolis, though it was intimated they would be willing to accept more in the Metropolis and in the large industrial centres. After the most strenuous discussion on all sides, lasting for nine whole days, the minimum wages were ultimately fixed by the Appointed Members, for male shop assistants at 25, 70s. in London, 58s. in rural areas under 5,000 population, and 68s. in the rest of the country; and minimum wages were fixed for female shop assistants at 24, at 47s. in London, 39s. in rural districts under 5,000, and 45s. the rest of the country. Clerks, male, at 25, 74s. in London, 62s. in rural areas, and 72s. the rest of the country, with corresponding rates for female clerks at 24 being 50s., 42s. and 48s. The wages were fixed according to age, increase being automatically given with each year, irrespective of the fact that the wages were not conditional in any way on experience, so that a worker coming in at age 19 would have the same minimum as one who had had five years' experience. Subsequently, in June, 1921, as will have been noticed above, although the cost of living figure had fallen 42 points, these minima, fixed nine months before, were still compulsorily thrust upon the employers by the workers and Appointed Members, and it was only by the appeal to the Minister of Labour and by his firm and impartial attitude that the employers succeeded, in August, 1921, in obtaining a small reduction in them. From the information given above it will be noticed that so far from being mini-

ma rates of wages, they are really in effect standard rates of wages.

Principles of Minimum Wage.

23. No reasons were, as a rule, given by the Appointed Members for their views; but two principles were expressed, touching the amount of the wages, in the course of discussion, viz.:-

- (1) That the wage fixed must be a living wage sufficient to provide a girl at 18 with independent maintenance and to enable a man at 21 to contemplate and prepare for marriage.
- (2) That they had endeavoured to have regard to the capabilities of the least fortunately placed shop in the poorest district of each area, though, unfortunately, this second principle has not been successfully carried out. The question of the value of the work has been wholly subordinated throughout the duration of the Board to the first of these principles, so that it follows that if the worker is not worth the money fixed his dismissal is made certain. It is respectfully submitted that principles should be laid down by which the Board is to be guided in fixing wages. If an individual is injured by accident there are voluminous rules laid down by the Courts for estimating the compensation due to be paid to him. If such rules are laid down for the purpose of a single case, how much more important is it that corresponding rules shall be laid down for the adequate payment of 400,000 workers? The principles upon which a minimum wage ought to be fixed are a matter for the Committee, but it is respectfully suggested that no better principle can be found than that laid down by the Industrial Court in March, 1920, that the remuneration of the various classes of workpeople should in ordinary circumstances depend on the value of the work done, and the value of the work done depends upon the state of the market and the demand for the products of the workpeople.

Necessity of Limit of Wages.

24. The Committee will have observed the high demands of the Union on the formation of the Board and the hasty manner in which those demands had been framed, and it is submitted that such demands are quite beyond any suggestion of a minimum wage, and are certainly not demands for the prevention of sweating. It cannot under any circumstances be seriously suggested that under the plea of sweating avoidance it is necessary to fix wages for the lowest grade worker in each class ranging from £234 to £520 per annum:—Commercial travellers, £10 a week, plus expenses; £8 a week for inspectors; £6 for shopwalkers, etc. Such demands the employers submit are, or should be, wholly outside the scope of a Trade Board, as also a scale for managers in the distributive trades (considered by the Union, but not hitherto put forward on the Board), rising as high as £1,200 a year. It is earnestly submitted that a statutory limit should be placed upon the operations of all Trade Boards, and that they shall be prohibited from fixing wages for any person beyond a specified limit. What that limit should be is ready to their hand. It cannot be suggested that persons liable to pay income tax are sweated, and it must be assumed that £135, the exemption limit, is an unsweated annual wage, so that the Board should be prohibited from fixing wages for any person over £135 per annum. In fixing such a statutory limit the Legislature would be doing no more than following its own practice hitherto in all cases affecting workers, there being an income limit already in the Workmen's Compensation and Health Insurance, and an analogous limit of rent (and therefore income) in the

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Housing of the Working Classes Acts, the Housing and Town Planning Act, and the Increase of Rent Acts. Moreover, such a limit would go to mitigate the irremediable defect in Trade Board legislation mentioned in the following clause.

Co-ordination necessary but impossible.

25. At the present time the powers of a Trade Board to fix wages are wholly unfettered and unlimited, and it may fix wages on any scale, high or low, which it pleases. This being so, it is quite inevitable that the decisions of the various Boards will be uneven and inconsistent with each other, and there is no means of co-ordinating their decisions, with the result that it is inevitable that so far from promoting industrial peace, the Trade Boards will merely result in providing new and additional sources of dispute between employer and worker, with consequent unrest on either side. This is confirmed by the experience of Australia, as stated by the Secretary of Labour for Victoria, who writes, on page 18 of his said work, as follows:—

"Without doubt, the surest and shortest way to cause trouble from strikes is to fix disproportionate wages. If the legislatures which passed our Australian Labour Laws, setting up different tribunals for wage fixing, had realised this, it is hardly believable that they would have neglected to set measures and bounds to guide and limit the process."

It seems to him that nothing could be more certain to happen when we set up a large number of tribunals who work entirely without relation each one to any of the others, than disproportionate scales of wages, but no means of co-ordinating their decisions has been found, and he considers that no practicable and successful scheme of co-ordination can be found, which opinion is respectfully submitted to the Committee as correct. While the English Boards were few in number and under the chairmanship of one Chairman only, this difficulty was largely avoided, and possibly the various Appointed Members have by frequent consultation managed to evade it further; but it will be impossible to avoid it when the proposed 200 additional Boards are functioning, even if it be practicable (which it is not) to find a sufficient supply of Appointed Members to conduct them.

District Trade Committees.

26. It will be seen from the foregoing that the proposals of the Grocery Board provide a new cause of trouble in the trade (which has already fructified) in the definition of a Porter and the different views of the classification of workers proposed owing to variations of local usage. The difficulty is increased by the Scottish Grocery Board using the same name in a different meaning. As the same areas alike are prescribed for both wholesale and retail, the operation of the rates will work unevenly and unfairly on the retailers. The areas selected, while probably the best that a Central Board could select, provide anomalies in operation which can only be settled by District Trade Committees. In particular, rural districts and towns under 10,000 in population outside the Metropolitan Police District are subject to the lowest rate of wages proposed by the Trade Board, but similar towns situate within the Metropolitan district are subject to the higher wage, some 10s. a week higher. Uxbridge, on the border of the Metropolitan district, seems to be partly in each of the three areas proposed by the Grocery Board. A 48 hour week in the retail trade is in some localities inadequate for public needs. The hours should be settled in every district by that district. In the rural districts and smaller towns, and particularly in Cornwall, a county which is under the most exceptional depression at present, it is wholly impossible for the body of the trade even to pay the present proposed rates of wages. The South Wales district, impoverished and reduced by the coal strike, with many traders having parted with their stocks of food for Miners' Federation pledges at

present irredeemable, is in substantially the same position. From Devon, Somerset, Cumberland, Westmorland comes the same cry of inability to pay; the rates unfortunately mean in the present depressed circumstances an increase in wages in a great part of the country, and the burden is rendered heavier by the order to pay overtime after 48 hours; whereas the retailers' usual week is 52 to 56 hours. In the circumstances the employers think it impossible to work the Board without District Trade Committees, as they originally contemplated. The trade is not ripe for a national settlement of wages; they can hardly yet be said to have reached the stage of district settlements, as it is only in a few districts that district settlements have been arrived at, and the employers generally in the remainder of the country, before they can walk in a national settlement, must first be taught to negotiate district settlements: but the Employers' Side has been informed that district committees are impracticable. They are told that experience on other Boards shows that District Trade Committees only lead to varying and conflicting decisions over each area which are not consistent with the decisions in adjoining areas, and very seldom are consistent with the views or opinions of the Trade Board, with the result that there is a clashing and conflict between the Trade Board and its own District Committees, with the result that unless it is settled to the satisfaction of the District Committee, the District Committee resigns and there is an end to the District Committee; even if the District Committee does report, inasmuch as its powers are advisory only, and the ultimate decision rests with the Trade Board itself, neither side is disposed upon a District Committee to reveal its strength or to make any concession for the purpose of making an agreed decision on the District Committee. There would not be any object in doing so, as any such concession might be more usefully brought into play in the negotiations upon the Central Board. Experience, therefore, it is stated, shows that where District Committees are appointed, and it is essential that a decision shall be come to, District Trade Committees invariably make two decisions (1) that of the employers, (2) that of the workers, and send the matter back to the Central Board. There seems, therefore, to be a deadlock.

27. Finally, it remains to deal with administrative matters, as follows:—

(a) *Side Voting:—*

At the present time the voting is quite independent, but the workers always vote as a unanimous body; the result is that the interests of the whole of the trade may be placed in jeopardy by the vote of any single employer. This is not considered fair, and it is suggested that where a two-thirds majority are in favour of any particular vote, then the views of such majority should represent, *ipso facto*, the views of the side and be put forward as the vote of the side. Application was made by us to the Ministry of Labour for this method of side voting, but it was refused.

(b) *Nature of the Board and necessity for Court of Appeal:—*

It is clear from the foregoing that a Trade Board is simply a Court of compulsory Arbitration, in respect of those decisions which are arrived at by the vote of the Appointed Members, and that in respect of those decisions which are arrived at by the mockery of an agreement referred to above, the Board is really a Court of Conciliation. The ideal stated so frequently in the Press of employers and workers sitting round a table to settle their mutual difference is unfounded in fact, as it is not a meeting of employers and workers at all; it is merely a meeting of employers and Trade Union officials at which some workers act mainly as spectators. Putting it shortly, the Trade Board is nothing more than a Law Court to fix wages, and it is submitted, having regard to past economic history, that the

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fixing of wages by law is not likely to prove any more successful in the future than in the past. In any case, the only remedy at present existing in the event of an unfair decision is an appeal to the Minister of Labour, who is thus compelled to undertake all the functions of a Court of Appeal and is necessarily brought into conflict with both sides of the Trade Boards alternately. It is suggested that that is not a position in which a Minister of the Crown should be placed, and that if the Trade Boards must continue, there should be a properly established Court of Appeal (which might conveniently be the Industrial Court) and that the power of confirming rates of wages should accordingly be transferred from the Minister to the Industrial Court and left solely in their hands.

(c) *Objections to Proposals:—*

(a) It is thought that objectors should be entitled to be heard by the Trade Board, if they so require, in support of any objection which they may lodge with the Board: and

(b) It is considered that the Trade Board should have complete power to deal with all objections received to its proposals, and should be able to give complete effect to those objections in any way, either up or down, without the necessity of re-advertising the proposals.

(d) *Enforcement:—*

The existing Inspectorate is wholly and totally inadequate, and it is not even suggested that it is adequate for the enforcement of the Orders of Trade Boards, but unless the Orders are uniformly enforced injustice is done. It is suggested that each Trade Board should be able to instruct and employ a Solicitor at the public expense to enforce its Orders. It would be a simple and inexpensive matter if several Trade Boards had one Solicitor between them, who might travel throughout the country during the intervals of the Board's meetings and prosecute offenders freely in large batches at each of the towns through which he passed. It is perfectly true that there would be many cases in which a decision of the Magistrates would be against the Trade Board, but this is inevitable.

(e) *Interpretation of Board's Order:—*

If any doubt is felt as to the legal interpretation of any Order of the Board, it is suggested that power should be given to the Trade Board to go direct to a Judge of the High Court for a decision upon the point, in the same manner as the Public Trustee is now authorised to go to the Court for guidance upon questions affecting Trusts under his control. At the present time the Minister of Labour gives advice gratuitously to the public, interpreting the Board's Orders. This is considered a wrong practice. No such course is followed with regard to other Statutes, and the practice appears harmful. If the applicant is advised that he is outside the Board's Order, something has been given away for nothing; if he is told that he is within the Order, the question is unnecessary. The decisions, moreover, are arrived at by *ex-parte* statements made by the applicant to the Minister of Labour, and the question is therefore decided upon interested statements probably made with a view to obtaining a letter of exemption or a letter which can be used before the Magistrates to mitigate a penalty.

(f) *Exemptions:—*

It is suggested that workers over 50 years of age should be outside the Trade Boards Act altogether, without the necessity of requiring permits at all. In any case, inasmuch as a permit is required by the worker to obtain employment, it should be applied for by him alone without the necessity of the employer's concurrence, but while in existence the permit should be handed to the employer for custody,

so that he may be protected from penalties by its production. If the employer is to apply for permits, he will usually prefer not to employ the worker rather than bother to obtain a permit, which would only be for a limited period, and require renewal from time to time. Moreover, it is bad to employ these subnormal workers with a permit without further trouble, inasmuch as such employment will probably lead to an accusation that the employer is employing sweated labour by permission of the Authorities. There is a danger also of conditions attached to such permits being overlooked.

(g) *Duration of Wage:—*

If the Boards are to continue, then it is submitted that the wage during the present unstable circumstances should be able to be altered much more speedily than as permitted by the present Statutes, and that it would be better that the duration of any Order of the Board should be wholly left to the discretion of the Board.

Suspension of Grocery Proposals Requested Pending Enquiry.

Finally, in view of the reasons set out in the foregoing statements, and in view of the fact that the whole situation concerning Trade Boards is now under review by the Committee, it is earnestly submitted that the Committee should recommend the Minister of Labour to postpone any decision on the Grocery Board's present proposals until the Committee has made its report and some measure of financial stability has been restored.

1262. *Chairman:* You come here to give evidence on behalf of the employers' side of the Grocery and Provision Trade Board?—Yes.

1263. I think your statement has been approved in advance by the majority of your side?—That is so. I ought, I think, at the very outset to make quite clear that the reason why we put in here "Given pursuant to a resolution of the majority of the side" was because our Co-operative friends, who also sit upon the employers' side of the Trade Board, have had no part or parcel whatever in this evidence.

1264. Are the others unanimous about the evidence?—The majority are in favour of this evidence. With regard to the evidence in general they are all unanimous, but there is some dissension amongst us as to whether or not we want a Trade Board at all, or whether we want a Trade Board with amendment. We all think that we do not want the present Trade Board as at present working under the present law at all; but when it comes to considering whether we want a Trade Board with amendment or not, then a large number of us would be perfectly willing to give the thing a fair trial, but there is a number of people also who do not want a Trade Board at all, either with or without amendment.

1265. Your Trade Board was formed, I think, in June, 1920?—That is so. Before, however, you proceed to take me through the evidence, the employers' side would like me to make a short preliminary statement, if I may. The employers' side would wish, this being a public occasion, first of all to acknowledge gratefully the very fair and impartial manner in which they have been treated by the Minister of Labour, and the great courtesy and assistance which they have received from his officials. Secondly, they would wish to dissociate themselves entirely from the vituperation of Trade Boards which has appeared in the public Press, and, in particular, from the attacks upon the Trade Boards office. We have found the organisation of the Trade Board office and its staff to be exceedingly efficient, and we should like publicly to recognise it. Then, thirdly, we should like to take this opportunity of paying a tribute of respect and goodwill to the representatives of the workers upon our Board. We have found that the more we know them the better our impressions are; and, so far as I personally am concerned, I think they will understand that, in giving this evidence, I do so as part of my duty to the employers' side, and as a further duty to the Committee in the public interest.

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1266. Yours, I think, is a large Board?—It comprises 83 members. It is composed of 39 employers, 39 representatives of workers, and 5 appointed members.

1267. You yourself are a member of the Multiple Shops' Association, are you not?—I am in the employment of the Multiple Shops' Association. This evidence is not given on behalf of that Association, neither are they connected with it in any way. I give the evidence as Secretary to the employers' side, as a member of the Board, and as having had some years experience of the trade, although I myself am a Solicitor, as a matter of fact.

1268. Your Board deals with the Grocery and Provisions trade?—That is so.

1269. I think it is described at greater length in the order constituting the Board?—That is so, and that forms one of the greatest difficulties and objections which we have to the Trade Board, because when you once touch the Grocery and Provisions trade you immediately touch a large distributive trade; and owing to the way in which trade is conducted in this country you cannot touch one distributive trade fairly, without at the same time touching all distributive trades. Throughout the course of history in the trade practice and custom the articles sold by various distributive trades are so similar, and the various trades are so interlaced and interwoven that you cannot apply a Trade Board to any one of them fairly without at the same time applying the Trade Board to all. That, therefore, forms a very unfair treatment of the Grocery and Provisions trade because we find that large numbers of our competitors are excluded from our order, and therefore we are placed under a handicap with regard to them. Moreover, if I may press the matter further, it works out in this way, that these distributive trades are recruited very largely as regards the female side from those who would be domestic servants, and the result which we feel deeply is that if you are going to apply the Trade Board system to the distributive trades, that is tantamount to applying, and it necessarily follows that it means applying the Trade Board system to the whole of the nation. The problem of the distributive trades is to fix a minimum wage for the entire nation. Whatever wages are fixed in the distributive trades will automatically have an effect upon the wages of domestic servants who largely form our recruits. That will have a further effect upon the wages of domestic servants, and throughout the entire country you will have a direct and immediate effect of proceeding from the application of the Trade Boards system to the distributive trades.

1270. In the main, however, yours is a food trade?—Yes.

1271. In the main you deal with home-grown food, and I see you put the value of that yearly as £300,000,000?—That comes from the Census of Production of 1906.

1272. And as regards the imported food?—That comes from the Customs returns.

1273. That is £700,000,000?—Yes.

1274. The number of persons affected by the decision of the Board you estimate at 600,000?—The employers' side estimate the number at 600,000, and we arrive at that in this manner, that the Trade Boards Office has to have an official list of all employers affected, and the number of employers upon that list is 133,000, speaking of England and Wales alone.

1275. That is a known figure?—That is a known figure. In point of fact it is an inaccurate figure, because they have not kept figures of all employers by any means; the list that they have was compiled by the Ministry of Food, and it comprises only the list made up by the Ministry of Food: it does not comprise all persons who come within the scope of the Order.

1276. You think the figure should be larger?—I think the figure should be larger.

1277. What do you say with regard to the number of workers?—We estimate the workers at 400,000. They are unofficially estimated at 250,000.

1278. By whom?—By the Ministry of Labour officials. I got that figure from them in the course of discussion some months ago. Would you like me to justify my estimate of 400,000? I have the census figures.

1279. Yes, if you will let us have them I think it would be as well?—Taking the 1911 census in the grocery and allied trades, there were 192,552 males and 61,326 females. Those figures are, however, below the mark, because they do not precisely fit in with the definition of the trade comprised in our Trade Board Order. If you will refer to paragraph 3 of our Trade Board Order, you will find that it is not only grocery and provisions as scheduled which are subject to the Order, but the sale of all other articles as well, provided the main business is grocery and provisions within the scope of the Order. The result is that other trades, or rather trades known by other names, will also be largely affected, and numbers of the workers will be comprised within our Board. I have the census figures for the following trades: Bakery salesmen, 43,691 males, 66,242 females—

1280. Do you include all those?—No, I am giving you the figures, and I take a proportion of them; that is all. Corn chandlers, 17,946 males, 2,222 females. It may appear strange that I mention those, but they are undoubtedly within the Order to a large extent, and we have had objections to our proposed wages from the Association of Retail Corn Chandlers. Next come fishmongers, poultryers and game dealers.

1281. You have a long list, I expect?—Yes, I have a very long list.

1282. Perhaps we might take the total?—I think you may take it as fairly correct. I ought to mention one thing, however, and that is that during the war we had no less than 128,000 women coming into the trade extra, after allowing for the number of men who had gone to the war. I take those figures from Cd. 9164 of 1919. A large number of women must since then have gone, of course.

1283. What is the total number of those allied trades?—Something like 500,000 or 600,000.

1284. What proportion of them do you take as being the grocery trade?—That we are not able to estimate, but we think it is a fair estimate to say that if you take the census figures for the grocery and allied trades as 192,552 males and 61,326 females, and add on 128,000 women extra, then whatever proportion you add for those other trades it would need a very small proportion only to bring it up to 400,000.

1285. You take in some of the other distributive trades?—Yes, but those figures, of course, do not include the transport workers. With regard to transport workers, the trade unions themselves estimate that the number of transport workers in the distributive trades would be 20 per cent. extra. If you put it at 10 per cent. extra it is quite a simple matter if you take all the figures together to arrive at an estimate, and there is no reasonable doubt, I think, that the 400,000 is a reasonable and moderate estimate.

1286. You have been good enough to give us a preliminary statement of what you have to say; perhaps we might take this statement as put in?—If you please.

1287. You propose to deal first with the composition of the Board, its personnel, and the manner of their appointment?—Yes.

1288. The Board, you tell us, represents three interests: first, the private traders, wholesale and retail, secondly, the co-operative movement, and thirdly, the multiple shops?—Yes.

1289. Of course the size of a grocery business varies immensely from a small business in a village up to the great multiple shops in London?—That is so.

1290. You describe to us here the manner in which the small business may grow into a large shop: a man starts his business on a certain scale, and then

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he goes on, and in the end he takes in all kinds of businesses, and his business becomes an emporium?—Yes, as was the case with Sir Thomas Lipton.

1291. This is important: some grocers carry on certain manufacturing processes?—Yes, most wholesale grocers do.

1292. What kind of processes do they carry on?—You will find grocers manufacturing their own jams, pickles, sauces, sausages, biscuits and bread.

1293. Those are all food products?—Yes, they are all food products, of course. Incidentally you will notice that I have mentioned that they manufacture jam, which, of course, is already under the Sugar Confectionery and Food Preserving Order. The distributive part of the Sugar Confectionery and Food Preserving Order is now taken away from that Board and placed under the Grocery Board, so that while the rates under the Sugar and Confectionery Order are 54s. for adult men and 32s. for adult women, the distributive part are now having to pay 61s. to adult men under the Grocery Proposals, and 41s., I think it is, to adult women, speaking of London. That will have a peculiar effect in a jam factory, because, if the distributive side receive so much higher wages, that will immediately upset the workers who come under the Jam Board.

1294. Do grocers carry on any other manufacture? Do they make boxes, bags, and so on?—The large firms make tin boxes and paper bags, and are to that extent already under Orders.

1295. Under different Boards, of course?—Yes.

1296. Are the big firms under several Orders?—Yes, the big firms are already under several Orders.

1297. Can you tell us how many, and can you give us an instance of that?—If you take Lipton's, Limited, there are the Paper Bag and Tin Box and the Sugar Confectionery and Food Preserving Orders.

1298. Besides the Grocery?—Yes. I do not know of any other Board under which they are at present, but, of course, according to the intention of the Ministry of Labour they will be subject hereafter as regards certain of their businesses to the Catering and Refreshment Board, the Restaurant Board, the Meat Distributive Trade Board and the Fish, Poultry, Game and Vegetables Board; and I think there are one or two other Boards also proposed under which they will come.

1299. Those Boards, I suppose, fix different rates of wages?—Those Boards which I have just mentioned are not yet constituted, although I have had draft definitions submitted to me by the Ministry of Labour for consideration.

1300. My question referred to the existing Boards: Do they fix different rates of wages?—They do.

1301. So that in the same shop you will have different Boards fixing different rates of wages?—That already exists.

1302. And it will exist in a greater degree if those other Boards are formed?—That is so.

1303. Lord Weir: In some cases for exactly similar work?—I cannot say that. I do not regard tin box making as being the same as paper bag making, by any means. The only point is that if you take a building you may have paper bag making on one floor, tin box making on another, and then of course you have the jam factory in an adjoining building. So far as regards exactly similar work, I think that would apply largely to the labouring and unskilled work.

1304. Chairman: Do they come under more than one Board dealing with distributive trades?—There are only two Boards at present dealing with distributive trades: one is the Fresh Milk Retail Distributive Board, with which we are not concerned, and the other is the Grocery Board.

1305. Sir Arthur Pease: You mentioned other trades as coming within the description of distributive trades, of which you have seen draft definitions: are they distributive trades?—I have received those definitions from the Ministry of Labour.

1306. Are they distributive trades?—The definitions only relate to the distributive sides of those trades.

1307. Chairman: If the Boards are set up you will have many more Distributive Boards than one?—That is so.

1308. I want to understand this statement of yours: You say, "On the side of the workers there are no sharp divisions into classes of workers. Practically the whole of the workers are what may be described as general workers, the reason being that, except in a few highly organised businesses on the wholesale side, there is not sufficient work in any one operation to keep the worker continuously engaged." That, I suppose, is a criticism of the system of fixing different rates for the different kinds of work?—Quite so. It is intended to lead up to the attempt at classification made by the workers upon our Board. We say that you cannot take each individual operation and say that the persons performing that operation represent a separate and distinct class; because they do not. They will be shifted about from one operation to another, and will be engaged in exactly whatever work they are told to do. We were led to that attitude because of the demand put forward upon our Board, and we very particularly wish to keep the grocery trade free of all these sharp trade union distinctions. If I may give you an extravagant instance to show what I mean, a lady might come into a retail shop and ask for a pound of cheese, and then she might want a pound of bacon, and she might be told: "I belong to the Society of Cheese Cutters; you will have to wait until a member of the Amalgamated Union of Bacon Cutters comes in before you can get your pound of bacon." It sounds ridiculous, but there are things existing to-day in the trade union world which appear to my mind equally absurd.

1309. I think we will not enter into a general discussion about the trade union world, but you have here by this proposed order a division into porters, shop assistants and other workers except porters.—That is so.

1310. Is it those two classes which you say run into one another, some men performing both kinds of work?—Shop assistants are a well-defined class, being subject to the Shops Act, and there would not be any practical difficulty in putting those as a separate and distinct class, but trouble arises from a definition of porter in connection with shop assistants and all other workers. The definition of porter as given there when proposed by the Trade Board was understood by the employers to refer to the bulk of the workers in the wholesale warehouses, but it afterwards appeared that the workers did not so understand it. They regarded the name "porter" which originated from them, as applying only to persons of a very rough and unskilled type performing very heavy physical work. But if you take the words of the definition setting out the duties of a porter, they are sufficiently wide to include the great body of workers on the wholesale side, and in addition to that, that definition would also include by implication very many of the other operations not primarily included. That is a very great source of trouble to us, because, you have a definition of a porter upon which both sides have different views. It has, however, already fructified in a series of disputes in the country, and it forms an entirely fresh source of dispute which did not exist in the trade prior to the formation of the Grocery Board.

1311. I see a male porter gets a minimum of 48s.?—You are referring, I think, to the Agricultural Area, Area A, are you not?

1312. Yes, that is it. I was only comparing them. A porter in Area A gets 48s., and more, of course, in Areas B and C?—Yes.

1313. While the shop assistant or other worker gets 51s. in Area A, and bigger sums in Areas B and C?—Yes, rising to 63s.

1314. Does it sometimes happen that the porter and the other worker run into one another, and that a man may be doing both kinds of work?—Yes, and I may perhaps give you an instance of that. Take a bacon washer. Bacon is first of all washed,

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then it is meal, covered with pea flour, and then it is put into the stove to be smoked. These men, bacon washers and mealers, regard themselves as skilled workers, and very high rates of wages have been demanded for them by the trade union outside the Board. If you take our definition of a porter, we understood, and we still understand, that those men are included in the definition of porter. If you take our definition of porter, a man who is employed in moving goods, obviously the bacon washer carries the sides of bacon to the trough to wash. Then again a porter is one who is engaged in cleaning, and obviously the washing of the bacon is cleaning it. There you have a clear indication of a bacon washer being undoubtedly within the definition of porter, while at the same time the workers do not agree with that at all.

1315. *Lord Weir*: Were not those difficulties foreseen before you agreed to this?—These difficulties were an incessant source of difference between us almost from the time when the Board started; they have never been settled, and they still exist, and are now fructifying in disputes throughout the country.

1316. *Sir Arthur Pease*: Is bacon washing a skilled job, or is it merely a mechanical operation?—I could not say that it is unskilled, but at the same time it is not skilled.

1317. *Dame Adelaide Anderson*: Is it semi-skilled, perhaps? We might class operations as skilled, semi-skilled, and unskilled.—I am not sure that it would rise quite to that.

1318. *Sir Arthur Pease*: Were these men in fact paid a different wage from that of the ordinary porter before the Board came into operation?—We had no "porter" class before the Trade Board came into operation; the "porter," so-called, really only existed in places like West End Stores; and so far as the trade generally is concerned the name "porter" is an innovation.

1319. *Chairman*: I think you also said that there is some difficulty in deciding whether a man is entirely a wholesaler or entirely a retailer; some men are both wholesaler and retail traders, are they not?—Yes, a great many.

1320. You divide the traders, first into the importers, secondly the great wholesalers, whom you call primary wholesalers, who distribute to the lesser areas of the kingdom and sell to the secondary wholesalers, who are wholesalers on a smaller scale, and the larger retailers. From those wholesalers the goods pass to the retail tradesmen?—Yes, but subject to this, that some people combine all those operations, or one or two of them.

1321. But I suppose most of the importers and the large wholesalers deal in one class of goods, or a few classes of goods; they are specialised to a great extent, are they not?—That is so.

1322. Then as you get lower down the scale you get more multiplication of articles dealt in?—Yes.

1323. Until the retailer deals with everything he can?—Yes.

1324. The retailer, you say, keeps the general stores of the place so far as the poorer classes are concerned?—Quite so.

1325. You say "so far as the poorer classes are concerned, he is, in fact, the larder or cupboard by which they are daily supplied with food." As we know, in some places the small grocer carries on all kinds of businesses; he acts as the baker, baking and selling bread, and he sells other articles as well?—Yes.

1326. Some, I suppose, sell meat?—Some sell Colonial meat. The number of articles which they sell is practically unlimited, and I think it originates largely in the needs of the locality. A man, for instance, might start in a small locality, and as the locality grew he would extend his business.

1327. Some of them even sell tobacco, do they not?—Yes. I went into a shop some time ago, and to my surprise I found that that was the only tobacconist's shop in the place. He was a grocer and provision dealer, a greengrocer and a fruiterer all

together. I have also known haberdashery and hosiery sold at the same kind of shop.

1328. Some carry on a post office business as well, of course?—Yes.

1329. There is some competition, you point out, from street traders?—There is very keen competition from them indeed. They are not subject to anything like the same burdens as the retail grocer is, and we have had many complaints put up by way of objection to our proposals on the ground that some supervision should be extended to these street traders, or some protection should be given to the grocery trade against them.

1330. *Sir Arthur Pease*: They do not come under the Trade Boards Acts at all, do they?—They do not employ anybody, so they are outside all Trade Boards.

1331. *Chairman*: All this leads up to a criticism of the definition of a grocer; is that it?—Yes, it leads up to this, to show that until you bring all other distributive trades under a Trade Board you are handicapping the grocery trade by placing them at a distinct disadvantage as compared with their competitors who are not under a Trade Board; secondly, it shows, or is intended to show, that you cannot touch one distributive trade without at the same time touching all others. One difficulty of the Ministry of Labour originally was whether they ought not to have one Trade Board for all distributive trades, and the grave reasons which made them consider that matter so long all go to show how very right, as I submit, the grocery employers are in this objection.

1332. Your point is that a grocer may sell other things, such as wine, meat and so on, and is subject to a Trade Board, while the butcher and wine merchant are not?—That is so.

1333. Therefore, he is subject to unfair competition?—Yes, the grocer gets a very great deal of competition from dairies, butchers, corn chandlers, Italian warehousemen, oil and colourmen, bakers and confectioners, drapers, fruiterers, and so on.

1334. *Lord Weir*: Why do you call that a handicap?—I call it a handicap because the effect of Trade Boards is not to fix minimum rates of wages at all, but to fix higher and increased wages than those prevailing, and hitherto the wages in distributive trades have all had a relation and a proportion to each other. Now the Grocery Board's proposals are upsetting that relation and proportion, and are putting us upon a higher level while leaving the others at a lower level.

1335. *Mr. Pugh*: Is not that an argument for the extension of the Trade Boards to those trades?—Yes, certainly, if the Trade Board is to continue and to apply to the grocery trade.

1336. It is not an objection to the Trade Boards as such?—Not at all, except in this way: There are three main points in this evidence which I shall submit to you. The first is that if you are going to extend the Trade Board system to the distributive trades you must apply it to all distributive trades, and that will be tantamount to fixing a minimum wage for the entire country. That is one of the greatest difficulties that we have.

1337. I take it you base that argument on the relationship which has hitherto existed between the different distributive trades, and not on the argument that the grocer is now selling wine or ironmongery, or something of that kind. The substance of your case is that it has altered the relationship as between the different distributive trades?—That is one ground, and the other ground is more personal to ourselves: We say, if we have to pay higher wages, let the others do so as well.

1338. *Sir Arthur Pease*: Do you allege that the Trade Board has regulated wages in such a way as to place them above the wages ruling in similar trades?—The different distributive trades all have different rates of profit. I can show you balance sheets showing you the rates of profit which apply to these trades. It is very difficult to answer your question because of the different magnitude of each individual trader. The rates which the Grocery Board have

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proposed will not hurt a large number of employers, but if you take the majority of the employers, take the particular area in which the business is situated, and take the special circumstances in each area, you will find that those rates are provocative of an extreme injustice. I have a comparative statement of the wages in all distributive trades here. The Grocery Trade Board would strike a mean upon the distributive trades as a whole, in my judgment, and I can give you full particulars, if you like.

1339. I gather from what you say that you do not consider the rates unfair as fixed by the Trade Board for certain districts, but they are too high for other districts?—They are too high for some employers in all districts.

1340. Why should not every employer pay the same rates in the same district?—I think the answer is this, that he cannot afford it. You cannot compare a West End emporium with a man in a side street. The West End emporium can afford to pay, and does pay, much higher wages. What you have to ask yourself, I think, is this: Are those small men to continue to live or not? If you bear in mind the way in which these country districts people have been employed hitherto, you will be able to conceive what an enormous alteration the Trade Board system is making. In those districts they are all friends together: A boy grows up, and he goes to the grocer, and the grocer takes him in and gives him whatever he can afford—it may be anything, and in some places it may be nothing—he is simply training the boy; but owing to the neighbourly feeling prevailing, the question of wages has never been regarded on this strict line of efficiency which is necessary under the Trade Board.

1341. Mr. Pugh: Should that type of business settle the standard of wages to be paid in a large trade of this kind?—No, of course not. I am simply pointing out that if you wish to settle wages in distributive trades on the lines of strict efficiency, that is a matter for our superiors; but I am warning you quite frankly what the consequence will be if you do so. I think the consequence will be inevitably that the smaller and middle-class employers will disappear wholly.

1342. What will become of their businesses?—The employees will be dismissed, and the business will be concentrated then in the great firms, who will rapidly extend, and whose trade will increase; but owing to the business being concentrated, naturally there would not be so many employees required as there were before.

1343. Lord Weir: Have you any evidence that has happened?—I can give you direct and positive evidence of that myself. Since the Grocery Board proposals were issued hundreds of the older workers have already been discharged, and I can give you the names and the firms, if you wish. I have heard of dismissals of old employees, and I myself, as Secretary to the Employers' side, have had employers coming up to me from the country, asking me what they are to do. One man in particular came up from the middle of Kent, and he said: "I have a young man of 25 who is rather dull, and I cannot afford to pay him these wages, while I have another man of 19 who is worth three times as much." I said: "Well, if you cannot afford to pay, your only alternative is to dismiss," and I believe the man has been dismissed.

1344. Mr. Pugh: Is not the tendency to larger and more efficient businesses the tendency of progressive industry at the present time, and does it not apply to all industries and all trades equally in which progress has been made?—I do not quite follow what it is that you mean.

1345. You are rather holding that if Trade Board arrangements are made it is going to eliminate the small man?—I think that has been the effect always.

1346. Is not that the tendency of industry generally, and can you say, because it is going to eliminate (shall we say) inefficient businesses that is a reason why you should not apply your Trade Board arrangements?—That is a matter for my superiors, but speaking for the smaller men I should say that it is

a question of the welfare of the country. We are a nation of shopkeepers; is it for the welfare of the country that the smaller traders shall continue to exist, or that business shall be concentrated in the highly efficient and organised firms?

1347. Chairman: All these small men will go to the wall, I suppose; that is what goes on to some extent?—Yes, that is so; they go to the wall.

1348. Dame Adelaide Anderson: Would not the same effect, though perhaps more slowly, be produced by organisation if it grew up in these callings?—I think it would.

1349. Would not some effect of the same kind also follow from imposing a higher standard of life and well being in the works, such as is imposed by the Factory Acts in small businesses?—The Factory Acts only apply to our wholesale warehouses; our retail shops are subject to the Shops Act, and so far as the retail shops are concerned, speaking within the limit of my own experience—I myself have only had about six years' experience in the trade, but I have visited every part of the country, and have visited retail shops throughout—I do not think that taken as a body (I am referring to the better class traders) you could have any material improvement in the conditions prevailing in the retail shops; and the factories are getting better and better the more newly they are erected.

1350. My question was merely directed to suggesting that by other means the same effect might be arrived at as by raising the minimum wage; first by organisation, secondly, as in factories, by a higher standard of safety being imposed?—That would undoubtedly have that effect, but in a slower manner.

1351. Lord Weir: To what extent is it having the effect of putting up the prices of the goods sold by these smaller employers in the smaller towns? Is there any tendency in that way—that as he has to pay higher wages he puts up his prices?—At the present time we have never had a rate in operation, so that I am quite unable to say.

1352. Would you expect that?—I am quite clear that that result must follow subject to two considerations: one is that a large number of employees will be dismissed—the trade is such that a large number can be dispensed with owing to its being intermittent in its nature—and secondly, the effect of higher prices would be mitigated by the keen competition prevailing in the trade already.

1353. Chairman: And also, I suppose, the consumer strikes after a time; if a price is put up too high the consumer comes in?—Yes, of course, that is so.

1354. He says "No. I will do without"?—Yes, that was particularly evidenced during the war when owing to the increase in the price of butter the consumption of butter even after supplies increased, was only one-eighth of what it was before the war.

1355. The trader will pass it on, I suppose, if he can, but there comes a point when the consumer will not stand it?—Exactly.

1356. Mr. Pugh: One would like to follow that up a little. You are rather pleading for the small trader who will employ, say, one or two assistants, I suppose? Let us take the country districts to which, I suppose, you are specially referring, and we will assume two persons employed at this figure of 48s. per week. I do not know what increase that would represent on the rate previously existing; but is it suggested that because he has got to increase his rate to 48s. per week, which is the highest rate of Scale A, the effect of that upon the commodities sold by the grocery and provisions dealer is going to affect his trade, so that he must of necessity get rid of one of the assistants, assuming that there are two one, or of the single assistant assuming that there is only one? That seems to be the direction in which your argument is tending?—That is based upon the large number of objections to that very effect (of which I have a large number here) which were received to our proposals; but apart from that, I should like to mention specially the position of the village grocer. The village grocer not only has to employ hands when his business is of sufficient

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extent, but he has also to have a horse and trap. Owing to the scattered nature of his customers, he has to have his horse and trap to drive round and get orders and deliver goods. To that extent he is in a proportionately harder position than the man in the town. On the other hand, you have also to bear this in mind, which was an experience we found, and which the Ministry of Food found during the war, namely, that these traders in rural and country districts are necessary to the locality in order to keep up the supply of food. When the shortage of food occurred during the war, the wholesalers cut off the supplies to these country shops because the food was needed more at hand, and they could receive the same profit at hand without going to the trouble of sending it further afield. The result was that the Ministry of Food themselves had to undertake to some extent the feeding of these country branches, so that the country districts might have food. These shops in the country are an absolute necessity.

1357. Then being absolutely necessary to the local community, they would hardly object to pay 48s. per week to their people, would they?—I do not think that any employer whatever will object to any rates of wages whatever, provided he can pass them on to the public, and that must inevitably be the result: pass on to the public what you can, and what you cannot, save by discharging labour.

1358. If you pass it on to the public, the public has to pay; that is what it comes to; it comes back on the public in another way?—Yes, that is so with regard to all wages.

1359. *Sir Arthur Pease*: I suppose the turnover in these village shops to which you are referring is very small?—The turnover in these shops varies enormously. There are some shops, according to the objections received by the Board, which will only have a turnover of perhaps £20 to £30 per week, and you will find that such shops as those will only have a village girl or a village boy in to assist, and those are only employed because the proprietor happens to be a very old man or a very old lady. On the other hand, you will find, according to the size of the village and according to the number of people in the neighbourhood, that the turnover of those shops will increase, and you will find them gaining to £200 per week. Then of course when you get to thickly populated areas you will find grocery shops frequently doing a turnover of £400 to £500 a week.

1360. *Mr. Layton*: May we assume that these rates which we have before us have in fact been put into effect to any large extent in anticipation?—Do you mean these rates of wages?

1361. Yes, these Trade Board rates?—A large number of employers, the bigger employers, put the original proposals of the Trade Board into operation, because we gave a pledge upon the Trade Board in October of last year that we would do so, and they were put into operation by a large number of the bigger employers; but if you take the trade as a whole, the majority in number did not put either those rates or any others into operation.

1362. So that the present situation, with the proposal in suspense, is to increase the disparity between the different places to a certain extent?—That is so.

1363. *Mr. Pugh*: Would you suggest that the village shopkeeper should settle what rate should be paid in such a large trade as the Grocery Distributive trade?—No, I should not. Let me take this opportunity of saying at once that on the Trade Board we have not found the workers at all unreasonable. If we will only enter into their minds, we will see the reasons actuating them, and we think those reasons might be met, but they will not be met by a central board; if they are met anyhow they will only be met by having local committees which will meet the local inequalities.

1364. You think that if you had district committees that would assist you in making arrangements suitable to the districts?—Undoubtedly it would if we could have them, but there we are told—and I am afraid the opinion is correct—that they would be

unworkable and impracticable. At the very least—and I am now giving not only my opinion but that of a very experienced wage expert of the United Kingdom—we should want 50 local committees.

1365. *Chairman*: Why 50?—Practically one for each county.

1366. Is that really necessary?—It would be necessary. The variations in traditions, in customs, and the difference in meaning of the names of employees are very numerous. You will find that we are now intruding practically upon the social life of the kingdom, and that the classes of workers and their names and their operations vary very largely in different districts.

1367. Surely there are many counties which you could combine? Is there such an enormous difference between Kent, Surrey and Sussex, for instance, or Devon and Dorset? You surely do not want a Board for each?—You have to bear this in mind, that a very grave difficulty in the way of having local committees at all is the fact that the wholesale trade is included. Local committees will meet the difficulties of the retailers only. Naturally, the operations of the wholesalers extend over several counties, and, of course, the operations of other wholesalers overlap them. The result is that the only possible way of fixing wages really or properly would be to separate the wholesale from the retail entirely.

1368. That is another point—But that, unfortunately, we cannot do, because they are so combined.

1369. Still, that is not an argument for smaller areas, that is an argument for larger areas?—That would be an argument for larger areas, but, of course, the rates fixed for the larger area for the wholesaler would be inapplicable to the smaller retailers in many cases.

1370. If you are going to ask for a committee for every county, you make the thing impossible. I should have thought it might be possible to have district committees for larger districts—to divide the country into eight or ten districts?—I myself think that it would be impossible to do it under at least fifty. The number might be reduced; you could possibly work it down perhaps to forty; I do not know. So far as the trade unions are concerned, they themselves, or rather the Shop Assistants' Union when they started, divided the country up into areas, both Scotland and England, and they divided the country into a whole list of areas, something like 35 areas, and then ultimately they thought that there was very little difference, taking the distributive trades as a whole, which could not be remedied by a uniform increase, and so they made a national demand for the whole of the country with a slight increase for London. Their experience upon the point would no doubt be valuable; but, speaking from the employers' point of view, which has not been regarded at all by the workers—it was not their business—I do not see how we could start with less than 50 committees. The number might be reduced as they grew and as time went on, but to start, at all events, we should want at least fifty.

1371. *Mr. Layton*: May I ask a question upon paragraph 5, if you have passed that. You refer there to an estimate of the effect of an increase of wages of 1s. per week per person, and you suggest that it would, perhaps, mean adding £1,000,000 a year to the food costs of the country. Would you suggest that that is a comparable figure with the figures which you have given in your first paragraph, where you estimate the cost of the food of the country at £1,000,000,000?—We do not deal in all the food of the country; we only deal in a large part, and the figures, I think, coincide exactly.

1372. I was trying to see what proportion the cost of distribution bears to the total value of the food of the country. Have you attempted any estimate of that?—I can only give it, of course, on the basis of my experience; which has mainly been with the multiple shops, but we estimate that the wages on the gross turnover would average about 5 per cent.

1373. *Sir Arthur Pease*: Do you mean the wages in the multiple shops, without going outside the shops?—The wages in the business.

1374. *Mr. Layton*: In the grocery business?—In the grocery business.

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1375. *Sir Arthur Pease*: Plus cartage and all things of that kind?—No.

1376. Not cartage?—No, I mean indoor servants only.

1377. *Mr. Layton*: May I pursue this point a stage further. You quote £300,000,000 as the cost of home-produced food. Is not that on wholesale prices?—Those are figures taken from the Census of Production of 1906.

1378. Prices would be more than double that now?—Clearly, I think.

1379. And you would have to add the cost of retailing?—Yes.

1380. Also you give £700,000,000 as the cost of imported food. That is wholesale?—That is the declared Customs value.

1381. I do not want to misrepresent you, but would it not be reasonable to deduce from what you said about those figures that the value of the food of the country would be nearer £2,000,000,000? I am just throwing out the figure?—Do you mean at the present time?

1382. Yes. I am merely taking it from those figures; I am not suggesting an estimate to you?—That I could not say. I might say that I tried to obtain particulars and figures, but I find that the Customs Returns are impossible of dissection on the lines of our Grocery Trade Board. I tried particularly to see if I could give you some considered estimate even by a Chartered Accountant, but I could not do so.

1383. But we may take it that the wages in the cost of distribution, if I may take your other figure, come to about 5 per cent. of the total value of the product distributed?—I think so—of the total price of the produce distributed.

1384. Yes, and therefore, taking it over the whole country, it is about 5 per cent. of the total cost of the product distributed?—Yes.

1385. *Chairman*: That it to say, the cost to the consumer?—No, the 5 per cent. is the amount which I estimate the trade pay in wages.

1386. 5 per cent. of what?—5 per cent. of the price.

Mr. Layton: Of the total value.

1387. *Chairman*: Value is one thing. It is 5 per cent. of the price to whom?—To the consumer.

1388. That is what I mean?—My Chairman, Mr. Thompson, corrects me by saying that that is only retail, and that you would also add the wages in the wholesale trade.

1389. *Mr. Layton*: You would have to add another percentage for wages in the wholesale grocery business, and you would also have to add wages in transport, of course. Wages will ultimately make up a very large proportion of the total cost, but what I was trying to get at is what fraction of the total value as sold to the public is represented by wages covered by this Trade Board?—On the retail side I estimate it at 5 per cent. On the wholesale side I could not give you any estimate. I am told it is 3 to 5 per cent.

1390. *Sir Arthur Pease*: That would be on the price as sold to shops?—On the wholesale, of course.

1391. *Chairman*: Is this trade an intermittent trade?—Yes, it is.

1392. It is sometimes hard-worked and it is sometimes slack?—Sometimes they are doing nothing; they will be doing knitting, or something.

1393. Some part of the day?—Yes.

1394. *Mr. Pugh*: What is meant by intermittent? Do you mean during the day—that they are not working at the same speed the whole day?—It is well known to the public that you can go into a retail shop and find the assistants sitting still, doing nothing, at certain times of the day.

1395. At other times they are very busy?—Yes, that is so.

1396. But of course they have to be in the shop the whole time?—Yes.

1397. *Chairman*: You may assume that we have read, or shall read, your statement very carefully. What is the next big point that you would like to deal with?—The big point to which I think all my

evidence is directed is this: that the Trade Board system is admittedly defective at the present time, and I want respectfully to urge that in no circumstances whatever will the Trade Board system be a success unless our superiors lay down principles limiting their powers and guiding them in the exercise of those powers. I have endeavoured to show in this statement that whether you have District Trade Committees or numerous Trade Boards, the effect in every case is discordant wages; the result of discordant wages, as was evidenced here so visibly during the war in the 12½ per cent., the dustmen's wages and the dockers' wages, has simply been to promote discontent and strikes. Unless the powers of Trade Boards are limited, the result of Trade Boards, as has been experienced in Australia, is simply to provoke discontent and strikes by reason of discordant and divergent wages which they get. The Secretary to the Department of Labour at Melbourne says that the Trade Board system is impossible without those divergent wages; those divergent wages are necessary in the Trade Board system, and he cannot see any way whatever of co-ordinating the decisions of Trade Boards.

1398. That is Mr. Murphy of whom you spoke?—Yes, that is Mr. Murphy. I am suggesting now in fact a way by which you might do it; I am suggesting that you should limit their powers so that they can only fix wages for persons who are in receipt of a wage below a non-sweated wage. If you say, "Let Trade Boards fix a wage for persons who are in danger of sweating," that is a defined principle; and you have the suggested limit ready to your hand at once, because under the Income Tax Act, £135 is the limit, and I am suggesting that the powers of all Trade Boards should be so limited that the moment a man gets £135 a year or more he is outside the jurisdiction of the Board. That is only the principle common to all working-class legislation.

1399. £135 a year is about £2 10s per week?—Yes, about £2 10s. It cannot be said that when the State imposes Income Tax it is sweating the worker.

1400. What is your definition of sweating?—I take the House of Lords definition, namely, inadequate wages, inordinately long hours of labour and insupportable conditions of employment. That is the House of Lords definition.

1401. "Grinding the faces of the poor," I think, is how they put it?—The House of Lords did not accept that. They thought that it was rather vague.

1402. So is the other. It is very difficult, I know, to define sweating. It is making an unfair and tyrannous use of the necessities of a man who wants work, and so putting upon him conditions which ought not fairly to be put upon him, or something of that kind. It comes to that upon your definition, does it not?—Quite so.

1403. You think that the Board ought to be confined to the duty of preventing sweating?—Undoubtedly.

1404. And that that could be done by saying that if a man has a certain minimum wage, wages above that are beyond the jurisdiction of the Board?—Quite so.

1405. *Sir Arthur Pease*: And women too, I suppose?—And women, of course. I do not see where we are going to get to unless you limit the powers in that way. If you analyse these Trade Boards you will find that great trouble arises from the divergent wages. There is no co-ordination. The Secretary of the Department of Labour in his work said that it seems impossible to go on as they were going on, indefinitely, and he did not quite see where Australia was going to. I am able this morning to tell him where Australia has gone to. If I may respectfully refer the Committee to the Royal Commission on a Basic Wage in Australia, which reported in April, 1921, you will see that there the federated trade unions demanded a basic wage of £11 10s. per week, and the Royal Commission reported and said £5 16s. per week.

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1406. *Chairman*: That was based, was it not, upon the necessities of a man with a wife and three children?—Yes, that is so.

1407. And applied to all the trades of the country?—Well, it was merely a theoretical enquiry which was intended to be given effect to by the various Tribunals. You will remember that in reply to the Supplemental Inquiry of the Prime Minister as to what the effect of the basic wage of £5 16s. would be upon the industries and exports of the country, the answer was: "We have not considered that, because it was not in our first reference; but now you have asked us, the effect would be that they would be ruined." I have the Royal Commission Report here, and that is the very word which they use.

1408. I suppose if you take all the trades in the country, you must get a higher figure, because you are taking in the big powerful trades, which, of course, press for a higher figure?—It would depend upon whether you take the highest or the lowest—on the principle which you adopt.

1409. *Mr. Pugh*: Is the Australian arrangement quite a fair analogy with your British Trade Boards, having regard to the fact that in Australia compulsory arbitration applies to all trades, whereas your Trade Boards can only be applied under two conditions, I think: under the 1909 Act to sweated workers, and under the 1918 Act to those trades where the organisation is not sufficient for the ordinary methods of negotiation? Taking the last Act, when you arrive at a stage of negotiation on both sides when the ordinary methods can be applied, then you can operate outside the Trade Boards, can you not? That being so, is Australia quite a fair analogy?—I think it is a perfectly fair analogy, because in Australia compulsory arbitration does not apply to all trades; that is only so in certain States; and, furthermore, not all workers in Australia are under Trade Boards; on the contrary, there are only about 50 per cent. I think Australia is a very fair analogy, because our Trade Board system was derived from there. It operates in Australia in the same way. The only unfairness that I can see of applying the Australian analogy would be the argument so commonly put forward in support of Trade Boards, that they prevent strikes, and the Australian experience has sometimes been cited as a proof that they prevent strikes, whereas, in point of fact, they have not done so. They have not prevented strikes in Australia at all; and, secondly, that has taken place although they have had laws in Australia prohibiting strikes.

1410. *Mr. Layton*: Arising out of that, you have referred several times in this proof to unrest in the grocery trade. What form does that take? In what sense is there now unrest?—Do you mean what unrest is there at the present time?

1411. Yes, in your industry?—The unrest which I personally know of at the present moment is in Manchester, where the whole dispute, or rather one of the disputes, is as to the meaning of the word "porter." The workers entirely refuse to accept the employers' understanding of the word "porter," and they are wrangling about it.

1412. But that is a discussion, not a trade dispute in the sense of a stoppage of work or a dismissal of employees?—No, we have never had any strike in the grocery trade outside the co-operative movement.

1413. Therefore when you speak of unrest you mean that the relations between the two sides are less satisfactory than before?—No, I simply mean that the workers approach us, and want more money. We are largely indebted to the trade unions, in point of fact, I was with a multiple shop firm during the war, and what happened there was this: that the trade union going throughout the country would come to us and say, "We find there is danger brewing in South Wales; you had better look into the matter"; and we looked into the matter with them, and we adjusted the wages reasonably—perhaps not quite so much as the trade union would have liked—and thus any trouble was averted. The trade union enacted that part practically throughout the chief districts of the country; but we never had any bother at all in

the grocery trade—no strikes, no cessation of work outside the co-operative movement.

1414. *Chairman*: Of course, that may be due to want of organisation?—It might be due to want of organisation. On the other hand, we have among our objections lodged with the Board numerous cases of employers who write that they have consulted their staff, and the staff protest against having a Trade Board, or against the proposed rate of wages, and the employer says, "They tell me they are quite contented."

1415. What is the proportion of workers in the grocery trade belonging to a union?—I have generously estimated it at 30 per cent. The trade unions themselves, I think, do not put it higher than 30 per cent. I have their publication, the "Shop Assistant," saying so.

1416. *Sir Arthur Pease*: Are the wages in the co-operative societies higher than in ordinary trade?—No, they are not. The co-operative societies pay wages agreed with the unions, but the higher employers, both on the wholesale and retail sides, pay wages quite equal to, and in some few cases superior, to the co-operative movement.

1417. Why should the co-operative societies have strikes? Perhaps that is not a fair question?—I do not know why they strike. The co-operative movement have had strikes, but I was not concerned to enter into the reason for them.

1418. It is not merely that they are paying lower wages than other firms?—No, the co-operative movement pay very fair wages.

1419. *Mr. Pugh*: Would not a small branch of a co-operative society in a village be in very much the same position as the small trader there so far as ability to pay is concerned?—Yes, some of them are, and we had objections from co-operative societies even against the present proposals, saying "They are too high"; and I have instances of agreements with small rural co-operative societies at much lower rates. There is one co-operative society in particular, in Cornwall, which is in the same position as the trade you refer to.

1420. *Mrs. Lyttelton*: May I ask whether there are a very large number of these border-line cases of which you are speaking, which come under the definition of "porters," and to which the workers object as coming under that definition?—Yes, it is really the worse case of all the warehouse workers. The classes of workers in the trade may be divided in this way: those in the wholesale warehouses and those in shops. Those in the wholesale warehouses do not require the knowledge or skill or salesmanship of those in the retail shops; their dress and appearance are not required to be so high; and those in the wholesale warehouses generally have rougher work which requires more physical strength. We intended and thought that our porters—

1421. I quite understand that, but I only wanted to know whether there were a very large number of occupations in which you would call the men porters where the workers would object to their being called porters?—We call them all porters.

1422. It seems that a good many skilled occupations could be called porters under your definition?—Yes. It is not our definition, it is that of the workers which we understood to apply.

1423. Your interpretation of their definition?—Yes.

1424. *Chairman*: I suppose there were some very low wages paid by some grocers before the Board was set up?—I have no doubt there were, although I am not aware of them. It is stated by the Unions to us that there were low wages paid by some employers, and I believe the Unions when they say so, but I have no knowledge whatever of any such cases.

1425. There was a good deal of pressure upon the Ministry, I think, to set up the Board?—We were never informed of any representations whatever made by the Trade Unions to the Ministry of Labour to bring about this Board. If we were going to be saddled with a Trade Board we think that the Ministry should have told us, "The Shop Assistants' Union has applied for a Trade Board, and has

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alleged such and such against you; please let us have your views." That was never done.

1426. There were representations, were there not, by the Trade Union Congress, both in England and Scotland?—About the Grocery Trade Board?

1427. To set up Boards for the distributive trades?—Yes.

1428. And I think the Federation of Grocers' Associations are not opposed to it?—The Federation of Grocers' Associations will be giving evidence before you yourselves, I understand, but that is not my understanding of their attitude.

1429. Of course so far as the Board prevents sweating you have no objection to make to it?—On the contrary, we should wish to help as much as possible in doing away with sweating.

1430. *Sir Arthur Pease*: May I ask just one question: you referred a little time ago to the man, or to the woman it may be, who is not quite up to his job. How would you provide for a case like that if you had a minimum wage? How could you provide for it?—I see no way of providing for it except by lowering the scale, which would not be fair to the other workers.

1431. Under any conditions if you have a minimum wage you cannot provide for the semi-efficient worker?—I do not see any way of doing so.

1432. *Chairman*: It is difficult to extend the system of permits to that kind of worker?—We have had no experience of the permit system yet, because it has not come into operation, but I do not see any method of doing so.

1433. *Sir Arthur Pease*: Would not the same apply to a man who was getting old, who could do a light job but could not do a full day's work?—With regard to age, we have suggested that all persons over 50 should not require permits at all; they should be outside the Boards automatically. Of course where the great hardship of Trade Boards comes in at the present moment is in the matter of ex-soldiers. Large numbers have come into the trade, and they are not worth the wages they have had, because they have not had the experience; there has been no time for that.

1434. They cannot pull their weight yet?—No, not yet, and they will not get much chance with these rates.

1435. Because you will not employ them?—Exactly. You see, if a man comes to you aged 35, an ex-soldier, perfectly fit physically but with no experience of the grocery trade, he is a beginner, but on the Grocery Trade Board we have made no provision for him at all.

1436. *Chairman*: You have to pay him the full rate?—We have to pay him the full rate, so that he will get the same rate as if he had had so many years' experience in the trade.

1437. *Dame Adelaide Anderson*: Would it be possible to meet the difficulty by some intensive training suitable to this particular national scheme, so that they should be employed and given a chance?—Such training already exists. It was instituted, I understand, by the Minister of Labour, and they put forward a sort of subsidised scheme, but I do not think that it is in operation to any great extent, and I do not think that a very large number of people know of it.

1438. *Mr. Layton*: You refer on page 22 of your statement to the principles upon which you have to fix your minimum rates. If those principles had in fact been laid down, as you suggest they should be laid down, do you think that the rates fixed would have been substantially different from those which the Board in fact propose to fix?—I am not approving or disapproving of the principles which have been laid down by the Appointed Members. The great difficulty about the Grocery Board wages is this: because of the very unequal weight with which they hit the different classes of traders in the different localities. The only way we see out of it is district trade committees, so that the matter can be adjusted. But now that you have referred to principles, I might point out that it is a direct consequence of the first

of those principles that so much discontent has been excited against the Trade Board system, because the Appointed Members laid it down that the wage fixed must be a living wage sufficient to provide a girl of 18 years with independent maintenance, and to enable a man of 21 years to contemplate and prepare for marriage. The principle itself I pass for the moment, but the way in which it has operated in practice is this: first of all you agree upon a basic wage for a man at 21 years; when you have agreed upon that, if you have got, say, 65s. for a man at 21 years, then you are going to start a boy, and starting at the age of 16 you have got to make him up to 65s. in five years. The result is that the wages of juniors on all these Trade Boards seem proportionately too high.

1439. Perhaps I drew your attention to the wrong point. At the end of paragraph 23, on page 22, your definite suggestion is to adopt the ruling of the Industrial Court; that the remuneration of the various classes of workpeople should depend upon the value of the work done, and you go on to refer to that again. What I want to know is this: how you can give effect to that principle, and if you did do so, supposing for example it were laid down either as a regulation or in the Act or in any other way that that was to be a governing principle of wages, would the operation of your Trade Boards in the last 18 months have been essentially different, and if so in what respect?—It would have been different, because we put forward proposals on the Board at the start, but we were told that they would not do, because they did not provide independent maintenance for a girl at 18 years, or for the contemplation of marriage of a young man at 21. There was a distinct case in which the value of the work was overruled by reference to the first principle. We think that on our Trade Board, at all events, the question of the value of the work seems to have escaped attention from beginning to end; it seems to have been largely a case of considering only the requirements and needs of the workers, and nothing else.

1440. Where does this carry you to? How far would a general statement of that kind, which is your concrete suggestion to us, carry you in guiding the Trade Board?—If that were laid down as the only principle, it would have a very pronounced effect upon most of our Appointed Members. I am afraid that it would strike some of them with complete novelty.

1441. *Chairman*: They speak of a young man who contemplates marriage?—At 21.

1442. Is he supposed to require as much as or less than a man who has perpetrated marriage?—I do not think that a young man has been guilty of marriage before 21. It would not be reasonable.

1443. It means that it is not enough to enable him to keep a wife?—No, so that he can start saving.

1444. *Mr. Layton*: How would you test the value of the work done?—Our idea of fixing wages was largely based upon that of the trade union themselves. They published a very excellent little work called "The Case for Minimum Wages in Distributive Trades," and the principles which we wanted to follow were laid down by the trade union themselves. They say here: "Guided by the knowledge of actual wages in force, different minimum rates have been fixed"—by them, of course—"for the various trades; and a graduated scale for the various classes of workers has been provided. The present conditions, not only in the respective trades, but also in the different districts, vary to such an extent that it is not possible to name a uniform rate that would be practical, because a figure that would raise the standard of comfort considerably in one trade or district would, if it became the customary wage elsewhere, seriously impair existing conditions in other places. The best policy therefore is undoubtedly to take the rate of wages that are in force in each trade and locality as the starting-point, so that no advantage at present enjoyed may be in the slightest degree jeopardised, but all steadily

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advanced." The result would be that if we had our district wage committees it would be a simple matter to know what the rate of wages previously in the locality was, and to strike an average, and that would be a rate which could be fixed.

1445. But is not that the principle of adjusting wages to the general conditions of the district really on the cost of living basis rather than the principle of adjusting wages according to the value of the work done?—In some cases that would be so, but not in others, because in some districts it is not only the cost of living basis which fixes wages, but the higher wages which can be obtained in competing industries.

1446. Then there are really two principles?—Certainly there are.

1447. *Mr. Pugh:* You and the trade union are in agreement there?—On that matter. We put this forward at the second meeting of the Board.

1448. How was it that you did not come to an agreement on the Board?—Because the trade unions have progressed beyond this now. When we pointed out to them that their demands upon the Board were in excess of their demand the day before, their answer was: "What we wanted when we were weak we are not satisfied with now we are strong." I am not grumbling at all; it is human nature.

1449. Taking this list of rates, you would not regard those as excessive, having regard to the present cost of living?—My personal opinion is this: those wages will not hurt the richer traders in the better localities, but there are some districts where they are wholly and physically unable to pay those rates. I can give you some names—I have given them in my printed statement. Throughout the bulk of the country as it stands to-day those rates will mean a levelling up in the majority in number of the traders.

1450. How would you manage in a district where you have got a branch of a multiple shop, but where you have a number of small shopkeepers? Would you make a difference between them?—Do you mean make a difference between the multiple shop and the others?

1451. Yes?—I do not see how you can; but in point of fact I do not think the multiple shop comes into it, because they are not affected by these rates.

1452. You mean they can pay them?—They are paying them, and more.

1453. *Chairman:* Have you any suggestion about the multiple shops? The point has been made that they are subject to different Boards, and that that causes inconvenience. Have you any suggestion about that?—About the multiplication of Boards?

1454. No, how to deal with the multiple shops supposing Trade Boards continue. It was put to us that the wages of one man in this kind of shop are fixed by one Board, and may be higher than the wages of another man in the same shop, and that that causes discontent. Have you any suggestion to make at all?—I have already suggested that the powers of the Board should be limited to £135 per annum. There will not be much margin for discontent then.

1455. When I was speaking of the multiple shops, I was thinking of the big stores?—Yes.

1456. *Lord Weir:* Would you relate the £135 per annum in any way to the cost of living?—I do not see why it should refer to the cost of living in any shape or form. Why should it? If the Government chooses to levy Income Tax from those people, it must be assumed that they can live all right. If they can pay tax they can live.

1457. Surely they have varied that rate of Income Tax in proportion to the cost of living?—They have made a variation for married people, but of course married people do not enter into this. Under the proposed rate laid down by the Appointed Members we have only to provide wages to enable a man at 21 to contemplate marriage. You cannot make any difference between married men, for this reason: if a man wants to marry, let him win his wife, and let

him deserve her by increased wages due to increased merit and ability in his trade.

1458. You have said several times, "the principles laid down by the Appointed Members?—Exactly.

1459. I do not quite understand that the Appointed Members have to lay down principles. Is that a part of their functions?—The Appointed Members dominate the Board from beginning to end, and we have no more voice in our own wages than Adam, really.

1460. Does that mean that all the decisions which have been come to by the Grocery Trade Board are not decisions through the joint efforts of employers and workpeople at all, but are the decisions of the Appointed Members? Do you want us to believe that?—That is exactly what it comes to. Neither the workers nor the employers are satisfied with it, and both the workers and the employers have very good reasons for what they say. I fully enter into the workers' views, and you will find if they come before you, as I understand that they will, that they will have good reasons for anything they may tell you; but so far as our Board is concerned, we consider that the wages have been fixed by the Appointed Members from beginning to end. They have listened to us, but whether they have paid any attention to what we have said we are not able to say, because they never give reasons for their decisions, and we think they ought to be compelled to do so.

1461. *Chairman:* What is the alternative to giving a casting vote to the Appointed Members or to the Chairman?—The alternative is this, that there should be no Appointed Members at all. You want a Chairman as a conciliator, and I think matters would be very much facilitated.

1462. As a conciliator without a vote?—Without a vote at all; but give legal effect to any agreement come to.

1463. *Mr. Pugh:* Who would you suggest should be the chairman—someone in the trade?—I should suggest that it should be agreed with the trade union, and, failing that, the chairman should be nominated by some outside authority, such as, for instance, the President of the Industrial Court.

1464. What really would be the difference in effect between having, say, Mr. Addington Willis as your chairman and having him as an Appointed Member?—Mr. Addington Willis—

1465. I just mention his name. It might be someone else, but probably he is a man you would get?—He personally, and all the Appointed Members, are persons of singular charm, and I would rather not mention any names.

1466. Take any one of your Appointed Members; shall I put it in that way, without mentioning names. Assuming one of your Appointed Members were appointed as chairman, what difference in effect would it make?—It would make this difference, that whatever we agreed to would be an agreement, and we should not be told, "I am going to put my vote up for auction, and that side shall have my vote which comes nearest to my views." That is what we were told.

1467. *Chairman:* He would not have a vote; that is the difference?—He would not have a vote.

1468. And if there is no agreement there is no order?—That is so; but knowing the workers as I do, and knowing the employers as I do, and knowing the good will of the majority on both sides, I find it inconceivable to think that an agreement would not be arrived at.

1469. You would have to make special provision for cases of sweating?—I have suggested that you should limit Trade Boards entirely to sweating.

1470. I mean with regard to your suggestion that the chairman or the appointed members should not have a vote, would you apply that to cases where there is sweating? It is conceivable that in those cases there might be no agreement. Is it then desirable that sweating should go on?—I do not think there is any sweating in the grocery trade even to-day.

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1471. I am not thinking only of the grocery trade. What is done in the grocery trade must be done in other trades.

1472. *Mr. Layton*: You referred to the question of side voting as another administration point. Do you consider that the representation of employers is really representative of the whole country?—So far as our employers' side is concerned, we think that the membership of the side was chosen by the Ministry of Labour with admirable skill, but none the less I could not say that it adequately represented the whole country. There were a very large number of discontented bodies who applied for representation and did not get it.

1473. Is not there a possibility, then, of a group of employers representing a portion of the organised employers of the country, who, you told us, are 30 per cent., imposing a burden on other employers in the industry which might be to their detriment?—Undoubtedly that exists.

1474. Would not that danger be increased if you brought in this provision making it obligatory that the vote of the employers should be cast as a side if two-thirds wished to do so?—I think that is a risk which we should have to take, but I should like it clearly understood that we should like our evidence taken as a whole and not merely parts of it. The whole thing stands together as one logical, complete whole. If we are going to have a Grocery Trade Board at all, we think we cannot work it without local district committees, and we think that in any case the power of the Board should be limited to £135, and that principles should be laid down for the guidance of the Board in adjusting those wages.

1475. That is a point I wanted to get at. This suggestion of yours would be applicable provided you had district committees?—If we can have district committees.

1476. But would you still think it was desirable that one Board, with quite obviously a limited number of representatives of employers and of employees, should be legislating for the whole of the country?—Yes, we do. We have considered that, because it is a risk that we must take, otherwise we stand the risk of being let down completely by a single small man jeopardising the interests of a great majority.

1477. But if your Chairman had no vote, would you not permit of a vote being taken?—I should still want my two-thirds majority of our side to come in.

1478. In other words, if you have no Chairman, two-thirds of the employers, or, for that matter, two-thirds of the employees, who wanted a particular course would be in a position to impose their view on the whole Board, which would subsequently naturally get legislative authority behind it.—Exactly.

1479. And you think you could make representation sufficiently general all over the country to prevent any injustice arising?—We should want to have our local committees.

1480. That was the point I put to you just now: You would still urge this view, even if you had no local committees?—No, I want the evidence to stand together. We cannot exist without district trade committees.

1481. I understand that you will not separate your two suggestions?—No.

1482. *Chairman*: But the district committees do not finally settle the rate, do they?—At the present time they do not.

1483. Do you think they should?—If they do not, how are they to work at all?

1484. You think they should?—I think they should, providing the powers of the Board are limited to £135.

1485. *Sir Arthur Pease*: Would the district committee differentiate in its district? Take a place like Newcastle; would it make a different rate for Newcastle from the rate for the rest of Northumberland?—That would be for the district committee. I should say that it undoubtedly would do so. The wages in Newcastle are pretty high.

1486. It would differentiate wages even in its own district?—It must do so, because of the villages and towns.

1487. *Dame Adelaide Anderson*: With regard to the suggested limit of £135, in comparison with the Income Tax levy, the Income Tax is graded above £135. Would you not consider that some regulation was necessary to meet the case of the worker who was not, perhaps, according to your view, being sweated but was not very highly remunerated? I hope I have made that clear.—You are suggesting something in the way of gradation?

1488. I am taking your suggestion of £135. Have you given any consideration to the not well-paid worker above £135?—No, I have not, because I have taken the principles of the appointed members, and I have limited myself to those principles, and I say that £135 a year is quite adequate to meet the principles laid down by our appointed members.

1489. *Mr. Pugh*: Do I understand that you regard £135 a year as being the maximum to be paid in your trade?—Certainly not.

1490. If you did away with the Trade Board arrangement, how would you negotiate in respect of wages above that? What system would you propose to adopt of negotiating wages beyond the £135? Would you still use the Trade Boards?—No, personally and speaking frankly, I think Trade Boards are impracticable and inexpedient in this country. They were only appointed here with very great doubt for the purpose of dealing with sweated workers. I have the Royal Commission Reports here. I consider that they are now being extended without due consideration to unorganised trades, and I am trying this morning to show the grave difficulties which in my opinion render those Trade Boards inapplicable to the distributive trades of the country. I think the very best system that a worker can use for raising wages is first of all his own individual merit, ability and hard work, and subject to that the trade union.

1491. But supposing we did away with the Trade Boards in the grocery and distributive trades, what machinery of collective negotiation do you propose to put in their place?—I should say, Let us follow the practice of the highly-organised trades. They started, and we have started, first of all by negotiations with one firm; then for districts; and that is the stage at which the trade at present stands. We have numerous individual agreements between firms and unions, and we have various agreements for localities. The trade unions work up ultimately, and then you can, if they work up, get a collective body at the head of both sides, but you cannot accomplish the growth of years in one night or by a stroke of the pen at the Ministry of Labour.

1492. As I understand, a Trade Board ought to be established in your trade because of its being insufficiently organised, to make collective agreements?—Exactly. I never heard a more extraordinary reason in all my life, because collective bargaining is the result of a long process; it follows a natural course. You could no more expect to have collective bargaining imposed on an unorganised trade than you could expect to have a rose tree from a mere slip in one night.

1493. That may be, but does not experience show that in unorganised trades wages always stand very low, and do not wages generally follow where there is no organisation?—No, I think, if I may respectfully say so, you are wrong. I do not agree that the wages in distributive trades at the present time are low at all. I think, and I am prepared to give facts and figures to show, that wages throughout the grocery and provision trade have been substantially raised to meet the increase in the cost of living brought about by the war. Further, I think that if enquiry were made into it, you would find the same result in other trades. I notice particularly that in Scotland they had an enquiry into agriculture, and there they set out wages for Scotch agricultural workers ranging from about 39s. or 40s., and they expressly found that the wages had

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[Continued.]

in fact been brought up substantially to meet the increased cost of living brought about by the war. I am speaking now, of course, of that particular date.

1494. You would rather prefer that the Trade Board in your case should be disbanded and that you reverted to the original position in which, as I understand, there was no definite machinery for collective bargaining for the trade?—We have never had any trouble in the trade, but speaking for the employers' side, I am not able to say that. A lot of us think that we do not want a Trade Board at all, but that we can manage affairs ourselves; others say, "Let us try the Trade Board and see if it is any good"; but we are, I think, all unanimous, with the exception of the Co-operative representatives, that under the present machinery of the Trade Board we do not want it at all.

1495. Do you hold that view with regard to Industrial Councils generally?—Industrial Councils are only appointed in highly-organised businesses, and I have no authority to speak of them. If I were to give my personal opinion I think that something better might very well have been devised.

1496. *Chairman:* Have you given us your suggestions for amendment? Assuming that Trade Boards are to continue, what are the amendments which you suggest? You have dealt with appointed members, and you have dealt with the limit of jurisdiction. Is there anything else of practical importance?—And I have dealt with the principles.

1497. You have dealt with the principles, but I mean now specific amendment?—The only other point I think is the necessity of District Trade Committees.

1498. That I think you have mentioned?—We think that they are indispensable.

1499. Then you have some suggestion for appeal?—Yes, with regard to that, at the present time if either side is not satisfied with the finding of a Trade Board, our only remedy after the Board has confirmed the rate is an appeal to the Minister of Labour. He is placed in the position, whether he likes it or not, of being, in fact, a Court of Appeal from the decisions of Trade Boards, and the result is that as either side may be dissatisfied he is brought into opposition with one or the other side alternately. We think that that is not a position in which a Minister of the Crown ought to be placed, and if the Trade Boards are to continue we think that, undoubtedly—it is obvious from our experience upon the Boards—a Court of Appeal is necessary. If, on the other hand, you do have your Court of Appeal, I see no possible result except the cumbrous Australian system of the Trade Boards Industrial Court of Appeal, with all the paraphernalia of lawyers and what not, whom we emphatically do not want.

1500. A terrible prospect?—It is existing out there.

1501. *Sir Arthur Pease:* That is against your previous view that you did not want anybody to have a deciding voice, but you wanted to have it done by agreement?—Quite. We put this forward, and we pointed out that it is an objection to the existing machinery which you are considering. You are considering the existing machinery.

1502. *Chairman:* Then you suggest that objectors should be heard by the Trade Board?—Yes, for this reason, that notwithstanding that the Statute expressly provides for it—it is imperative and says: "The Trade Boards shall consider objections"—when we got to the Trade Boards we found that the Ministry of Labour legal adviser had ruled that we shall not, because we could not make any material alteration in the rates without re-advertising, which negated the whole thing.

1503. That is rather another point, is it not? You suggest that they should be heard, that is, that they should be allowed to come and talk to the Trade Board?—If they want to.

1504. Then your other point is what when objections are taken, if the Trade Board approves of them, they should be enabled to give effect to their decision without re-advertising?—Quite.

1505. To save time, and so on?—Yes, and whichever way it may be.

1506. We know that on the Grocery Board you have had some trouble in that connection?—Exactly.

1507. Also you suggest that the Inspectorate should be increased?—There are only 33 Inspectors at the present time, I am told, to enforce the Orders of something like 61 Trade Boards.

1508. *Lord Weir:* With regard to your suggestion of District Committees, in your opinion would that still more slow up the whole machinery for fixing rates or varying rates?—The District Committees would have to have power to do the business themselves I think, otherwise I think the whole thing is absolutely unworkable.

1509. *Sir Arthur Pease:* Then would you have an appeal from them to anybody?—If you are going to have an appeal at all there should certainly be an appeal from them, but it ought to be a direct appeal; in other words, they should be separate Trade Boards.

1510. They would not appeal to the National Board, they would appeal straight to somebody else?—I take it that there would be no National Board in that case.

1511. *Chairman:* They would be like the District Trade Boards really?—Yes.

1512. *Dame Adelaide Anderson:* Without appointed members?—We should prefer that.

1513. *Mr. Pugh:* How would you co-ordinate your arrangements over the whole country? You surely would have as many arrangements and rates as you would have District Boards? Would that be desirable?—No, it would not be desirable, but we are asked to assist in the Trade Board system, and we come here frankly and say that we cannot work without district Trade Committees, and we point out in our evidence that there is no means of co-ordinating the decisions of Trade Boards, neither can any means be discovered.

1514. In a single trade or a single industry surely there is. Do you not require to have a Central Board along with your District Boards?—I do not think that that would co-ordinate, because experience has shown that when the Central Board disagrees with a District Committee, either you have to give the District Committee what they want or they will resign.

1515. Surely the principal purpose of the District Committees would be to deal with special local circumstances which could not be dealt with in a national sense?—I do not see how they are going to work in that way at all. Then it means referring the matter back to the Trade Board, and there is no end to it. There is such a lot of red tape and referring backwards and forwards that I think it would be unworkable.

1516. I suggest that you would have a similar experience to what we have had in other well-organised industries which work through similar machinery of their own: that where you are dealing with work-people in similar occupations you can fix a rate for that occupation, but have regard to certain local conditions which may be different; but your chief body would be your central body, the districts being simply appointed to deal with local circumstances which have to be taken into account?—If you do that, then, of course, you have all the disadvantages which I think exist in the organisations to which you refer, namely, great delay.

1517. No, we have no delay. We do not admit that that is a disadvantage, because the Centre really decides the general arrangement, leaving it to the locality to apply it consistently with local conditions?—I was informed that that led to great delay.

1518. That is not our experience, at any rate, with well-organised trades.

1519. *Chairman:* Your last suggestion is that the duration of the wage should be limited. Is that so?—I think it should be left entirely to the Board for them to fix it themselves.

1520. *Sir Arthur Pease:* You would not alter a wage under three months, would you?—No, that would be ridiculous.

1521. Many of the main trades of this country have a rule that a general rate of wages shall not be altered under a three months' interval, and in some

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[Continued.]

of them a six months' interval. Why should not that apply to a Trade Board too?—I do not see as a practical matter that rates of wages can be altered under three months. I think that would probably satisfy us; but our idea was that the matter should be left entirely to the Board, and then they should say "This Order shall remain in force for" such and such a time.

1522. *Chairman*: Then you think that the machinery for changing rates should be expedited?—Undoubtedly.

1523. Then you have something to say about suspending the confirmation of the present Order of the Board?—I am asked to submit that the Committee might recommend the Minister of Labour to postpone the present proposals of the Grocery Trade Board for the reasons which I have set out. I have shown that they are unequal in their operation, that many districts are wholly unable to pay them, that they simply provide new sources of dispute in the trade, that the areas give great dissatisfaction, that the hours of opening and closing proposed by the Trade Board are contrary to the prevailing normal hours throughout the greater part of the Kingdom; and we think that that being so, and in view of the fact that this Committee is overhauling the whole machinery of Trade Boards, the Trade Boards should be held up entirely until the Committee has made its report. In other words, do not use a defective instrument until you have remedied it.

1524. *Mr. Pugh*: I would like you to assist us by suggesting how you can speed up the machinery. Will you say whether all the objections could be received and all the arrangements could be carried out to get the views of the interested parties, before the Board comes to a decision. I understand that at the present time objections may be made after the Board has come to a decision. Would you speed up by getting all these things done before the decision was come to, so as to get the Board's decision into effect within less than the month which is allowed?—I gather that you are suggesting that when the Board has made a recommendation to the Minister, the one month allowed to the Minister of Labour should be curtailed. Is that your suggestion?

(The Witness withdrew.)

(Adjourned for a short time.)

Mr. J. H. BARNARD, called and examined.

1529. *Chairman*: You are the Chairman of the Drapers' Chamber of Trade?—Yes.

1530. And a Member of the Dressmaking Board for England and Wales?—Yes.

1531. You attend on behalf of the Drapers' Chamber of Trade to give evidence?—I do. May I proceed?

1532. Just tell us of whom your Chamber consists?—With that object I have provided myself with what I might call the specification of the Chamber. It is really the agenda of our next meeting next Tuesday, and you will see from that document what the Drapers' Chamber of Trade is. (The same was handed in.) I may say that it was founded 20 years and more ago for the purpose of conference between all members of the textile distributing trade, upon any matters which interested them as tradespeople. We have been growing in those 21 years, and we have now between 5,000 and 6,000 subscribing members, but in addition to that we are affiliated with similar associations in various parts of the country, and members of those associations have the privilege or the right of meeting as in conference once a month, when the members of our Council meet in London.

1533. Are your members scattered pretty well over the country?—You will see from the first page the different towns and principal cities in the Kingdom which they represent. Further, I would say that these are all elected members. In every county and in every principal town the tradesmen may select one of their number to represent them on the Central Council of the Drapers' Chamber, and those selected

1525. I do not know that it is possible to curtail it, but my point is this: You have objections which can be raised afterwards, and that may mean the Minister referring it back to the Board again. I should like you to say whether all that could not be done previously to the Board's coming to a decision, and then all that would be necessary would be for the Minister to consider the proposed arrangement, and if he saw no serious ground of objection, to give effect to it. I want to get rid of the delay which arises from objections after the Board has come to a decision. —I do not myself think that that would be a fair thing. The Minister of Labour at the present time is a Court of Appeal from unjust decisions, or from what are considered unjust decisions, and the injustice of those decisions can only be made known to him by objections lodged when the Trade Board decision is made known. One way in which things might be expedited is by a little closer consultation between the Trade Board and the Ministry of Labour Legal Advisor, or Advisors, before the Trade Board comes to a decision.

1526. But is there really any difference between your grocery and distributive trades and other similar trades? Are not they worked by similar methods to the Grocery Trade Board with the view that every interest should be represented before a decision is come to, but the Board being representative of the trade, settles the question having regard to all those objections and then no further objections are heard?—In point of fact the Board does not settle, it is the appointed members who settle, and I have given you instances where real and valid objections, as I am positively assured, in Cornwall and the south west, are brutally disregarded. What is the good of telling us that we settle our own wages when we do not? What is the good of giving a decision which does not meet local objections; and we know that it does not meet local objections because they are simply overwhelmed by the voting, or the pressure brought upon them by the Side.

1527. Then you do not see how you can alter the present system?—No, I do not.

1528. *Chairman*: We are very much obliged to you for some interesting evidence.—I trust that I have not been unduly positive in making any statement.

and elected representative men are the names which you see on that front page.

1534. Then you are affiliated with several local associations, I understand?—Yes. In addition to those which are at the foot of that page, I may say that every member of our Council is a member of his own district Chamber of Commerce, not necessarily a textile one, but one in which all the principal drapers and grocers and tradesmen of the town meet in conference, so that by means of our Council we are in telephonic communication (I might almost say) instantly with every shade and side of the textile distributing trade. We therefore consider that we are a very representative institution. I do not know another which is of so parliamentary a nature as our Chamber. You will see on the other side that we meet for practical business: the Merchandise Committee, the General Purposes Committee, the Propaganda Committee, and the Parliamentary Committee discuss month by month all the business which comes within the purview of the distributive textile trades, and if it would interest you to see what we are talking of at our next Council next Tuesday, the agenda is there, and I think you will see that we deal with the matter in a very workmanlike and practical manner. So much for our representative capacity. One would have thought that a Council of that kind in being and with machinery of that nature to hand, would have been of enormous use to the Ministry of Labour when there was thrust upon their shoulders the onerous task of finding someone better than the textile trade (from whose hands the

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[Continued.]

management of the trade was to be taken) into whose hands the management of the textile distributive trade might be placed; but it may surprise this Committee to learn that we have always had the greatest difficulty in getting ourselves represented on the Trade Boards.

1535. You are represented, I think, on some Trade Boards?—We are, by two members on the Dressmaking Trade Board—by myself and the former Chairman of the Council—but on the Millinery Trade Board we have no one elected by ourselves to represent us, and on the bespoke tailoring industry Trade Board we have nobody either.

1536. Have you not three members of the Dressmaking and Women's Light Clothing?—Only two, myself and Mr. Cook, J.P., of Dudley, who have been appointed in the last two months. Mr. Coleing was our representative before then, but he resigned.

1537. That is why I thought there were three.—We have only two.

1538. Have you not two representatives on the Hat, Cap and Millinery Trade Board?—Not specially appointed, I believe. We had one, but he is not serving now. There are, of course, members of the retail, but they are not put there by the express stipulation of our Chamber.

1539. I understand that you will have representatives, probably?—We sincerely hope so. We have nominated them but they have not had any appointment.

1540. You have, I think, issued a Questionnaire to the members of your Chamber?—Yes, and I think you and the members of the Committee have in front of you typed copies which I have had prepared for your inspection. I sent them over here yesterday because I humbly thought that a correct atmosphere might be produced if you read through all those letters.*

1541. I am afraid they came too late for me to master them.—I am sorry. I think they will well repay a careful inspection, and when you have read them I think you will see that they constitute one of the most important pieces of evidence which can be produced from one trade as to one Trade Board, which can possibly be put before this Committee.

1542. I will read that carefully right through.—We shall be greatly indebted to you if you will.

1543. The first question is: "Have the Trade Board Orders reduced the number of workers in the Bespoke Dressmaking and Millinery Trades? If so, please give me some details as to the number of workrooms which to your knowledge have been closed or reduced in your district as a consequence of such Orders." Then No. 2 is: "Has the closing down of the workrooms or reduction in the number of workers been caused owing to customers refusing to pay the increased charges made necessary by the prescribed rate of wage for workers?" And No. 3 is: "Are the conditions under which learners have to be employed preventing their employment?"—No. 5 is the next question.

1544. No. 5 is: "If there are any other points you would like to bring before the Committee please state them." You have got answers to those questions from a number of your members?—We wrote to every member of our Council, some 195 to 200, and I received in reply 204 replies. All that reached me last week have been copied for your perusal, but many of them have reached me this week, and it was not possible to have those copied. The original letters are all here. You may notice that I have not put the names of the writers, though I have put the names of the towns from which they come, but for further confirmation or to know who are those people who have written, I have the original letters here which you can have.

1545. I have no doubt that they have been faithfully reproduced in this document.—Thank you. Those 204 letters and those which I have not been able to type come from all parts of the country, from every kind of employer, from the smallest dressmaker in a hamlet to the big West End multiple shop in

Keusiugtou, and I think you will agree with me that the verdict is almost unanimous that the Trade Boards as applied to the Dressmaking, Millinery and Bespoke Tailoring Trades, rather than serving and protecting the industry which they were elected or appointed to protect, have nearly, if not absolutely, killed the teaching of dressmaking throughout the whole of this country. Those letters are wonderful in the unanimity displayed as to the effect of the Trade Boards.

1546. That is on the question of the learners?—That is on the question of the learners. Upon that I would speak in detail. As to the importance of the dressmaking industry, I think I need hardly emphasise it at any length. The custom is this: not only the poor women of this country but women of good position are all anxious that their daughters when they leave their schools, or their secondary schools, should have a practical knowledge of dressmaking, and the method which has been adopted all over this country is this: that the mother or the guardian goes to her local draper or her dressmaker, whom she knows, and she says: "Will you take my daughter? I want her to learn dressmaking." Thousands upon thousands of women and young girls all over the country are taught year by year the art of dressmaking, a handicraft which enables them to earn an honest living in an honorable employment in the neighbourhood of their own homes, without going into the large cities of the Kingdom as factory hands. The knowledge of dressmaking is of great importance to them as a wage-earning business during the early years of their girlhood or their young womanhood, but it is of infinitely more importance to them when they are married and become mothers that they should have at first hand the knowledge of a handicraft which helps them to clothe their children, themselves, their mothers and their relatives with far less expense and far more satisfactorily than if they had to get their dresses made elsewhere. What would the womanhood of this country do if they had not this practical method of learning that wonderful handicraft of dressmaking? Now it is in the dressmakers' rooms of the drapery trade and in the dressmakers' rooms of the hamlets and towns of this country that the women of this country learn practical dressmaking. When you have read these letters I think you will come to the same conclusion as the writers, and as the members of our Council, have come to, that if the Trade Boards continue to regulate the teaching of dressmaking as they have done for the last two years, dressmaking as a handicraft throughout this country is extinct. It cannot be learnt. The regulations of the Trade Board have made every draper say: "I really cannot do it; I cannot conform to all these regulations." With that I will deal, when I come to the heading of learners.

1547. Are all these young women employed at the place of business?—Always.

1548. Or do they work at home?—They can, but principally and almost entirely in the workrooms controlled by Trade Boards.

1549. Some of them work at home, I suppose?—Yes, and in that case they come under the Trade Board, too.

1550. Yes, I know.—With drapers it is not so. A draper has his workroom, and, as I shall point out the anomaly is that in some workrooms there will be milliners, there will be dressmakers, and there will be coat and skirt workers all working under three different Trade Boards, but absolutely doing the same quality of labour.

1551. Before we go further, learners I think, according to the wage order, begin at 6s. per week?—Yes.

1552. That is when they are under 14; they get 1½d. per hour, and they run up in the eighth year of employment to 2s. per week or 7½d. per hour?—The 10½d. rate is 48 hours at 10½d. or 43s. per week. The principle of teaching dressmaking is that when a girl of 15 or 16—

1553. What is the 10½d. rate?—What is called a fully qualified dressmaker, as distinct I may say—

* Selection reprinted. See below page 164.

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[Continued.]

that is another peculiarity—from the qualified dressmaker. There is the qualified, the fully qualified, and the worker, all three working in the same workrooms on different rates of wages.

1553a. It is 10½d. per hour for how long per week?—For 48 hours. It comes to 43s. per week; but if a girl for instance goes into a workroom to learn dressmaking when she is 16, she has to be paid 19s. per week, and she knows nothing. She must have 4½d. per hour. Those letters will show that sometimes when a girl goes there she has to be taught plain sewing before she is any use, and over her is placed a responsible practical dressmaker who is teaching her her business. If she had to go into a secondary school she would have to pay a premium for such business.

1554. I see that I was looking at the wrong order.—Yes, the present wages are 6s. per week for the first six months, 8s. per week for the second six months, and 8½d. for home workers, with 8½d. for all other female workers; 9½d. for a qualified hand, and 10½d. for a fully qualified hand; but the trouble is that during the first year or two years of a learner she does not earn anything for her employer. Very often she spoils as much work as she does. She has got to become a practical dressmaker, and when she has acquired that, and when she is a practical dressmaker, this minimum wage does not work: there is competition for a qualified dressmaker, and she can get a good wage wherever she goes, and she does get a good wage; but while she is learning the business she is getting more than her wage because she is acquiring a very valuable knowledge of a very valuable handicraft. If dressmakers all over the country say that they cannot be troubled with the tremendous amount of red tape, headings, and that sort of business, the learners will cease to be occupied. May I go through my *précis* as I have supplied it to you?

1555. You have dealt with the importance of the trade?—Yes. I have dealt with the importance of that, and now I proceed to the Trade Boards which cover this industry. They are three: there is the Dressmaking proper, and there is Bespoke Women's Tailoring, which deals, strangely enough, with the dress which a woman wears out of doors, because a coat and skirt comes under a different Trade Board from the dress which she wears indoors; and then there is the Millinery Trade Board. All these work and control the dressmaking, millinery, and tailoring workrooms, and one of the great evils as we see it to-day is that on both sides of the Trade Board there are representatives who are neither workers nor employers. Under proper control that should not be much trouble, but in the printed paper which was handed to me when I was appointed a member of the Trade Board, I was first told that the principal objects of the Trade Board are to provide adequate machinery for the effective regulation of wages in industries in which no such machinery exists. I would just say in passing that the machinery does exist in the Drapers' Chamber of Trade and in the retail distributors, who between them and in conjunction with the trade unions, with whom we are always pleased to confer, could have produced a better state of things than the Trade Board have produced.

1556. To what trade unions do the workers in your trade belong?—I do not know that they belong to one. I very much doubt whether the little dressmakers' apprentices and assistants throughout the whole of this country have any great majority of workers in trade unions.

1557. Then they are not organised so far as workers are concerned?—No, but our side is. If they are not organised why is it that on the Dressmaking Trade Board, as a representative of the workers, is a trade unionist who complacently tells us in the columns of the "Times" that he is on 16 Trade Boards?

1558. He is the man appointed to represent the workers, no doubt?—No, he states "as workers' representative." If they are not represented in the

trade union they should not be there. That in passing. Another printed paper which was handed to me, dealing with the workers and non-workers on Trade Boards, which was supplied to me over the signature of Sir Robert Horne, the Minister of Labour, has a clause No. 7 which says this: "Any member representing employers who ceases to be an employer and becomes a worker in the trade shall vacate his seat. Any member representing the workers who becomes an employer in the trade shall vacate his seat; the question of fact in each case to be determined by the Minister." The essence of Trade Boards, I take it, is that on one side there should be employers, and on the other side there should be employees, and if a representative of a Chamber of Trade of employers or a trade union is selected, he or she should be also a worker or an employer in this particular industry. One of the growing evils, if I may say so, of the Trade Boards is that there are on the Labour side trade unionists who are not in the trade, have never been in the trade, and never will be in the trade. On the employers' side of the Trade Board that evil does not so grossly exist.

1559. It does exist to some extent, I gather?—I notice that the Secretary, for instance, of the employers' side is the Secretary of the London Employers' Association, and I say even on that side he should not be there. I do not say anything against him personally; I have not the slightest thing against him; he is an excellent man, and I know him very well; but if a man is selected either as employer or employee on a Trade Board, he should be personally acquainted either with the employers' side or the workers' side, and not have to rely upon second-hand evidence.

1560. You are speaking of dressmaking, are you?—Yes, as attached principally to drapers' businesses. When I say "dressmaking," I may be allowed to mean that I include the other two; they all refer to the textile trade.

1561. In considering the point which you are putting, I have figures here which show that of the workers' representatives on the Dressmaking Board there are 30, of whom 18 are actually workers, and 12 are full-time trade union officials?—Yes. That is a very heavy percentage.

1562. On the employers' side there are 30, of whom 29 are actually employers?—Yes. I have named the only one who is not.

1563. One is a full-time official?—I do not think that is a very bad proportion. I think that is what it should be on the workers' side.

1564. Let me take the Hat, Cap and Millinery; that is another Board with which you are concerned. On the workers' side there are 28 representatives, of whom 16 are actual workers?—Another very large percentage of trade unionists.

1565. Twelve are full-time trade union officials. On the employers' side there are 28 members, of whom 26 are actual employers?—Quite correct and quite what it should be.

1566. And two are whole-time officials?—Yes.

1567. What is the third Board?—The Bespoke Women's Tailoring. I do not know what is the actual designation of it, but perhaps I can give it to you from one of the tremendous bills which we are obliged to put up in our workrooms, upon which I will speak to you in detail later on. (After referring): It is called the Retail Bespoke Tailoring Board.

1568. Yes, I have that. There are 24 representatives of workers; is that right?—That would be about it.

1569. Thirteen are actual workers and the others trade union officials?—An enormously overweighted proportion of non-workers.

1570. On the employers' side there are 24 representatives, of whom 23 are actual employers?—I suggest that on the employers' side we have done quite rightly, but that on the workers' side it is overweighted with people who know nothing about the trade personally.

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1571. *Sir Arthur Pease*: Do you distinguish between trade union leaders who are the leaders of the men or women in the particular trade, and a trade union leader who comes from some other trade?—I would say that if a trade unionist leader is on a different Trade Board as a worker, he is a worker in none, and I fear that you will find the proportion on that side works out at something of the same thing. The same person will appear on several Trade Boards, though he has no personal knowledge of the handicraft or the mystery of the labour which he is supposed to control. I think on inquiry you will find that that is so. On the employers' side we are legitimate employers; on the workers' side they are legitimate trade unionists, but during the last two or three years the weight of the trade unionists has overcome the prudence of the employer, and he has to give way where he would not have done if he had had legitimate workers on the other side.

1572. You mean that they have trade unionists who have not sufficiently long represented that particular trade to know the intricacies of the trade?—Or who have not represented it at all—who have not sufficient members in the trade union to give them a fair knowledge in the trade which they are seeking to represent.

1573. *Mr. Pugh*: That would be rather a disadvantage to the workers' side, would it not?—Not from trade unionists' point of view, who have their own axe to grind.

1574. I mean the workers must be handicapped if they have a representative who does not know the circumstances of their trade, and therefore the employer, I should say, would have an advantage in negotiating in that way?—I think not in the case of a trade unionist if I may say so. A trade unionist is out for the highest possible wages that he can get without respect to the earning capacity of the workers. The employer has to look upon the earning capacity of the worker before he fixes his wage, but the trade unionist does not do so.

1575. *Lord Weir*: Do you mean, for example, that in the dressmaking and women's light clothing trade there are representatives of trade unions who have nothing whatever to do with either dressmaking or women's light clothing?—I should like this Committee to make that inquiry from those who are actually on those Boards.

1576. Can you give us any example? Do you go so far as to say that there is a trade union representative on the Dressmaking and Women's Light Clothing Board who is, for example, the secretary of a woodworking society, or something like that?—No, I will not go so far as to say that, but may I suggest that this Committee should carefully look into that point? It is a matter upon which you should get direct evidence from the workers themselves, and I think it is well worth your inquiry. It does not do to come from me, perhaps, who am on the employers' side, to say exactly what constitutes the great proportion of these workers, but it is my opinion, and I believe I could get, if I were asked for it, direct evidence of it, that the great proportion of the trade union officials on the workers' side are not necessarily acquainted or connected with the particular industry of the Trade Board upon which they sit.

1577. They must be recommended by somebody who was connected with it?—Not necessarily. On the employers' side Mr. Alderman Cook, my colleague, who has unfortunately been detained by municipal work elsewhere, told me that he was talking to a lady on the workers' side, and asked her: "Where do you come from; who are you; whom do you represent?" and she said she did not know; she came from somewhere in the Midlands, and was not representing any district at all. The difficulty that the Ministry of Labour have had is to start an organisation without knowing anything at all about the business which they have got to organise. Put yourself into the position of the unfortunate Minister of Labour, who is told that he has got to

take away from a responsible, honest and successful body of men, such as the Textile Distributors—to take it away from them because they are deemed incompetent, and probably dishonest—and to put the trade into the hands of some other body not yet created who are to be more honest and more competent than they. How does he proceed? I cannot see for the life of me how he can do anything but make mistakes, and unfortunately the trade of the country is suffering accordingly.

1578. *Mr. Pugh*: I suppose that your objection would be mitigated if you knew that the trade union representatives were representatives of the trade, or that they knew something about it; or is the objection to trade union representation as such?—I should have no objection to a trade unionist as such if he was honestly representing the workers in the trade which he professed to represent.

1579. He might not be a worker in the trade?—I think he should be.

1580. He may have worked in the trade?—I think he should be a worker in it at the present moment if he is legislating for the workers in the trade.

1581. We will suppose that there are some thousands of workers in a trade who are organised, and they are going to be represented by someone who has ceased to work in the trade, but who knows all about it. What do you say to that?—I should say that he should not be eligible. He ought to be a worker in touch with his co-workers in the work-room, and not imbued with the trade union principle that a woman or a man must be paid a certain sum irrespective of his or her earning capacity because he or she is 25 years of age instead of 20, or 19 years of age instead of 16, although the person of 19 years of age may be less competent than the one of 16 years of age.

1582. Then the point of your objection is rather to the full-time trade union representative. You say that he must be a worker actually working at the trade, and not be an appointed representative of a trade union?—In saying so I have omitted to explain that I do not agree with Trade Boards at all—I mean in this particular industry—as constituted at present, but if it were re-constituted I should say that I should have no objection to a worker on the workers' side being a worker, and as clever a worker as you like, but I should object if the person elected by the workers was not himself or herself a worker.

1583. Actually working in the trade?—Indeed, yes.

1584. Not a full-time representative of an organised body of workers in the trade?—Of course I should object.

1585. *Dame Adelaide Anderson*: Your view of the industry of dressmaking is that it is on the whole a highly skilled handicraft?—It is, after the person has learnt his business. In the first three years it is quite a sorting-out process, in which the small people drop through the large holes and the others remain, and those who do remain are trained handicraftsmen earning excellent wages.

1586. It is an industry having very variable branches?—Yes.

1587. Your view is that representation should be only through those workers who are engaged in an engraving industry?—Yes, a highly-skilled dressmaker would be the most competent person to have on the workers' side.

1588. It is varying very much in different places and in different workshops?—Yes.

1589. How is the highly-skilled worker in one branch better able to grasp all the different intricacies of the trade than a whole-time representative?—A whole-time representative in a trade union need not necessarily know anything at all first hand of the work which he or she is endeavouring to control, but the dressmaker, who has spent ten or twelve years, it may be, in the process of learning her dressmaking, who knows it from A to Z, and who is in contact daily with the young members and knows their troubles and their grievances, and their good

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luck if they are fortunate, is the better person of those two to be selected as a worker on a Trade Board.

1590. *Sir Arthur Pease*: The answer which you have just given is not quite consistent, is it, with what you said earlier?—In what way?

1591. That is, that you did not mind one or two representatives not being in the trade, both employers and employed?—That is a concession to human nature, purely.

1592. Is it quite fair to put a man who is actually engaged in the trade without a spokesman up against people who are trained in dealing with these things every day?—Therefore I say one is sufficient, and necessary, in a Trade Board if you are going to have a Trade Board. If you take away the regulation of a valuable trade like this from the hands of the people who have made their fortunes, and trained their staffs, and peopled England with good merchantmen—if you think that they are not competent to do the business and you put it into the hands of somebody else—you need a trained man, and a very skilled trained man at that. I give you one; but the whole principle is wrong to start with.

1593. *Mr. Pugh*: But you have still got it in your own hands, as far as the employers' side of the Board is concerned, of course?—No, no Trade Board in existence, or that ever will be in existence, could be better than being in the hands of the man who made the business, whose wealth or poverty depends upon the regulation of the business, and whose business it is to see that his work is done to the best possible point in order to please the customer.

1594. Carrying that to its logical conclusion, does that mean a Board consisting of employers' representatives only?—No, I do not want a Trade Board at all. I say that if you have succeeded in finding some method of controlling the merchandise of this country other than the hands of those who are controlling it, then you must have on the workers' side fully qualified workers, with a competent leader if you like, and on the employers' side fully competent employers, also with a leader if you like. It is not a better plan than leaving it to the people themselves controlling it, but if you institute it you must see to that.

1595. One is anxious to try to get at your difficulty. You were objecting to Trade Boards and to their constitution, and I am trying to get at what you would put in their place as machinery of negotiation between employers and workers to settle rates of wages?—I would have what I propose at the end of this paper to say: "A national minimum wage should be carefully considered with this end in view." "Some simpler method of defining sweating should surely not be beyond the capacity of Parliament; all sections of the textile distributive trade would gladly place their services freely at the disposal of the Government for that purpose." You have brought a mountain to labour, and you have brought forth this ridiculous mouse.

1596. Where do the workers come in, in that scheme of things?—We would confer with the workers in any shape or form that the Government may suggest. At present the workers are not elected by their representatives in the trade; they are dumped upon the spot by the unfortunate Ministry of Labour, who have to find some means of working out the Act of Parliament.

1597. Is that an argument against the Wages Boards or against the methods you adopt of applying the machinery of the Boards?—At present I urge that against the Trade Boards, and say that they could be bettered by forming a minimum wage, and could be bettered with the assistance of the trade generally, both workers and employers.

1598. *Chairman*: I rather led you aside. Your next point is "Wholesale and retail not identical"?

—Yes, and that is a very important point. On the workers' side they are workers probably on both sides, but on the employers' side you have the mass production merchant, the man who works the factories in the big cities and makes garments, not for the people in his immediate neighbourhood, but for distribution all over the country and overseas. He

produces an enormous quantity of goods. The young people in his factory are not learning dressmaking; they know no more about dressmaking at the end of their tenure than they did when they started.

1599. Of course, they are different, but are they not both represented on the Board?—They are both, but I say they should not be on the same Board, because far from their interests being identical they are exactly diametrical. The complaint of the dressmakers in these matters is that the ready-made trade, by reason of the institution of high wages, is swallowing up the industry of bespoke dressmaking throughout the country, and it is going into the hands of the wholesale ready-made man; and that is unfair. It is unfair to the Board, where sit representatives of wholesale and retail, the wholesaler knowing, for he may know, that the wages he is settling are killing the bespoke part of the trade and driving that trade into his own factory. The difference between the wholesaler and the retailer is this, that a factory does not depend upon its immediate neighbourhood for its clientele; the bespoke dressmaker depends upon the wife of the tradesman or the woman next door, or in her own hamlet or little town, coming to her and getting a garment made, and if that trade is taken from her by the Trade Board instituting wages which she cannot pay, her occupation is gone. She has got one department, the swings; she has not the roundabouts to make money upon, like the big draper has if the swings fail; and if her customer goes into that dressmaker's workshop and says: "What have I to pay for making up this costume?" and she is told the fact, she is horrorstruck at the cost of making up the dress, and the time it takes, and the hands it employs, and the hours spent upon it at the trade rate of wages, and she cannot do it. These letters are full of such instances. The value of the bespoke dressmaker is that she finds employment in her immediate neighbourhood for the girls of her own town; the wholesale man draws the girls from the village into the big town as factory hands; and for the two to operate on the same Board when their interests are diametrically opposed is not in the best interests of either side. They should be on separate Boards. I am told that it passes the wit of man, or at any rate of the Ministry of Labour, to know how to divide the wholesale from the retail, and when I first went to the Board only one meeting ago, I said, "Why are you trying to legislate for the bespoke dressmaker and the wholesale factory manufacturer when their interests are not identical but diametrically opposed?" They are no more the same than the baker and the ironsmelter are the same because they both use fire in the production of their work. I was told by the Secretary of the employers' side: "We cannot possibly divide the wholesale from the retail; we do not know how to do it." I confronted him with this question: "If you cannot differentiate between wholesale and retail, how is it that you have absolutely instituted different rates of wages for the wholesale and the retail?" and I have never had an answer to that question. If it is so impossible to take out the retail from the wholesale, how is it possible to make separate wages for the two classes of workers? I say that they have answered their own objection in that way, and it must be the easiest possible thing to delete from this particular Dressmaking Board the little dressmaker in the country town, who makes bespoke garments for her immediate purchaser, and to differentiate her from the mass production merchant, who makes garments by the thousand by machinery, not for his immediate neighbourhood; it does not matter to him whether he is here or in Newcastle or in Cornwall; his product that he turns out is not affected by his environment, but that of the dressmaker is. The dressmaker in the little town cannot pay her worker the same wage as the big factory hand; she cannot turn out the work; she cannot earn it, and she knows she cannot earn it; and these letters will show you that; and that Portsmouth case, if I may be bold enough to refer to it, will show you

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that the workers see the difference even before the Trade Board people do, and are content with the wages that they have been receiving.

1600. *Lord Weir*: Were these matters carefully pointed out to the Board before you started fixing your rates?—In my A. heading under "Their Procedure," I say: "Objections from the trade receive scant consideration"—

1601. I simply want to know: did you make this case in front of the Board?—I think Mr. Quilter will tell you that we were told that this was not a concern of ours.

1602. But you are individually a member of the Trade Board?—Yes, for the last two months. I have only been appointed within the last two months.

1603. *Mr. Pugh*: Had you no representation when the Board started?—They would not accept our own Mr. Quilter, who would have been able to place at their disposal the whole of the experience of the Drapers' Chamber of Trade. May I tell you why? I think I am correct in saying that it was because they said: "This is not your business; this is wholesale; this is the manufacturing side"; and now they have roped in every little dressmaker in the country. We were not allowed to advise them, as we might have done.

1604. Had you no representation on the Board?—Afterwards we had one representative.

1605. *Chairman*: You had Mr. Coleing?—Yes. I might frankly say that when the theory or the idea of Trade Boards was first adumbrated we rather liked it. We thought: "Here is the end of our troubles; trade unions will no longer pester us and get at the back door of our assistants; we shall take all our troubles to the Trade Board"; but no such thing. It is not the business of the Trade Board to do anything of the kind. They are to fix wages and conditions of labour, and, if I may say so, with very little consideration for the information of the Drapers' Chamber of Trade. May I proceed?

1606. Yes, if you please.—I simply put that memo., which I think is a very wise one if I may be allowed to say so: "If Parliament deposes its legislative functions to any other body, that body should be representative of and elected by the industry it is intended to govern." May I simply illustrate it with one remark—that it was the same trouble which drove the colonists in Boston Harbour to throw the tea overboard.

1607. Are we not getting?—We are getting to the substratum upon which the freedom of this country is built; and I will leave it there. They were doing a very illegal act, like our friends in Portsmouth were doing.

1608. Please do not make speeches; Boston Harbour is a long way off.—Yes, but the principles behind it is eternal. My next point is: "Objections from the Trade received scant consideration," and I illustrate that with a very remarkable bundle of evidence. Eighteen months ago the Drapers' Chamber of Trade called the attention of the Trade Board to the increasing unemployment caused by the recent rise in wages, and we went before the Ministry of Labour in this very room and called their attention to it. We had a deputation here of 20 members of our Chamber from 20 different districts of this Kingdom, and each told his tale, which seemed to make some impression upon the gentleman who presided, who informed us that, so far as our deputation had informed him as to the rates of wages which had already been imposed, which were causing great unemployment and distress, that was a matter that he would give his personal consideration to, but so far as our evidence had referred to the new rate about to be imposed they referred it to the Trade Board governing the trade, and recommended us to write to our representatives and obtain direct evidence as to the unemployment, specifically so, which had been caused throughout the country. We did so, and we went before the Trade Board by special permission to tell them our story. They listened. I pointed out to them that already 246 drapers had closed down their workrooms; that 262 had effected or would have to effect drastic reductions in staff, retaining only the

most efficient; that 42 would, if the proposed increase became operative, further reduce their staffs; and that 21 would try to carry on as before, trusting that their customers would pay the higher charges. I addressed that Trade Board and told them of the importance of the teaching of the industry of dress-making, and of the habit that it was making in dress-making, and asked them to reconsider their verdict that they would there and then increase the rate of wages for dressmakers. A two months' interval had elapsed, and has to elapse before a rate can be confirmed after once it has been formulated by the Trade Board, and during that two months the people affected are asked to send in their objections if they have any to the proposed increase. There are 60 members of our Trade Board, and when I addressed that Trade Board that afternoon each one of them had a bundle of this size of objections which they had received during these two months to the proposed increase in dressmaking wages. First of all I would refer to the tremendous expense of producing 60 bundles like this for the consideration of one Trade Board—the expense in money and the expense in time. Each of these letters has been carefully and properly gone through, and they are scheduled according to their origin. There were 40 objections from Chambers of Trade—the Horsham Chamber of Trade, Cambridge, Chichester, Bedford, London, Chatham, Kirkby Lonsdale, Portsmouth, Ipswich, Wrexham, Doncaster, and all the lot—Chambers of Trade, mark you—who stated their objection. There were 412 objections from firms and individuals stating their objection. These had been gone through and a précis had been made of their contents, and when I made my little speech to these people, and told them of the objections which had come to us as a Chamber, each one of those 60 members had before him this bundle of objections. Did it have any weight? Not the slightest. They had already agreed together, employers and employees, that when the time for fixing the rate should come along in two months' time it should be established, and this was mere waste of time. They may say that they looked most carefully through each one, and possibly they did, but their verdict had already been agreed upon two months before, and I say that a Trade Board which works on that system is not representing faithfully the best interests of the trade that they are intended to protect.

1609. *Mr. Pugh*: May we assume upon that that all these documents having been looked through, as you were assured they were, the Board could not find any reason in them why the increase should not be confirmed?—I have no doubt that as honest men they found them, but I "hae ma dots."

1610. I suggest that an objection of an employer to an increase of wages is not necessarily a good reason why the increase should not be given any more than an objection from workmen to a reduction is a good reason why the reduction should not be made; so that we cannot regard these objections as necessarily conclusive?—But you will see here that there are five objections from workers; but if people are to object, and they are not to be considered, what is the good of objecting?

1611. I understood that the Board did consider them?—I assume that they did. May I take five objections received from workers, since you mention the matter—5 out of 600. The first is from Beccles—the Beccles Men's Co-operative Association, Limited: "In small towns a national flat rate causes such discrepancy between the wages of a trade where it is operative and other trades that considerable dissatisfaction ensues. The present rate is quite equal to the wages paid in general industry in this town." That is to the point. The next comes from Bournemouth, and is from the Dressmakers' Society of Bournemouth; this is in your favour, or in favour of the workers: "The proposed rate of 10½d. per hour for skilled women is not sufficient to meet the extra cost of living." Then from Chichester five workers "protest against the proposed increase which will cause many workrooms to close if made effective. Workers are not agitating for constant increases, neither do they need them. The majority of workers

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employed in this town"—that is Chichester—"have only a short walk to work, there are therefore no travelling expenses to take into consideration." Then from Upper Clapton Miss H. Cheek "urges consideration of special rates for pressers," and from Portsmouth Miss D. E. Fairchild says: "23 workers protest against the proposed increase which would lead to a great number of further discharges." There you have the objections which were before this Trade Board twelve months ago, when it was acknowledged throughout the country that trade was dropping, prices were falling, and there was no bottom to the trade at all; and we warned the representatives of the trade that the result which has followed would follow. In the discussion which followed, when questions were asked by the workers' side of me, it was evident that they regarded the whole thing as a manufactured piece of evidence—as perhaps they were entitled to do—got up by our Chamber of Trade, so much so that, although we had the whole of the original letters which showed this tremendous falling in employment, they did not even look at them, and they did not want to. We told the Chairman that he could have them for his inspection, and they were never asked for.

1612. That is rather an objection to the manner in which the people on the Board are doing their business; it is not an objection to the Board itself, is it?—Yes, it is; it is both—the overweighing of Trade Boards at present, if I may put it in that way, by trade union officials—

1613. Supposing we did away with the trade union officials, and had a Board constituted as you want it, you would have no objection to the Trade Board?—I have every objection to the Trade Board, because I do not think it would fairly represent the trade unless it is elected by the trade committees. Parliament is elected by the people of this country. If you take away the control of property from its owners, the least you can do is to see that the people you appoint are appointed by the trade themselves.

1614. Then the objection is to the Trade Board?—Absolutely.

1615. *Mrs. Lyttelton*: However constituted?—How they are constituted at present.

1616. I said "however constituted?"—And the impossibility, if I may say so, of constituting them in a way more satisfactory than the present, the management of merchandise and trade by the traders themselves.

1617. *Chairman*: You cannot have election under present conditions in unorganised trades?—I never say "cannot" to anything.

1618. I thought that was your view?—I think under some such management as the Drapers' Chamber of Trade have inaugurated in the last 20 years ourselves in collaboration with other textile trades we could form some central body; something better than this could be done.

1619. *Mr. Pugh*: Where would the workers come in in that scheme? I quite understand that the employers would do very well; you have your Chamber, which is well organised, and they undoubtedly could represent the views of the employers; but you cannot have one-sided machinery of negotiation. How do you propose to meet the workers' side?—The workers can be invited, in the same way as the employers, to meet on a joint board and consider the question of providing a minimum wage to protect the country from sweating.

1620. To whom would an invitation be sent?—It would be sent to the trade unions representing the different trades.

1621. And then you would still have that objection which you have now, of having the trade union representatives on your board or on your committees?—I do not object to trade union representation provided the representatives are connected with the trade which they are intended to represent—not the slightest.

1622. You have no objection to trade union representation?—Not the slightest, if they represent the trade—if they are workers in the trade,

1623. But your objection is to the man who may be a trade unionist, but is not actually working in the trade?—He has no right to be on the Trade Board governing the particular trade.

1624. Supposing he has had 20 years' experience of the trade, and he is appointed collectively by the other workers in the trade to represent them permanently, do you object to him then?—No, if he has had 20 years' experience in the trade he is a representative man for the trade.

1625. If he has had less than that?—If he is a practical worker in the trade he has every right to be there, but if he is merely a leader of trade unionists sitting on 16 Trade Boards, he has no right to be there.

1626. *Lord Weir*: You mean he has a right to be on one of those Trade Boards, the one with which he is identified?—Absolutely. If he is a good worker in his trade, no one in the world would object, and no employer would; we would welcome him.

1627. *Chairman*: You are rather going back to what I put to you just now. Will you go on to your next point: "Any alteration of rates requires at least four months' to mature." We are familiar with that.—That is very short, is it not—four months. I would just like to read one letter, typical of many. I think it is letter 20. It puts it rather tersely. The original letter is here, and it is from London, E.C.4. It says "Speaking generally, the Trade Boards are always six months behind, and out of touch with the conditions of trade. This I think is proved by the increase last spring, which was demanded at a time when trade was rapidly decreasing in volume." I need not emphasise that. I think it is well known to this Committee.

1628. No, we are familiar with that point.—Then I would point out that "Similar work is controlled by separate Boards, causing friction and discontent." A little country draper has a workroom in which he has a few dressmakers, and a milliner, and the dressmakers will also work on bespoke tailoring, and then on another day they will be making a dress for indoor wear, and on another day will be making a coat and skirt for a customer for outside wear; but this same workroom is controlled by three different Trade Boards, all doing similar work with different rates of pay. One hour a girl is making a costume for a lady—is making a coat and skirt; the next hour she is under a different Trade Board, and is paid a different rate of wages, and is entitled to it. That is totally unnecessary, and an exceedingly costly manner of running. If Trade Boards are to be established for little dressmakers with little workrooms, surely some simpler method of avoiding sweating might be discovered. I will not labour that. It must be self-evident to everybody, but I would like to refer to the petty restrictions.

1629. *Mr. Layton*: Before you leave that, will you suggest what your solution would be for this problem of different trades in one workroom?—I would say that the minimum rate of wage—one minimum anti-sweating rate of wage—would be perfectly sufficient.

1630. Have you in mind any minimum rate of wage for all the textile trades, or for every industry in the country?—I would say that that is too big a question for me to answer straight away, but I am perfectly certain that it can be solved, and solved without difficulty, by the various sections of the textile trade in alliance with a properly constituted committee of the Government. I am perfectly certain that the difficulty which appears now would not be nearly so great, or would disappear altogether. You have a girl working here at a certain rate, and a younger girl working next to her at another rate, doing the same sort of work, who has passed the same apprenticeship. It was never intended that drapers should do that finicky sort of work, surely. It is too paltry.

1631. Your evidence extends in two opposite directions: one is that wholesale and retail could not possibly be dealt with on the same Board?—Quite so.

1632. The impression on my mind was that you were suggesting to us the possibility of dividing so as to get self-contained parts of the industry?—Yes.

1633. You now are moving in the opposite direction?—Not quite, I think, because the wholesal-

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might be absorbed in another wholesale. The conditions of work in a wholesale factory are very much the same whether a man is turning out skirts or whether he is turning out broomsticks, for the matter of that; he is a worker in a trade at a specified price per hour. It does not so very much matter in the wholesale what he turns out, but the retail dressmaker is a very different class of worker.

1634. Then you have in mind a certain sort of machinery for all retail branches of the textile trade?—I think the dressmaker, milliner and bespoke worker, who are all exactly the same class of thing and in the same workroom, should be governed by the same Trade Board, if you like, or the same minimum rate of wage.

1635. And the factory would be in a different class?—Yes, the factory is a factory.

1636. *Chairman*: That would have to be a time rate, I suppose?—Yes, I think so.

1637. You could hardly have minimum piece rates?—No, and it is not necessary to do it.

1638. *Lord Weir*: Is there not a tendency for the minimum to become the standard?—It is becoming the standard here.

1639. But would it not be so?—No, I do not think so. Competition for good work is very keen in this country, and it is sufficient to establish good wages. It is no good endeavouring to make out that all girls of 19 are of the same value. It cannot be done. It is not practicable. No business man would ever build anything upon such a foundation as that.

1640. *Mr. Pugh*: Surely there is no difference between that and other industries? In all industries?—There is a great difference. An iron-smelter who does a certain amount of work turns it out at so much per hour, but a dressmaker—

1641. No, he turns it out at so much per week, say, but he gets the same rate?—And if he is a good man and his value is known by his employer, he will get far more than the minimum.

1642. That is just one of the conditions of the employment: that if a person who is 19 does not do the work that he wants, he can have somebody else. If he has to pay the same rate, he selects his workmen?—You take a business, and see what dissatisfaction it causes, and how the lazy person is getting just as much as the others. You do not want to be dismissing your people every week because they are incompetent. You do not want to drive even a person who is incompetent through no fault of his own into the street. You like to work them, but you want to give them less wages because they do not turn out so much, but you cannot in dressmaking. You must not employ anyone, no matter how poor they are in the produce of their work, at a lower wage. You do not want to turn them into the street, but you cannot keep them. If they are 26 years of age and they cannot earn their wage, the alternative under the Trade Board is to dismiss them, but if you have any sympathy with a woman of 26 who has got a family to keep, you cannot keep her unless you are going to lose money on her every week, and that cannot be done *ad infinitum*.

1643. *Chairman*: That is the problem of the slow worker, as it is sometimes called?—It is immensely intensified by the system of a uniform rate of wages among dressmakers. Without referring to my own particular business—and I have been in the textile distributive business in the City of London for more than 43 years—we say that work in a workroom under Trade Board wages takes twice and three times the time to turn out it did before, when the worker knew that her wages for weeks and weeks on end were assured in the old days; but now she knows that when her job is done she goes outside the door. It is wrong and it is cruel in principle, but it is the trade union method.

1644. *Lord Weir*: Do you mean that apart altogether from the increase in cost of the garment due to the increase in the wage, there is a further increase due to the influence of the Trade Board?—The regulations of the Trade Board?

1645. Yes.—Certainly—that the regulating of a fixed wage to a worker according to age and not to ability means the weeding out of all incompetent workers, or rather all workers below the top method of production. If a girl is not worth 42s. per week, but she is worth 38s. or 36s., you must not pay her the 38s. or the 36s.; you must pay her 42s. Under the old system—I refer to it later on—employers kept their workpeople on all through the year: they did not turn them out when for a temporary period work was scarce, and the worker knew that she could work as fast as she liked and she was not going to be sacked when the work was over, but her bread and cheese was safe for twelve months. Not so now. There is not a workroom in the country to-day which works full time. You can hear a woman say, "What is the good of hurrying over that? There is nothing more coming in to-morrow." It means extra cost on the particular garment she is producing, in addition to the extra wage which the Trade Board demands that you should pay them, and that is an evil going on all over the country which is not attributed to the Trade Boards.

1646. *Mr. McCallum Scott*: Is not it the same with engineering and shipbuilding?—Yes, I do not pardon it there.

1647. There are no Trade Boards there. Is not that the general condition of industry just now?—It used not to be until Trade Boards were established, for dressmaking. I cannot speak of any other industries, and I cannot pretend to libel them for a moment. I know nothing at all about them.

1648. *Mrs. Lyttelton*: How would you protect a worker who is able to do good work, but whose employer is not willing to pay more than the minimum rate? You cannot pretend that economic conditions would raise her rate without any attempt at protection?—If an employer in the old days found that one of his employees was able to do good work, he would pay her more. There is no limit to the wages that he would pay her.

1649. It is very odd, then, because if those things operated we ought not to have had any such thing as sweating?—May I suggest that it is a very unwise thing to baffle the whole of the trade of honest men because a certain percentage of people in the trade (who can be got at in a much simpler and more thorough manner by other means) are "sweating"? It is unwise that the whole of the trade should be hampered and bound by quantities of red tape because a certain percentage in that industry are "sweating." There is no more horrible word in the textile trade than the word "sweating;" we hate it; we deplore it. Any man amongst us who was known to be sweating would come under the lash of the Drapers' Chamber of Trade. But why should every man in the trade be called a dishonest man and be treated as such, and his business be taken away from him, because .02 per cent. of the employers of the country have been sweating? I was going to quote—and I will do it—that in an old Book it is recorded that one just man in the city would have been sufficient to save it, but I am afraid that Trade Boards and trade unions and the legislature generally have reversed that dictum, and it is one unjust man in the trade that labels the whole thing as unholy. But that is by-the-bye.

1650. *Mr. Layton*: May I take that point a little further? You said that there was a tendency for the minimum to be the maximum?—Under Trade Board regulation.

1651. Is that only a small tendency, or are the great bulk of employees paid the Trade Board rate?—The minimum would not become the maximum if the minimum was a minimum, but if a minimum wage is established and it is called a minimum when it is a wage above the capacity of the worker to earn for the employer, it is a maximum, and it is beyond the maximum. It is unfair of the Trade Board to make a wage which that particular industry in present circumstances cannot earn, and to call it a minimum.

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1652. Was there before the Trade Board came into operation a substantial difference between the earnings of workpeople in the same workshop or factory due to differences in their skill?—I cannot speak for the whole trade, as there was no regulation of wages, but speaking for the industry that I know, my own, I was asking my own manager of the workrooms the other day what proportion there should be between to-day's wages and the wages in the workroom before the war. He said that if the people in my workroom were paid half as much again as they were paid before the war, they would get a very excellent wage and they would be perfectly content.

1653. That is not quite my question.—That is more than the minimum which we consider, but it is less than the maximum.

Chairman: You do not follow the question.

1654. Mr. Layton: That is an answer to another question. The question asked was whether in the workshops, before the Trade Board came into operation, there would be a considerable variety of wages paid to workers for the same sort of work owing to the fact that they had different ability?—Yes, decidedly.

1655. Was there a large wage distribution at a given time in a workshop?—Wages were paid in those days according to ability and according to merit, and not in any shape or form according to age.

1656. What sort of difference would there be between the highest and the lowest wage?—I could not say. None, so far as the upshot of the wage was concerned; but I may say, if this would be illuminating, that when the wages were fixed first by the Trade Board at 6d. and 7d. I do not think that there was so very much complaint—

1657. Chairman: You are really not attending to Mr. Layton's question.—6d. and 7d. are the wages we would settle to-day.

Chairman: That is not the point.

1658. Mr. Layton: I am trying to get at this: whether there was, before the Trade Board came into operation, a standard wage which was in fact the wage paid to all workers, or whether in fact economic conditions had produced a wide dispersion of wages at any given time?—My answer to that is distinctly that there was no standard of wages that I know of in the dressmaking trade, or any other trade perhaps, before Trade Boards were established, and that wages were paid entirely by the value which the employer put upon the economical turn-out.

1659. May I take it that the answer to my question is Yes, that there was a dispersion, but you cannot give me the statistical measure of it?—Absolutely.

1660. What I want to ask follows on that: whether there is such a dispersion to-day with the Trade Board in operation?—Only in very select workrooms in the West End, where money is no object.

1661. Why is there such a dispersion in such workrooms where money is no object?—Because in the best workrooms they can get any price they like, and when a garment is 50 guineas it does not very much matter whether the worker is getting 1s. 6d. or 2s. 6d. per hour.

1662. What is the basis of that higher wage? Is it higher skill?—Certainly, absolutely. There is a great demand for it, and a highly-skilled dressmaker will be taken by another firm if she is not paid good wages where she is.

1663. Then the answer to my question is that before the war economic conditions tended to make a dispersion of wages in relation to skill, and that that remains now to a small extent?—Yes, in the best class workrooms—in the workrooms which have the richest and most select clientèle.

1664. And that is the only evidence in support of your statement that a Trade Board rate tends to become a maximum?—That is rather an involved question. My answer to that would be, as it was before, that the minimum rate becomes the maximum if the Trade Board fixes the minimum rate too high.

1665. Mr. Pugh: But having regard to your experience previous to Trade Boards, would not the minimum in all cases tend to become the maximum

except in the case of the most highly efficient worker, who could go elsewhere and get a job?—No, it would not.

1666. Who fixed the wages previous to the Trade Board?—The employer.

1667. The employer only?—Yes, subject to the intervention of any trade union whose members appealed to him.

1668. Would there be a difference between the wages of workers belonging to trade unions and those who did not?—If they belong to a trade union, yes, but on the premise that justice ruled, and that the employer knew his business sufficiently to see that if he had a good worker it was to his interest to pay him well.

1669. That depended upon the goodwill of the employer?—No, the employee could leave if he was not satisfied.

1670. Chairman: The employee was not bound to stop; he could go away if he liked?—It was the desire to keep good employees which always raised wages.

1671. Mr. Pugh: As a matter of fact economic conditions decided whether he should or not?—Absolutely, as they should.

1672. Mr. Layton: Would it be possible for you to give confidentially to the Committee the wages book of a representative workshop showing the wages actually paid before the war, and to-day, by some firm?—I think we shall be able to show you something of that sort.

1673. Showing how many people there were; and the different rates, so that we can see the dispersion of wages before the war and now?—I think we can undertake that.

1674. It will have to show the particular workers, of course?—Yes.

1675. It is no good averaging?—No, not a bit. May we take dressmaking as a trade?

1676. Lord Weir: It would be best if you could take one particular workshop in 1914, and that same workshop now?—I have with me Mr. Beaumont Wallis of Portsmouth; he is the Chairman of the Drapers' Chamber of Trade of Portsmouth. Will you allow him to deal with that?

Mr. Beaumont Wallis: Before the war the first bodice hand, who was the highest paid worker in the dressmaking workshop in my own place, got from 25s. to 30s. per week.

Mr. Layton: A weekly time rate?

Mr. Beaumont Wallis: Yes, for a week of 44 hours.

Mr. Layton: A weekly time rate?

Mr. Beaumont Wallis: Of 44 hours; and she got 27s. 6d. Then her assistant came down to about 22s. 6d. The workers who were not assistant bodice hands got 17s. 6d., and the lowest ones in that room, immediately after they had served their apprenticeship, got 12s. 6d.

Mr. Layton: They are all time rates?

Mr. Beaumont Wallis: All time rates for 44 hours. Then to-day, taking just the same workers, the youngest one starts at 8½d., which for 44 hours, comes to about 28s., and she works up to the maximum of 10½d., which is 45s. per week. That is the difference in wages. I was going to bring out the point that before the maximum, or what you call the minimum, was fixed, some of our good workers were getting more; they were getting 9½d. when 8½d. was your minimum. Competition, as has just been said, governed the rate of wages, and we frequently had good workers coming to us and saying that our neighbour had offered them more money to go to them, and they left to get the higher wage, but we had workers getting 9½d. as the stated wage per hour in my own workshop when your minimum, which Mr. Barnard calls your maximum, was 8½d.; it has since gone up by 1d., I think.

Mrs. Lyttelton: What does the principal bodice hand get now?

Mr. Beaumont Wallis: The rate for a fully qualified bodice hand is 10½d., and that is what the worker was for whom I was summoned, because I was not paying 10½d. You bring out a schedule, and describe

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her as a bodice hand, and then you describe her as "fully qualified, who works without supervision"; and we have since found that our workers all work under supervision, and they are only "qualified" at 9½d., which they were getting.

Mr. Pugh: Is the 25s. to 30s. the pre-war wage?

Mr. Beaumont Wallis: Yes, in 1914.

Mr. Pugh: And the 28s. to 43s. is the post-war wage?

Mr. Beaumont Wallis: Yes, it is now.

Mrs. Lyttleton: Will you give me your pre-war figures again?

Mr. Beaumont Wallis: 12s. 6d. per week when the worker was out of her apprenticeship. That would be a girl of 17. It runs up from there in our own workroom—which is not a very high-class one—to 27s. 6d. for the first bodice hand.

Dame Adelaide Anderson: How long was she on apprenticeship?

Mr. Beaumont Wallis: Three years. We always had a three years' apprenticeship.

Lord Weir: Then the range according to ability was from 12s. 6d. to 27s. 6d. pre-war, and the range according to ability is 28s. to 43s. now. Is that right?

Mr. Beaumont Wallis: That is right.

Mr. Pugh: That is only for bodice hands.

Mr. Beaumont Wallis: It applies to our workroom really. That is right.

Dame Adelaide Anderson: Both after three years' apprenticeship?

Mr. Beaumont Wallis: Yes.

Mr. Pugh: I think there is some little misunderstanding here. I understood that you simply quoted the bodice hand when you gave the figure of 28s. to 43s., as against 25s. to 30s. pre-war, but you have not given us the present figures so far as the assistant hands and apprentices are concerned.

Mr. Beaumont Wallis: I have not touched apprentices in either case, I have only given the first bodice hands, assistant bodice hands, and workers.

Lord Weir: The range after they are out of their apprenticeship?

Mr. Beaumont Wallis: Yes. You have got no intermediate stage now; it comes in later on. Directly they are out of their apprenticeship you call them all 8½d.

Lord Weir: Mr. Layton's point is made then, that pre-war the dispersion was over 100 per cent., and post-war it is considerably less than 100 per cent.

Mr. Layton: The margin, in fact, remains the same in shillings in both cases; it is 15s. in each case?

Mr. Beaumont Wallis: Ought I to say that that, of course, is a country town? Do not take those figures to be London. That is a low wage for London, but it is not low for the country—12s. 6d. for a girl of 17.

Witness: In London, as I say, the competition is very keen for top hands. There is more room at the top of the ladder than there is at the bottom, as they say, and a competent dressmaker can receive, and does receive, in our own house, and more especially in the West-end, wages far in excess of the minimum.

Mr. Beaumont Wallis: May I say that before the war we gave them tea in the afternoon, and that was extra on their salary; we made no deduction for that. Now that is all knocked on the head, and there is no provision for meals in the retail trade.

Chairman: You are in Southsea, I think, are you not?

Mr. Beaumont Wallis: Yes.

Witness: Shall I proceed?

1677. *Chairman:* Yes, if you please.—I have referred to the point that "petty restrictions and intricate regulations handicap trade, and employers refuse to carry on." You will quite understand that the dress-making trade is in the hands of very simple people—nice quiet people who live in the villages and towns of this country, and employ a few hands. Just think what they have to do. I wrote the other day of a complete set of the posters which have to be exhibited in the workshop of a dressmaker who employs milliners, dressmakers and bespoke garment workers. (A bundle of posters was produced.) These had to be exhibited under the penalty of being hauled before

the police; they had to be exhibited in one little room. Just look at the detail of instruction and verbiage and all the conundrums which are put here for little dressmakers who have never had anything to do with it, and for small drapers. I have been looking through one or two of them, and upon my word, I could not answer half the questions that are put here, or understand half the qualifications. This is one set which is required to paper the walls of a small country dressmaker's back parlour.

1678. Are those proposals for rates of wages?—Yes, that the employer and employee may understand what she has to pay or receive.

1679. Are they proposals?—There would be double that set if there were proposals; that is only one single set.

1680. *Mr. MacCallum Scott:* Those are the fixtures?—Yes, but when a proposal to revise a wage comes in those remain stationary, but room has to be found for another set, and where, goodness knows, I do not. Then we have been referring to "qualified" and "fully qualified." I should like you to imagine the sort of correspondence which is bandied between Montagu House and the Dressmaking Trade Board as to who is to receive and who is not to receive a specified rate of wages. "Fully qualified" was dealt with in an agenda paper which was supplied to me, and in paragraph 8 is a long correspondence which has taken place. I will only read one paragraph just to show you the conundrums which must arise and the difficulties between two sets of people who know nothing, or very little, about the trade which they are endeavouring to control. "Interpretation of terms 'fully qualified worker' and 'qualified worker.'" First of all the Board of Trade here or the Ministry of Labour want to know if there is any difference between "qualified" and "fully qualified." "The Committee considered a letter from the Ministry of Labour (as set out in Cyclo No. 99th circulated to all members of the Board) raising a question as to the interpretation of the term 'fully qualified worker' used in Section 11 of Part 1 of the Schedule to the Notice W.D. (4) together with a question raised by a correspondent as to the distinction between a 'fully qualified worker' and a 'qualified worker.' It was agreed to inform the Ministry of Labour that it had been the intention of the Trade Board that the terms 'fully qualified worker' and 'qualified worker' should carry the interpretations which have now been given in the definitions set out in Part V of the Trade Board's Notice W.D. (5), and that if, in fact, a worker took bodices, skirts, gowns or blouses direct from the fitter and made them up without supervision other than general supervision, such a worker would be regarded as 'fully qualified.' In the case of the question raised in correspondence, it was agreed to reply to the effect that if the supervision referred to were only general, the worker would be regarded as 'fully qualified.' If, however, the worker required direct or detailed supervision she would only be regarded as 'qualified' and not 'fully qualified.'" That is only one paragraph of lots of stuff which was bandied about between the Minister of Labour here and the Trade Board. A Committee is formed and argues the thing out for hours and hours; it is brought before one meeting of the Trade Board and before another, and eventually we find that people in Portsmouth are prosecuted and brought before a Police Court because they cannot understand, nor can anybody else, the particular division in their workroom between the 8½d., 9½d., and 10½d. worker.

1681. *Chairman:* Your next point I think you have dealt with?—With your permission, if you perfectly see the importance of that, I will leave that. It is borne out in these letters, if you will kindly look through them.

1682. I will read it through once: "If discretion were allowed, employers could give full employment at lower wages during slack periods, and did so under pre-Trade Board conditions. They cannot do so under a Trade Board. This encourages slow work and

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increases unemployment." I think that speaks for itself.—Yes, I need not read anything.

1683. Then your next point is: "No smaller wage may be given to inefficient workers without permission being obtained for each case from London; hence increased unemployment." You have dealt with that.—Yes. If you will allow me to do so, I will leave with you a very illuminating paper which gives the particular discipline under which people must suffer if they are going to be employed at a less rate of wages than that ordered by the Trade Board. You have to write up to London and fill up a form giving the date of birth and a doctor's certificate. Fancy a draper in a little country town having to send up to 60 people in London to know whether he can keep on Mrs. Jones, who has been working faithfully for him for 20 years, but cannot produce her 45s. per week worth now. He has to get permission from the Trade Board up in London and it may take weeks before he can get a reply; and what on earth do they know better than the persons themselves as to what they might pay? It is too silly for words.

1684. Then you say, "One flat rate for the whole of the United Kingdom impossible"?—Does not that suggest, as I have emphasised, that the bespoke tailor or the dressmaker makes for the little people in his or her own neighbourhood? If she lives in a back street in Spitalfields she has not got a wealthy clientèle who can afford to pay high prices for their bespoke garments, and therefore her workpeople cannot hope to turn out work equal in value to the dressmaker in some more wealthy and popular neighbourhood. That is in the towns only. In London the rate must vary for that very reason, but if you go to Cornwall, letters here from Cornwall will surprise you. There is an agricultural district where the labourer to-day is getting less than the little dressmaker. The dressmaker must be able to produce labour which will be paid for—which the customer can pay for. It is not the high price of the material which is used. The customer goes into the shop and buys her material and pays for it, and she takes it to the dressmaker. She has been used to paying so much but now she is met with a bill altogether beyond her imagination, and she declines to buy it. The trade is driven out of the small villages, out of the small towns, for bespoke dressmaking, and it has been driven into the ready-mades. That means that you are going to have, and you have got, greatly increased unemployment throughout the country villages and little towns of England.

1685. Mr. Loyton: Is not your complaint rather that the rate fixed is too high, than that it is a universal one?—Both. A rate which can be considered high for Cornwall would not be considered high, perhaps, for London.

1686. Clearly, but if you fix a rate for Cornwall as the national minimum, that would meet you?—Absolutely. We go in for a national minimum rate above which you can pay anything you like.

1687. Is that your suggestion?—Subject to consideration. I would not say off-hand in five minutes without going into it very thoroughly how a minimum wage should be established, but that a minimum wage should be established for each industry is, I think, the desire of the Drapers' Chamber of Trade and of the textile distributing trade generally.

1688. For the country?—For country and town.

1689. Not one rate for the trade; you would have a variety of rates?—No, it could not be done; and it has been fixed. That is the same mistake that the Trade Board has made: they have fixed the same rate for the dressmaker in Cornwall as for the dressmaker in the West End, and they prosecute a person for not paying it.

1690. You said just now that you could not have one rate for the whole of London?—No. I do not emphasise that so much as I do for different districts, but to my mind, personally, I think it would be very difficult for London.

1691. If you fixed a rate which was suitable for Spitalfields, as you said just now, is there any reason why you should fix a higher rate in any other part

of London?—I do not think so. If you accept the principle of a minimum rate which would prevent sweating, I think that is the simplest and most practicable method.

1692. Then your previous observation means that you could not have a rate for London if you were fixing a standard rate for different branches of trade?

—No. You could fix a minimum rate.

1693. But you could fix a rate for London if you were fixing a minimum to do away with sweating? Certainly.

1694. Dame Adelaide Anderson: Then that would add the word "standard" to "one flat rate"; it would be "one standard flat rate for the whole of the United Kingdom impossible"?—Yes, if you please, but there is this difficulty about this, that if you are going to fix a minimum rate for Cornwall, it might be suggested, and wisely suggested, that that should not be the minimum rate for a large town of 500,000 inhabitants.

1695. Mr. Layton: As your Chamber says, the question is one of allowing variations in the minimum?—It is a matter that would have to be considered very carefully before ever a minimum or standard rate were fixed, whether it should be applied to a district or made universal.

1696. Your Chamber has not decided its policy upon that point?—No. We are perfectly prepared to consider it. The principle has been agreed to, not the details.

1697. When you say "the principle" which principle do you mean?—The principle of a minimum wage; but whether the minimum wages should be many or few has not been decided. This next point is: "The public cannot pay the increased charges caused by increased cost. Trade Boards increase the prices to the consumer unnecessarily." I think I have suggested that. "The trade in bespoke garments is decreasing, and going into the hands of the large town factory ready-made industry." I think I have dealt with that.

1698. I think you have.—Then we come to the learners, and it is really the learners who are the principal trouble. Just fancy! A lady goes to a dressmaker or a draper and says, "I wish you would teach my daughter dressmaking"—not necessarily a poor woman, but a woman who would be willing to pay a premium if she were allowed. Of course, she is not allowed; it is a criminal act to take a premium for teaching dressmaking to-day. She has to get her proposed worker to fill up this elaborate form and send it up to London to get the approval of the Trade Board before she can teach a little girl of 14 or 15 the art of dressmaking—or attempt to teach her. That Trade Boards were intended to impose such restrictions upon the poorer woman I could not conceive. I can hardly believe it.

1699. Mr. Pugh: Are those cases to be taken for setting the standard as to what arrangements and wages should apply in the trade?—I suggest that the case of a lady who wanted to send her daughter to learn dressmaking is so exceptional, having regard to the whole trade, that you cannot take that as a criterion.—Exceptional?

1700. Yes.—Pardon me, every mother wants her daughter to learn dressmaking, and she would send her to a dressmaker.

1701. They can learn dressmaking at the secondary school; they do not necessarily want to go to dressmakers.—And they have to pay for it.

1702. You would not take those cases as being the criterion which would decide the conditions for the whole trade?—I should say that they formed a very important consideration, but I do not base my argument upon that. I say that every woman who wishes to have her daughter or her little girl taught dressmaking cannot go, as she used to, to her local dressmaker, who has known her all her life, and say: "Please take my little girl into your workroom." Before she even pays her the minimum wage she has got to get one of these forms filled up, and, believe me, throughout this country there is hardly a dressmaker who knows that this has got to be done yet, and yet they are prosecuted for not filling them up. Take, for

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example, a little girl of 14 who has not filled up one of these forms; they have to pay her 8½d. per hour—34s. per week.

1703. *Dame Adelaide Anderson*: Is not one of the objects to secure that the instruction given to these young learners is right and adequate—that the learner is not being employed without teaching to carry on the dressmaker's business?—That is perfectly legitimate, but do you not think that the trade of this country is sufficiently to be trusted to have the good end in view? They want their people to become good dressmakers. What is the use of them unless they are to teach them dressmaking, so that in three or four years—they have to sign for four years here—they will be practical dressmakers and of use to them in their business? Over and over again they say that the girls' services during the first 12 months are of no use from a commercial point of view. They hope that in time they will be; but how much more does the Trade Board in London know of the little girl down in the country who sends up this form? How is it more safe or more binding upon the draper than if he did it himself?

1704. *Mrs. Lyttelton*: You admit that some regulation is necessary for the employment of these young people?—That is so in every trade, most decidedly.

1705. What would you suggest?—I would suggest that the guardian and the employer, or the mother and the employer of the young girl, are sufficient guarantee in the case of a learner. A national minimum wage should not be fixed for little girls and little boys when their parents who are responsible for them, and the employer whose interest it is to turn out a good article, together undertake that the child shall be taught. Why should we assume that every mother in the country and every employer is dishonest, or grinds the faces of the poor? It is not so.

1706. *Dame Adelaide Anderson*: Is it not perhaps parallel with education? They found that they had to impose a standard of elementary and secondary education?—I do not think it is necessary. I really do not think that the teaching of a little girl—

1707. You do not think inspection is necessary?—No, that the Trade Board is any improvement on the draper and the mother. Surely the best people to know the terms upon which a young girl should be employed are the employer locally, who knows what he wants to train a hand, and the mother or the father who wishes the child to be trained.

1708. I merely suggested to you that it was not found sufficient for the schoolmaster and the parents to consult together; standards had to be set up for elementary education?—Yes, a standard of elementary education, but this is not a standard of dressmaking.

1709. No, but I am merely suggesting some control to secure that the teaching is adequate?—I suggest that with the control of the parent and the employer, and the local competition, and the *esprit de corps* of the neighbourhood, and the criticism which would arise in the neighbourhood, it is perfectly sufficient for a learner and an employer not to be subjected to all this red tape stuff, which really does not advance the matter a bit. How does it do any good? What does the Trade Board know after they have signed this as to whether they are signing an agreement with an epileptic or a person of unsound mind?—They know no more about it than they did before they started.

1710. *Mr. Pugh*: You are taking the point which I gather you say is an objection, that the Board in London cannot settle things for localities. Would you regard it as an improvement if you had District Committees which would take into account district circumstances?—I think that if there is a District Chamber of Commerce, as there is in most counties and most principal towns, a reference to that body would be far better and far more expeditious and far more economical and of less cost to the State than all this red tape business.

1711. I am not thinking of employers alone, I am thinking of District Committees connected with your Trade Board. I am assuming the continued existence of the Trade Board. But with regard to the point you mentioned about the Committee in London not being able to deal with local circumstances, assuming the continuation of the Board, would you consider that it would be an improvement if you had District Committees to deal with local conditions and circumstances?—I certainly say that any local machinery would be far and away an improvement on subjecting the mother and the child herself to the necessity of filling up a form and sending it away to London where the people can know absolutely nothing about it.

1712. Of course that is only one objection?—I should prefer local decision on such matters to a central decision, though I think neither necessary.

1713. *Lord Weir*: In connection with learners, if you state what appears to you to be a very high rate of wages for a learner, is there any danger that that of itself may lead to poor training of the learners? Is there any danger of the employer using those learners in a specialised way—keeping them always at the same work for the sake of greater output?—I suppose there is a danger, but it is one of those dangers which are common to every-day life, and which cannot be evaded.

1714. Is it a danger which might develop under an irksome system such as you complain of?—Does this make it nugatory; does this kill it?

Chairman: You are not understanding the question.

1715. *Lord Weir*: You evidently feel that these rates and prices for learners are rather irksome to you?—Yes.

1716. Let me put it quite plainly—that they are rather expensive?—Yes.

1717. Is there a danger, for instance, of your own firm specialising the learners and keeping them always at the same job, so that they may become more proficient at that one job and turn it out cheaply?—I have not come across it. One man would and one man would not. The bespoke trade is different from any others in that way.

1718. *Chairman*: I think there was some evidence before the House of Lords Committee that some of the small drapers and milliners made a practice of employing quite young people at nominal wages for a time, and as soon as they become too old for that they turned them off and took on fresh young people. Is it not desirable to stop that kind of thing?—Yes, certainly; but unfortunately the Trade Board rate of wages, which is a maximum, makes it compulsory to turn a person away when she cannot earn the wages formulated by the Trade Board.

1719. You say it is a maximum?—Yes, it is a maximum in dressmaking. It is an evil, but it is an evil which is not killed by Trade Boards.

1720. Perhaps not, but it is an evil which ought to be dealt with?—Yes, which every honest trader would endeavour to kill and does endeavour to kill.

1721. I am sure of that, but still it is desirable to kill it?—Yes, absolutely, and I wish Trade Boards would do it; but the regulation of making a maximum wage rather increases it with regard to learners, and therefore I say that the restrictions should be removed, or done away with, to some extent—that they are at present very irksome, as these letters prove. I see that in Cornwall not a single apprentice has been engaged for the last 12 months, and I make bold to say that it is the learners' certificates that I have referred to that is the cause of that. I simply refer to the inspection which would be necessary all over the country, if you are going to enforce Trade Board regulations. It is easy to inspect a factory; it is a big building in a big town; but you have got to go into every dressmaker's house and every little dressmaker's parlour all over the country, and in these days to put such a burden upon the State is intolerable. You would have to have an army

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of inspectors; and unless you do inspect, you will have people acting unfairly, and if you do inspect it is going to cost you goodness knows what.

1722. *Dame Adelaide Anderson*: You know that these small dressmakers' places are already inspected by the local sanitary authority and by the factory inspector?—Yes, but not to the extent which would be necessary under these Trade Board regulations. Factories are inspected, but not little dressmakers' workrooms.

1723. Yes, dressmakers' workrooms are inspected. —Yes, on paper, but you would have to have an army of inspectors to inspect them all. Think of the thousands of little dressmakers there are in England; and if they are all to be inspected you will want an army of inspectors.

1724. *Mr. Pugh*: Does it mean that if they are not inspected they will not pay?—They need to be inspected if they are to be made to pay. Then you have the case of the woman who works herself. She is coming into competition with the workroom, and she is not under the purview of the Trade Board until she begins to employ somebody else. Several people have said to us: "I have been obliged to close my workroom and rely now upon my own hands." I did hear when I was at Portsmouth of a dressmaker who told me that when she had paid her staff off the preceding week she had 15s. 3d. for herself. If that is not sweating by Trade Board regulation nothing is. It is substituting one kind of sweating for another. She had determined that she must close her workroom and earn her bread as best she could with her own hands. She then does not come under inspection, and she can charge what prices she likes. She comes at once into competition with the workrooms although, of course, she can only do the work of a single pair of hands; but, as I say, if you are going to have inspection, you must inspect every room where a woman can only employ one worker.

1725. I suppose there are other dressmakers in that neighbourhood?—Yes, perhaps all doing the same thing.

1726. I suggest that the other people will get her trade?—The trade is being killed entirely and going into ready-mades. It is not being made in the town. You are making unemployment in the country towns.

1727. If it were to go into ready-mades it would be evident that you would be killing the dressmaking trade, but in an isolated case, such as you mention, one would like to know what she was paying previously, and what was the increase as the result of the Trade Board decision, and what were the charges which she was making.—Yes, that is a matter which can be well brought under the consideration of this Committee, and I am sure you can get evidence upon it.

1728. You may find that in present circumstances the present condition of industry in the country has affected the dressmaking trade as well as every other trade very badly.—Yes, but it is the wages which have done it in this case.

1729. *Chairman*: Then your next point is the Portsmouth case. You have said something about it. Do you wish to add anything?—No, not myself, but if you wish to ask my friend, Mr. Beaumont Wallis, he is here for the purpose.

1730. Then will you go on to the next point?—Then I come to remedies. No. 1 is "Bespoke dress-making, millinery and woman's tailoring as distinct from goods made in mass production for the home and overseas markets, should be removed from the purview of the present Boards." I think I have emphasised that.

1731. You have. That means that there should be no anti-sweating regulation at all?

1732. *Lord Weir*: I think you meant that there should be more Boards to cover the same field?—If it be thought well to establish more Boards, which I do not suggest, this would come under the purview of another Board, but whatever happens to it the Wholesale Factory-Made Garment Board is not the Board for the bespoke dressmaker.

1733. *Chairman*: That is what you mean?—That is what I mean.

1734. You would not object to an Anti-sweating Board?—I would welcome it, and so would every trader in the country. Then No. 2 is: "Trade Boards should not be extended to the distributive trades: it would be practically impossible to give efficient inspection and control to all shops, bazaars, markets and street trading throughout the kingdom." There is again the impossibility of sufficiently controlling the trade. You have to control the markets and the street selling, and every man who distributes any article comes under it, and if he is to come under a Trade Board he has to be regulated. The distributive trade is not like a productive trade. As I said, a factory can be easily run; you turn out a thing with a machine; but the distributive trade depends upon the energy and efficiency of the man behind the counter, and also upon the *clientèle* of the person who is selling. I say that the distributive trades should not be saddled with Trade Boards. I think that is the very general opinion of the whole of the textile distributing trade. I then further say, that "some simpler method of preventing sweating should surely not be beyond the capacity of Parliament; all sections of the textile distributive trade would gladly place their services freely at the disposal of the Government for that purpose." The next point is, "The small proportion of offenders in this matter should not be allowed to penalise the whole trading community"; and I illustrate that by the presence of the one just man rather than the one unjust man. Then the last one is, "A national minimum wage should be carefully considered with this end in view."

1735. Do you mean a wage for all trades?—Yes. That would come under the consideration of a committee, which I think would be able to give some first-rate information to the Government on this subject. May I just sum up from one of these letters which came from Glasgow; it is No. 19.† I think if you read that and have not time to read any other this afternoon, you will find that it is a synopsis, and a very excellent one, made by a practical man, evidently, as to the effect of the Trade Boards in Scotland, and, therefore, in this country too. May I read it, or would you prefer simply to look at it?

1736. It is long; perhaps we had better look at it, but I will mark that specially, and it shall be read. —If you please. It sums up the whole of my contention, and I think that, with the information which I have left with you among all these papers from Trade Boards showing the peculiar nature of the matters that are discussed, the length of the discussion that follows, the abstruse questions which are supposed to be settled by the dressmaker before she knows what she is to pay, and the disabilities which are heaped upon the trade by having to conform strictly to the letter of Trade Board regulations, will lead you to the conclusion that that is what is causing so much unemployment throughout the country and distress, which I am sure it is the object of this Committee, as it is the object of the Government, to obviate as much as possible. With the withdrawal of Trade Board regulations from the dressmaking trade, dressmakers all over the country will begin to re-engage. We have a very difficult winter before us; trade is at its lowest ebb, and I very respectfully suggest that the considerations which we, the Drapers' Chamber of Trade, have laid before this Committee deserve the careful consideration of your Lordship.

1737. *Mr. Layton*: There is only one question I wish to ask: Is there any substantial amount of piece-rate work in the trade?—Speaking for myself with regard to dressmakers, I know that for 30 years we have had no piece-work. It cannot be done in the bespoke work.

1738. What is the purpose of this piecework basis time-rate which has been fixed?—It refers to the wholesale trade. I cannot see how it can refer to the workers in retail dressmaking. In the first

† See below page 164B—Letter No. 8.

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instance that Trade Board was intended to refer to manufacturing processes in factories. Then it was found that there were dressmakers' workrooms, and they were all scooped in.

1739. That part of it falls outside your province?—Yes, it does not affect the trade.

1740. *Dame Adelaide Anderson*: I would like to ask a question about the absolute distinction which you wish to make between bespoke, that is retail bespoke, and mass production?—Yes.

1741. There is such a thing as wholesale bespoke in tailoring, I understand?—Yes.

1742. I suppose they reach pretty near one another sometimes?—Nothing to do with the retail, no.

1743. If you have this tendency for the trade to go over to wholesale mass production, would you not, by drawing an absolute line between them and making the burden heavier on the big producer, tend to send the trade back into an unregulated firm?—I should hope not.

1744. It was found in the laundry trade, when they first began to regulate it under the Factory Act and the small laundry was left out, that the larger laundry occupier objected?—The generic difference between the wholesaler and the retailer, I think, is this, that in the wholesale, whether the bespoke or otherwise, he does not make direct for his customer who wears the goods, but in the retail the dressmaker makes her garment for her customer who wears it. The one makes for the trade generally, whether it is bespoke or otherwise; the other makes for the individual wearer. That is the general distinction between wholesale and retail, and would serve, I am practically certain, as a dividing line between the two Trade Boards.

1745. Where would you draw the line?—There.

1746. But how would you absolutely distinguish between a factory and a workshop?—A factory makes not for individual purchasers to wear but for the trade generally; the goods may go to Constantinople, Truro, or Newcastle-on-Tyne; they do not go in the immediate neighbourhood of the producer.

(The Witness withdrew.)

Selection of Letters handed in by Mr. J. H. Barnard.

(1)

Bournemouth,
27th October, 1921.

The Trade Board orders have been even more disastrous to our Southsea business than here, for to commence with we had a very much larger workroom there. Considering the facts which have been staring us in the face for so long now, it seems almost ridiculous to have to assure the Trade Board officials that the Acts have reduced the workers in the Bespoke Dressmaking and Millinery trades, for surely it is a matter of common knowledge.

I cannot say that it has interfered with our Millinery trade to any great extent, for this is on a rather different footing from the ordinary Dressmaking. I am aware that we lose heavily on our Millinery workrooms, but I am afraid that the loss is made up on the general profit on so much of the ready-to-wear articles retailed in the Millinery show-room, but with the Dressmaking workroom it is an entirely different matter. I can truthfully say that every new Trade Board order has caused Dressmaking workers to be discharged from here and at Southsea, and I personally have had distressing interviews with parents who could not understand why their girls were discharged.

I should say that, roughly speaking, our workrooms here stand at about one-third we originally employed, and at Southsea the percentage must be even greater than this.

I have no personal knowledge of workrooms closed

1747. *Chairman*: It is a mystery to me: How do you get wholesale bespoke tailoring?—Because the draper, not making himself, sends particulars up to the wholesale man, who has perhaps ready-made garments which he can alter to fit those particulars.

1748. It is very near to ready-made?—Yes. It sounds contradictory in terms, but he does not act for the individual buyer but takes the order from another man who distributes.

1749. Indirectly he gets it from the original buyer?—Yes, and indirectly there are two profits.

1750. *Dame Adelaide Anderson*: The work shifts backwards and forwards according to the measure of control and other causes?—Yes, but it is in the interest of the country that the trade in small towns should be kept there, if possible. The bespoke trade is very valuable to the country; it keeps its women-folk honestly employed. At present they are turned out into the streets, and they are on the dole. They are receiving pay one week and next week the dole. I should be sorry if all the young folks of the countryside could no longer find employment in an honourable, cleanly, honest employment under the control of their parents and living in their own homes, but had to seek for their bread and cheese in the big towns. I do not think it is a healthy trade; and it is coming. It will be done by Trade Board regulations. It will be a great misfortune if the next generation of women are not practical dressmakers because, by the action of the Trade Boards, dressmaking rooms have been closed. It is one of the greatest considerations that this Committee should bear in mind in dealing with the dressmaking industry.

1751. *Chairman*: We are very much obliged to you for coming here.—I would just say that Mr. Boardman of Stratford is here, if you want to hear anything that he has to say.

1752. *Chairman*: If he has anything to add, we will hear him.—And Mr. Beaumont Wallis of Portsmouth is also here.

Chairman: I expect they are fairly satisfied with what you have said.

in our district, but undoubtedly the Secretary of our Chamber of Trade might afford you some information; but I do know that at a meeting I attended some time ago it was then definitely stated that 600 workrooms had been closed in Hampshire alone through the operations of the Trade Boards Acts.

In reply to your further question, the closing down of the workrooms, or part of them, has of course been due to the fact that customers refused to pay the high charges, and in heaps of cases I know it was not because the customers would not pay, but because they could not.

We practically have no learners now, conditions of their employment rendering it impossible, and we cannot even take on the children of quite well-to-do people, who would willingly let their children come to an establishment of this class at a low wage in order to thoroughly learn the trade. I may say that in the case of really good hands we have no difficulty whatever in paying them well above the prescribed rate, and unfortunately the Act has worked in such a way that there are many small dressmakers, without doubt, employing hands who escape its operations.

We have had many cases of customers coming to us for garments, and, even when we have cut our prices, refusing to order because of the high charge, and they have then brought evidence to me showing that they have been able to go into our piece goods department, buy the goods there, and get them made up outside at a fraction of what we would charge in our own workrooms. One case referred to a child's coat, and another to a child's dress, that is to say, a girl of some eleven years. In the one case brought to my notice by the customer, the coat was made up outside for 3s. 6d. and the dress for 4s. 6d., and we

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could not have attempted either of the garments at quite four times the price.

You have the same thing exactly happening in the Bespoke Tailoring Trade.

(2)

Bristol,

October 27th, 1921.

There is not the slightest doubt, so far as Bristol is concerned, the order has been the means of greatly reducing the number of workers in the Dressmaking and Millinery trades. I personally have heard of at least half-a-dozen rooms being closed, and fear there may be many more.

I also know that there are hardly any workrooms that are at present running at anything like their capacity. So far as our own business is concerned, we are employing about two-thirds of our usual numbers. It is generally felt that it is impossible to get the public to pay the increased charges, taking into consideration the prices of ready-made garments, and I doubt very much if any workrooms are anything like paying their way. If it were not for the ready-to-wear departments to which the workrooms are attached, there would be a wholesale closing down on all sides. So far as we are concerned, our Dressmaking is run at a considerable loss, and has been ever since the Acts came into full operation.

The wages fixed for learners have undoubtedly prevented their getting employment, as I know from my fellow traders, hardly anyone is taking on learners at the present moment in consequence of the great increase over old rates, which, in my opinion, were too low; but the new rates have gone to the other extreme, and so brought about the present unsatisfactory state of things.

It is generally considered there ought to be a different rate in the Provinces from that fixed for London.

(3)

Dudley,

October 27th, 1921.

I have got your letter with regard to the evidence to be given to the Trade Boards Committee, and in reply should say that owing to the Trade Boards we have had to close our own Dressmaking workroom and reduce a number of the workers in our Millinery workroom.

I believe in our own district a large number of workrooms have been closed, and numbers of dressmakers are refusing to take apprentices or learners. The fact of the matter is the customers refuse to pay the cost of the making-up owing to the heavy charge of labour. The conditions under which learners are taken on, in having to fill up forms, etc., are far too vexatious, and the consequence is that learners are not being taken on. In fact, we have only two learners on the premises.

I consider the action of the Trade Boards is killing the craft industry of Dressmaking and Millinery. The fixing of wages without any relation to the output or skill of the worker is demoralising to the character of the worker, and will not fit in with the terms of business. Trade Boards create confusion, vexation, and make business very, very difficult. It also creates jealousy, envy, and a spirit of injustice amongst the workers themselves. The sooner trade is freed from these Boards the sooner the great wheel of the industry will again "get going."

(4)

Haverfordwest.

In reply to yours of 25th inst., I have seen all the drapers in this town who have Dressmaking workrooms, and I enclose particulars in each case of the effect on the workrooms of the said Boards.

1. "At present trade is very quiet. Customers will not pay the charges required for making up. On November 1st we will have to put our workers on short time, and unless things alter we may have to close the workroom, causing unemployment for 12 hands."

2. She intends closing her workroom. She cannot get the price for work, so cannot make it pay.

3. The number of workers reduced from 15 to 1, and will probably close altogether soon.

4. He has sent away the apprentices and 5 out of the 10 workers.

He attributes the mischief entirely to the action of Trade Boards.

When the minimum rate of 10½d. per hour was enforced I had to dispense with 4 out of 12 workers, besides 2 apprentices, and have tried to make the dressmaking pay, but customers will not pay the charges necessary, and as I am losing money every week, I am closing the workroom to-morrow night, October 29th.

There will thus be 8 girls out of work and with no immediate prospect of getting another situation. Some have been with me 15 years, others 10 years, so I regret very much having to do this.

There are four other drapers in this town, who have no dressmaking workrooms.

To answer your question, I may say that in my opinion:—

1. The Trade Board Orders have certainly reduced the numbers of workers here.

2. The closing of workrooms or reduction of staffs is certainly brought about by customers refusing to pay increased charges.

3. There are no new learners (or apprentices) being taken on by any firm here. We cannot pay them the minimum wage.

(5)

Poole, Dorset.

In reply to your letter dated the 25th inst., with reference to the Bespoke Dressmaking and Millinery Trade Boards our experience is as follows:—

At our largest branch in the Dressmaking workroom we employed 30 women in 1914. Now we employ only 5. This is entirely due to customers refusing to pay the increased charges due to the rates fixed by the Trade Board. For the same reason we cannot employ learners, because the wages that would have to be paid would further enhance these charges.

The same conditions apply in the Millinery workroom at all our branches (six in all).

We are considering whether we can any longer continue to carry on Dressmaking and Millinery workrooms. This will depend on the further action of the Trade Boards.

We should also like to state that previously we kept on employees in the workroom during the slack periods, but it is quite impossible for us to do so under the present conditions brought about by Trade Boards.

(6)

Birmingham and District Drapers' and Needlecraft Employers' Association.

As stated in a letter addressed to your Chamber by this Association on the 11th ultimo, it has been ascertained from the members that the effect of the operations of the Trade Board locally has been to render the maintenance of a full staff impossible, and has resulted in the closing of workrooms.

The reply to the questions contained in the succeeding paragraphs of your letter is as follows:—

Para. 2.—Yes; it is impossible to state the exact number of workrooms that have been closed

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in consequence of the rates fixed by the Board, because so many dressmakers in a small way of business who are affected are not members of this Association. The information obtained goes to show that the number of drapers in a small way of business who have been compelled to close their workrooms is considerable, and that the staff has had to be drastically cut down, because of the inability of the firms to pay the rates demanded by the Boards.

Para. 3.—Yes; it is felt that if it were possible to make reductions in prices trade would be stimulated.

Para. 4.—Yes. Many members of this Association were very willing to take learners, from whom numerous applications for employment have been received, but are prevented from doing so because they cannot afford to pay the high rates fixed by the Board.

(7)

Leamington Spa.

In reply to your enquiry *re* Millinery and Dressmaking Trade Boards. I do not find that the action of the Boards has to any extent affected the Millinery workrooms but it certainly has the Dressmaking in this district; under present conditions it is quite impossible to make a dressmaking room remunerative, with the result that in several cases workrooms have been reduced and in some cases entirely closed down, a few hands only being retained for alterations to stock gowns.

The increased charges rendered necessary have undoubtedly been the cause of a serious reduction in the number of workers employed; ready-to-wear factory-made goods are being purchased in place of bespoke garments, with the result that there is very little scope for learners at all.

We ourselves used to keep between 30 and 40 hands in our workrooms, but have now reduced the number to 8, although we are doing a larger gown and costume business than we have ever done before.

The revised scale has certainly improved the position as to the employment of learners; at the same time there is very little demand for dressmaking hands at all just now, as traders are not encouraging the dressmaking branch, but are rather giving their attention to the ready-to-wear garments.

There also is no doubt that the system of payment by age, and not by merit, has been the cause of many elderly women, who are not quite so quick, becoming unemployed, as their capabilities do not justify such a high rate of pay; they are therefore dispensed with, and their places are filled by younger workers, and thus the ranks of the unemployed are swelled.

(8)

Glasgow.

(1) The foolishness of selecting Appointed Members whose one essential qualification is that they know nothing about the trade whose affairs they are deciding, and who apparently must have neither trade, financial or commercial experience.

(2) The ignoring of the fact that in the distributive trade at least, the majority of employers are to be found in country places and in small businesses, and as such these should form the majority of the Board and decide its wage policy.

(3) The anomaly of appointing as Trade Board representatives, managers, i.e., employees of Co-operative Societies, who, at least for income tax purposes, declare that they are not ordinary traders at all.

(4) The appointment as employees' representatives of Trade Unionists almost solely, notwithstanding the fact that probably the majority of employees are not Trade Unionists.

(5) The ridiculous system of appointing Trade

Union officials with no knowledge of the trade in altogether disproportionate numbers as employees' representatives. One we consider quite enough.

(6) Voting should be by sides, the majority on each side should represent the vote for that side.

(7) The needless multiplication of Trade Boards.

(8) The fixing of standard instead of minimum wages.

(9) Failure to recognise that no Trade Board minimum scale can be satisfactory that does not take into account the difference between large industrial centres and country districts.

(10) That no trade can welcome a Trade Board system which is not enforced and which penalises conscientious and law-abiding employers to the advantage of unscrupulous ones.

(11) The absurd tendency of many Boards to attempt to regulate minutely instead of broadly the working conditions of the trade. The majority of employers, in our trade at least, are small men with little experience in interpreting involved regulations.

(12) The time taken up before an alteration in rates can be effected. This ought to be capable of being carried through within one month instead of four to six months as at present.

(13) The Minister should have no power, as at present, to veto new alterations within six months. For seasonal trades this may be a serious matter.

(14) The Ministry of Labour must recognise the expenditure of time and trouble involved to employers by the Trade Board system. Each Trade Board meeting involves for him attendance at a Trade Board representatives' meeting and an association meeting prior thereto; in all, three meetings. These men are in charge of businesses by which they make their living, and the time involved is therefore a very serious consideration. For this reason we find it almost impossible to secure a lady representative on our Trade Board, their business being so much a personal one.

(15) For this, the last reason, Chairman and Appointed Members should be highly skilled persons, and there is much to be said in favour of their being employed whole time.

(9)

Grimsby.

In reply to your memo *re* dressmaking. When the Trade Board orders came into operation, of which I was rather in favour, I cheerfully submitted to the conditions laid down by them. As an experiment, with a workroom of 35-40 hands, we found that in a short time it was evident that there was a necessity for the weeding out of inferiors, with the result that we are now down to about a quarter. This is also the experience, I find, amongst other traders, although I fear there are still a lot of private dressmakers who have never paid these rates of wages. Customers were not objecting to the charges we were making at first, but now expect them to be less.

I think it is the great advance which has been made in the making-up trade, that under any conditions dressmaking would have to give way, as it is quite obvious when you come to consider the matter, that the demand for made up goods in the future will predominate, and I have no hesitation in saying that the action of the Trade Board has sounded the death knell to the Dressmaking trade.

Referring to the Millinery section, the conditions apply very much the same. We have usually employed about 30 hands, which we have now reduced to 10.

(10)

Malton.

Re your request for particulars respecting how the Trade Board wages affect our Dressmaking and Millinery workrooms. We have suffered very much through the fixing of wages for a small town like ours

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(5,000 inhabitants) at the same rate as London or the large provincial cities are paying. Our ladies' Tailoring workroom, which employed about five or six, is closed.

Our Dressmaking workroom, instead of employing about 14 or 16, is working with about four.

In our Millinery workroom we are working half-time. Much of the unemployment in our way we think could have been saved had the fact been recognised that in small towns workers live at home (mostly about three or five minutes' walk from business). Not having tram or train fares, not having to purchase any meals in town, with other out of pocket expenses, means that they could be very happily employed at wages firms like ours could have arranged with them.

(11)

Northampton.

Replying to your letter of October 25th, I am glad to know you are giving evidence before the Committee of Enquiry on Trade Boards, and sincerely hope the Chamber's efforts—expressed through you—will be the means of abolishing Trade Boards (so far as Retail Drapers' workrooms are concerned) before the Dressmaking Trade is killed.

In our own business at the present time we are running our workrooms on a smaller staff of workers, having had to dismiss those whose limited ability did not warrant the prescribed wage. Even on a reduced staff we are at the moment making a loss, and it is probable that on the twelve months' trading our loss will be somewhere about £200. "Why keep it on then?" some may ask: Because, as all drapers know, it means losing customers in other departments if they have no facilities for making up materials for them.

Up to the introduction of the hourly wage system introduced by the Trade Board, we paid weekly wages for regular hours of employment. Now we intend to go on short time as soon as we possibly can and so try and reduce some of our loss.

I have made enquiries of the leading firms in this district, with the following results:—

A very old established business closed down their workrooms altogether, and dismissed the whole of their staff. The Dressmaking section only just paid its way prior to the attentions of the Trade Boards, but their firm could not face the obvious loss which the Trade Board proposals would cause, and took immediate steps to close the making-up departments altogether. Almost all the workers dismissed by them went on the Labour Exchange unemployed list.

Another old established Northampton business state that they are running at a loss, despite the fact that they have reduced the number of their hands. Shortest possible time for workers between seasons is their only hope of avoiding a serious loss on the year.

Another, who specialise in high class dressmaking, inform us they are running at a loss, and would long ago have closed their workrooms except for the fact that by doing so they would probably lose customers who patronize other sections of their business.

In our Millinery workroom we used to employ 17 hands; we now employ 6.

(12)

Huntingdonshire.

In reply to your request asking for particulars re Trade Board regulations affecting Dressmaking and Millinery departments in the County of Huntingdonshire, we beg to state the following facts. There are four towns in the County of Huntingdonshire—Huntingdon, St. Ives, Ramsey and St. Neot's. Since the Trade Board wages were introduced all workrooms in connection with drapery business have been closed in Huntingdon, Ramsey and St. Neot's. In St. Ives there are two drapers carrying on; one

employs five girls and is very seriously thinking of closing down; the other is our own business. Our particulars are as follows:—We have not taken on any learners since the Act came into force; we used to employ 30 girls but now have 17; we have much difficulty in keeping them fairly employed; every week customers refuse to pay us Trade Board wages. We stand at a serious loss every week, and our girls would be willing to accept much lower wages. We say Trade Boards ought to be abolished, or if this cannot be, then a different pay for London from the country. We have applications every week from parents asking us to take their daughters as learners, but cannot entertain them.

(13)

Shrewsbury.

I have called on the principal drapers who do Dressmaking and find that the feeling is that if the Trade Board orders are in force much longer Dressmaking will cease. None are taking on learners.

The following is the present state of workrooms:—One firm formerly employed 48 hands; now 28, working every other week; one week they are paid by the Labour Exchange, so they keep on the 28, else they would only require half. Another formerly had 25 hands and two fitters; they now have five and only one fitter; contemplating closing down altogether. Another formerly had 10; now four; also going to close soon. Another formerly 14, now seven; and another formerly 27, now 12, while one room has been closed.

Customers cannot and will not pay the price for making, consequently the trade is going on to the ready-mades.

(14)

Torquay.

In response to your letter, I have much pleasure in making the best response I can concerning the effect of Trade Board regulations upon the Dressmaking, ladies' Tailoring and Millinery workrooms in this area. I will put the salient facts as concisely as I can.

At a meeting of these trades held under the auspices of our local Chamber all the firms represented reported a diminution of their workroom staffs amounting to approximately 25 per cent. I know of only one trader who has closed down altogether, as most firms are continuing in the hopes that the regulations will be modified, and they prefer the present loss rather than to discontinue the organisation altogether.

The diminution in the number of workers, and the abnormal increase of short time, arises entirely from the fact that customers cannot afford to pay the increased charges rendered necessary by the prescribed rates.

This state of affairs is intensified by the notorious fact that a large proportion of the concerns engaged in the trade, especially private dressmakers working in their own homes, with a few hands, do not pay the prescribed rates, and are consequently in a position to undersell and quote lower charges than those firms who carry out their legal obligations. The workers generally do not complain, for they are well aware that if they did they would be dismissed and have little chance of obtaining employment at all. A much more adequate inspectorate is an essential if Trade Boards are retained.

The prescribed rates for learners are such as to effectively bar all entrance to the trade. Our local Juvenile Employment Exchange has only placed one learner during the past twelve months.

It is misleading for the Ministry of Labour to measure the diminution of employment by the Live Registers of the Exchanges. There is a normal loss of staff through girls leaving to be married and other domestic causes, no learners coming on to take their place; there is a steady wastage of the numbers

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employed in the industry. We have lost several girls during the past twelve months, and in no case have we replaced them, but this does not show upon the Live Registers of the Exchanges as increased unemployment.

The firm I represent has five workrooms, and in each case the wages paid to the workers during the past six months are more than the amount we have been able to obtain from customers to the extent of 12½ per cent., apart altogether from the establishment charges which the workrooms should properly bear.

We are enduring this loss for the present in the hope that the prescribed rates may be modified at least 25 per cent. If that does not ensue, we intend to close down two workrooms at the end of the year and dismiss the staffs. Many of these women have been in our employment for 10, 15 and 20 years, so naturally we desire to avoid so drastic a step if possible.

The prescribed rates are illogical in being based on age rather than skill or productive power. A large proportion are only slightly skilled, and have no ambition or desire to become qualified. Their object in entering a workroom is just to fill in the time from school to marriage, and to treat them as fully qualified workers able to do expert work is unjust to the employer, for they cannot earn what they are paid, and unjust to the workers, for it deprives them of a wage which satisfies their requirements and with which they are content. Fully qualified workers have always been scarce and well able to secure adequate remuneration for their services.

Under the prescribed rates the cost of bespoke clothing is rendered so costly that the great mass of the population cannot buy it, but are compelled to obtain factory-made garments. This means the practical suppression of the bespoke industry, and in localities where there are no factories there is no alternative employment for the workpeople.

Finally, if the industry is to survive, the two essentials are that the prescribed rates must be lowered, and the inspectorate must be increased so

that all engaged in the industry shall work under the same conditions. At present this does not obtain.

The varying conditions of different areas would seem to require a varied rate rather than a single national rate applicable under all circumstances. To insist that the prescribed rate which is suitable for the West End of London and other large industrial cities must also apply in the remote country village must seem to be unreasonable.

(15)

Cambridge.

EFFECTS OF TRADE BOARDS ON THE DRESSMAKING AND MILLINERY TRADES IN CAMBRIDGE.

A. It has led to a reduction of at least 25 per cent. in the number of the staff employed, and in the case of many private dressmakers this percentage would be considerably increased. In some cases the workrooms have been entirely closed.

B. The increased charges necessitated by the prescribed rates of wages are responsible for the loss of a serious number of orders which as a consequence has led to the reduction in the number of hauds employed and to short time being worked by the remainder. It is also the cause of a considerable amount of unpleasant friction with customers.

C. The conditions of employment for learners still leave much to be desired—the principal change required being payments according to capability and not according to age. There is no doubt that this condition is standing very much in the way of employees taking learners at present.

D. There are great numbers of small private dressmakers who do not receive the various notices emanating from the Trade Board, and it would appear that some distinct improvement in the method of informing the trade of any change is required.

E. Since the Trade Board has been in existence our reduced staff has been compelled to go on short time for a considerable portion of the year, whereas previously short time was practically unknown with us.

Mr. BEAUMONT WALLIS, called and examined.

Witness: If I might be allowed to make one or two observations, I should be obliged. There was one point with reference to learners. One of the lady members of the Committee asked how you would get over these learners' certificates. What objection is there to the three years' apprenticeship indenture drawn up by the Law Society, which we have used for many years? Many of the workers will not come for four years, but that is a trouble which you have with these learners' certificates and why there are so very few in use. I will mention that again in a moment. Then you made a small mistake, Sir, when you said that a girl starts at 14 years of age at 1½d. per hour, and in eight years she gets 7½d. It is four years.

1753. *Chairman:* I had the other paper before me at the time. I mentioned that directly afterwards.—Then when Mr. Barnard read out a letter from Bournemouth they said they could pay higher rates. Bournemouth is a very high-class town; Portsmouth, which is very near, is a very poor town. He also mentioned about the competition; and then the inspection of factories, of course, would be an endless job. I made a note of that because we found in our own dressmaking association in the town—we have some hundreds of them—many of them have never got a single one of these notices; they had never heard of them and had not got them up. I want just to give you a letter from our own dressmaking association, which, I think, speaks for itself. The dressmakers in Portsmouth are very well organised, and the writer says: "Two years ago when a canvass was made it was found we had

quite 200 dressmakers who were employing from 10 to 15 girls. 150 of those have closed their workrooms; 25 others do not employ at all—they only employ themselves—and the remainder are not employing more than five at the most, where previously they employed from 10 to 15."

1754. Hundred and fifty out of how many?—Out of 200, 150 have closed their workrooms—women who earn their living making themselves.

1755. Who says that?—The head of the Dressmakers' Association at Portsmouth. When a year ago the rates were being increased, the dressmakers appealed to us because we are well organised in Portsmouth—we have the biggest Drapers' Association out of London, I think—and they said: "Can you do anything for us so that we do not have to give up our workrooms?" and there was a joint meeting at which we agreed to continue the rates which we were then paying and to refuse to put the 10½d. rate into operation. You must have known what that summons meant to us, and how we have been pilloried about it, but I think you ought to know the whole facts of the case. We were not paying 10½d. but, as I explained to you when I interrupted a few minutes ago, we were not due to pay 10½d. When we got the description of what a qualified worker was we found that most of them were getting 9½d., which they were entitled to.

1756. Did you not tell the Magistrates that?—That is why we got off.

1757. You did not get off, as I understand?—Certainly, we did.

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Mr. BRAUMOST WALLIS.

[Continued.]

1758. You were dealt with under the Probation of Offenders' Act; that involves conviction?—The other case, where you can call it a conviction, was on the learners, where we were paying the learners' rate as set out in W.D. 5, but we had not learners' certificates. There is one of the cases that I want to mention. In my own establishment an inspector who called in April told us that two of the workers should be getting 5jd., or whatever the rate was, instead of 4jd., and we paid that rate immediately. A month later we were summonsed for both of those girls—they were included—merely because we had not learners' certificates for them; but how are you going to get a learners' certificate if you take a girl who has been with another house a year or 18 months and comes to you as a learner? There is no provision made for that girl. She has either got to be a learner for four years (for which time no one will take them) or come on the 8jd. rate.

1759. *Mrs. Lyttelton*: You want another grade; you want learner, improver, and something else?—The Ministry of Labour has dealt more with Portsmouth, I should think, than with any other town. They have corresponded with us and asked our views right from the first, and we have had inspectors down to address us because we have an immense amount of unemployment of women. It is a town where there are no factories such as there are in Leeds and Bradford, and they are all in the dressmaking and millinery establishments in the town. When the inspectors came down we asked them questions, which they, unfortunately, frequently could not answer, and that was one of the points. They asked us what rates we could pay if we took these girls from the elementary education schools at the age of 14. We suggested 5s. per week the first year, 10s. per week the second year, and 15s. per week for the third year. We are prepared to take them for three years, but no one will undertake to take them for four years, paying them 29s. per week for the last six months. A girl of 16½ is to be paid 29s. per week.

1760. *Lord Weir*: Why do you make those recommendations to visiting inspectors instead of to your representatives on the Trade Boards who are going to fix the rates?—We have done. Mr. Barnard did not mention that in three of our own local workrooms every girl in the workroom signed a petition that that rate should not be put into force, without any suggestion from the heads of the firms; and the inspector when he was prosecuting us was asked if he had those protests against the rates being increased, and he said he had seen them.

1761. *Chairman*: I did not know that you were going into the question of these cases at Portsmouth?—I did not want to, but I was only showing you the difficulties that we had.

1762. You are going into more general questions than that. I understand that you are already paying the Trade Board rate?—We have paid up the arrears. In my own case, every girl who has not a learner's certificate, whether she is 14, 15, 16 or 17 years of age, has been paid up to 8jd. per hour to date, and we are now endeavouring to pay them these rates, but it has meant that a large number have been dismissed. Our own education authorities will turn out 400 girls from the elementary education schools this Christmas, so they tell me. About 200 have been taken into the dressmaking trade, as a rule, but this Christmas there will not be one. I think that is all I have to say.

1763. *Mr. Pugh*: Where has the trade gone?—It has gone to the wholesale.

1764. Would not the loss of trade be due to the general industrial conditions in Portsmouth?—Not half of it.

1765. *Dame Adelaide Anderson*: In the wholesale they are paying the workers the same rates as are required in your trade?—They can afford to, because they turn out the things by machinery, and a girl is practically only working on a machine. In our case one of the members asked how it was that we could not pay piece-work. There are no two dresses alike.

Every girl has to work on different garments every day—a sleeve one day and a collar the next. I think Lord Weir asked if they could not get one particular thing going on continually and exploit them by making them make one garment. You cannot do that. There are no two things alike. A girl could learn to make a bodice, but there are not two alike. In the corset trade, of course, a girl can stitch up a corset in a few minutes and learn the whole trade, but in the bespoke tailoring it is impossible.

1766. Is it not partly a question of the old struggle between hand-made and machine production?—Yes, and we do not want to lose the whole of the hand-made trade from the town.

1767. In Portsmouth, you said that there were no other occupations for the females?—Only the corsets; there are no other factories. They employ a certain number, but a very small proportion of the girls that there are out of work at the present time.

1768. *Mrs. Lyttelton*: It is not the rate established to which you object, but it is having this year between the full wage and the learner's wage that you cannot cope with; is that it?—For three years you pay the rate?—We are prepared to take apprentices for three years, paying them a lower wage than you are asking in these four years. It is impossible to pay that. No dressmaker will take them on and teach them their trade and pay these rates. We estimate that it costs us 10s. per week for the first year of their apprenticeship for teaching—that is, occupying the time of the fitter who teaches.

1769. The rate is too high and it goes on for too short a time; that is what you mean?—How do you mean too short a time?

1770. For too short a time they are graded as learners; they are put on as being fully qualified too soon. Is that what you mean?—After their three years they are not worth the 8jd. which they have to go to.

1771. That is what I mean?—Yes. We have suggested an intermediate stage. They have had our figures officially from Portsmouth, rising from 1jd. per hour at first right up to 8jd. or 9jd.

1772. *Mr. Pugh*: Do you think that if you had two Trade Boards that would assist you to deal with the particular classes of trade according to the conditions of the trade?—The wholesale and retail?

1773. Yes,—I think we satisfied the gentleman we saw here a year ago upon that. He said, that he was perfectly satisfied that there could not be one body for the two sections, wholesale and retail.

1774. *Chairman*: Who was that?—Would it be Sir Montague Barlow? We met here a year ago, and he said that we had perfectly satisfied him that they could not be worked together, yet nothing has been done in all that time.

1775. I was told that the Ministry were considering that, but of course I know nothing about it personally?—The report a month ago was that they could not be separated; they thoroughly investigated it before they fixed the Board.

1776. Was that an official letter?—An official report in the trade press that they could not be separated; they had tried when they first formed the Board.

1777. *Dame Adelaide Anderson*: Because the two branches so fade off into each other?—I cannot see how they do. I cannot see that there can be any connection whatever between wholesale and retail.

Mr. Barnard: They have different rates of wages, too.

The Witness: The wholesaler who makes up goods in the factory and sends them to the draper to sell will have a dressmaker in his establishment who cuts out the garment and fits it once or twice before it is finished. There is nothing of that in the factory of the wholesale man, who simply makes 20 garments on a machine and sells them in the wholesale trade.

1778. *Chairman*: I understand that the announcement to which you refer was not made by the Minister of Labour; it was a resolution of the Trade Board?—Is that so?

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Mr. BEAUMONT WALLIS.

[Continued.]

1779. I am told so. I am told that the Ministry is considering it now.

1780. *Mr. Layton*: Is the retail trade in a minority on the Trade Board?—That I could not answer. *Mr. Barnard* may know that.

Mr. Barnard: I think it must be. I have not the figures, but it was established for the manufacturing trade, and I know, I think, about four of the employers' side who are retailers.

1781. *Dame Adelaide Anderson*: Would you suggest that hand-made dressmaking—retail dressmaking—has a rather higher value from the point of view of life and training than wholesale work?—Yes. The wholesale worker could not make a dress when she had been at it six years; the retailer could directly she is out of her apprenticeship. That answers another question which was raised: the retail apprenticed child is taught her trade to the utmost advantage. We have always refused to take them for two years, because we said that we could not teach them in the two years—that they did not learn it sufficiently to be of service in their second year. Therefore we said, "If you make it three years it will be to the advantage of the dressmaker to get the girl thoroughly experienced so that she will be of some use to her during the last year of her apprenticeship." That is in a way spoilt by the four years, because they will not come for so long. I have mentioned the unemployment caused in my own town by it and the number of dressmakers who have given up. They say most certainly that the conditions under which learners have to be employed are preventing their employment. I fail to see how anyone can be expected to teach girls a trade and compelled to keep them and to pay them the rate of wages prescribed by W.D. 6. I ought to have mentioned that when we agreed to pay the lower rate of pay to a certain extent we agreed to keep the girls on during the slack time. Now, I think, without exception, immediately there is any slack time they go on it. Retail dressmaking has so many slack months in the year: February, March and April, or January, February and March, when you could do with them for half a week, whereas the wholesaler can spread the work over the whole year. The trouble has been that in the retail you have to put them on three-quarter time or half-time during those three slack months, and again in July,

August and September, so that they are only earning their full pay for six months in the year, which they will continue to do now, but in my own case, as it came out in evidence, we had paid them during January, February and March the full rate; 27s. 6d., I think, was the lowest that a girl at 9½d. per hour had been taking—that was the lowest she had. One of the girls said in evidence that in some cases she did not do anything—that the whole of the week's work she could have done in an hour. That came out in cross-examination. But we kept them on, because I have always argued that they have got to live whether it is winter time or summer time. My dressmaker has said: "Cannot we put the girls on short time?" and I have said, "No, they want as much food now as they did before"; but that is the objection to paying these higher rates; you cannot afford to do it.

1782. *Chairman*: I understand that you have had to dismiss some?—Personally I have dismissed everyone under the 9½d. rate.

1783. You say that many fewer are going to be taken on this Christmas?—I do not think that a single one will be taken on. We have had our meeting of the drapers and dressmakers together. If we are breaking the law by taking them without learners' certificates we are not going to break the law again, and we refuse to have learners' certificates because we are not going to keep secluding these papers to the Trade Board to be reviewed every few months or few years. It is a tax on the employers, and life will not be worth living if we have to do this sort of thing.

1784. Your information is that some workrooms have been shut down?—One hundred and fifty of the private dressmakers who work at home have been shut down; which brings up another subject: In our town there are many women who only have one or two daughters of their own that work in their own houses and in factories, and they are undercutting the dressmakers who are or should be factory-inspected—women whose husbands are in the dockyard, as a rule. The complaint is that women whose husbands are at work employ their spare hours at home with the aid of their daughter, or two daughters, making dresses for their neighbours, and they need not come under inspection, and can charge what they like.

(The Witness withdrew).

Mr. J. A. BOARDMAN, called and examined

1785. *Chairman*: What are you?—I have a general drapery stores and a dressmaking and millinery business at Stratford, in the East of London. The two points with which I should like to deal are as follows: the class of learner that comes into the dressmaking and millinery and, I may say, into the bespoke tailoring trade is quite a different class of girl from those who go into the factory, and I think that this distinction should be realised. For instance, we find, although we are in the East of London, that the parents who want their children to come into the dressmaking are civil servants—the middle or better middle class—and they do not send their daughters along until they are 16, 17, 18, or even 19 years of age. We find that they are girls who are better educated, possibly, than those who may go into the factory, and who know that they are going to remain in the factory practically all their lives.

1786. Yes, I should have assumed that. I quite understand that.—In consequence of that, there are many of them who have no intention whatever of staying in the trade all their lives. Some are preparing themselves in handicraft work for marriage, but also for own home life. Where there are several daughters and a mother they go home after three or four years, and they make the whole of the garments of the household. I may say that I have had just upon 40 years' experience in connection with workrooms, and that I know intimately the state of things in

connection with this, not only with my own business, but with many others in business as well. Since the Trade Board has come in we have refused to take any girl whatever as a learner, simply because we could not possibly pay to these girls who come in at 17 or 18—well-educated girls—the rate which we should have to pay them. We should be heavily losing on them every week that we had them, in consequence of which we simply have had to drop learners; and owing to the rates which are being paid now, I quite distinctly say that our customers will not pay the amount required, and the result has been that trade has dropped off in connection with the dressmaking exceedingly heavily, and for the first time in my experience of 40 years we have had for very many months to work half time or three-quarter time. We used to keep at work right throughout the year on full time, but now it is a case of working three-quarter or half time. I think for several months we have not even been able to go on full time at all, and we put it down mainly, and almost entirely, to the action of the Trade Board, which has brought upon us an impossible rate of wages. I want to say, though, as regards the higher rate of wages, that many of our workers are still over the Trade Board rates.

1787. Your work is retail?—Yes. I think that is all I need say about that point, unless you wish to ask any questions. The other point I would like to mention is the matter of the many Boards. Up to

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Mr. J. A. BOARDMAN.

[Continued.]

a fortnight ago I thought we were under two, but a fortnight ago I found that we were under three. Owing to my being away in America, when one of them came out, I missed the third, and I suppose that if an inspector had come in—and he might at any moment come in, but I give this information here so as to be absolutely candid, and show you the position of the Trade Boards—one would come under the law. I am now organising to see that the third Trade Board is brought in, but I want to give the position of the third Trade Board. In one of our dressmaking rooms there are a set of girls; they have the same materials, the same machines, the same thread, and, in fact, the same everything, with the same heads and the same cutters-out; but it seems that some of them make coats and skirts, and some of them make costumes, and the two classes come under separate Boards. At the moment the rates are the same, but a little while ago I found that one should be paid about 3d. an hour different from the other. There is a case, I believe, that I could actually give which occurred in my own room, of a younger sister coming into the trade after her sister, and being put on work which would come under bespoke tailoring, and she would have had to have been paid more, and now will have to be paid more if the dressmaking rates are altered shortly, than her elder sister who has been longer in the trade, and is more experienced. It is a most preposterous thing, and there is no working between the two Boards—no cohesion. Then we are threatened with several more Trade Boards. There is the Furnishing Trade Board which is likely to touch me; there is a possible Boot and Shoe Board, and there are several others

—I forget the list now, but I reckon that if they all come into being there will be at least 10 affecting my business. Where are we going to put these extraordinarily great placards? I think I have at present 9 np. Where we are going to put all of them I do not know. Then there is the constant friction, the constant irritation. Some of the distribution men will see, perhaps, that the furnishing man or some grade of assistant has a different rate, and it will mean irritation and constant ferment in the place. It makes business life absolutely not worth living. In fact I dread being in business when all these Trade Boards come into being. Instead of that, personally I go in most heartily for a Royal Commission being formed to see if a minimum anti-sweating rate cannot be put up for all kinds of labour. There would have to be, undoubtedly, local and district committees formed, and therefore there would have to be a sliding scale related to the cost of living rate; but that would do away with the irritation, and at the same time you would not have Trade Boards coming to manage businesses and trades which are at present in the hands of skilled and trained men who have been all their lives in the business. At present we feel that we are not managing, but that the Trade Boards are managing for us. Instead of that there would be the minimum wage preventing sweating, and still capable business men would be managing the businesses which they have been brought up to. I do not think I need occupy your time further, unless you wish to ask any questions.

Chairman: No, thank you.

(The Witness withdrew.)

Mr. H. B. FOWLER, called and examined

The Witness handed in the following statement:

That in quiet residential districts such as the Isle of Wight the minimum wage policy has had a most detrimental effect. It has thrown many girls out of their chosen trade and much reduced the volume of business done in making-to-order by drapers and dressmaking firms locally. It drives customers to ready-made garments, many made abroad.

That the interference of Government with the industry was, in districts such as the Isle of Wight, wholly unnecessary. The employees were perfectly content with their working conditions and wages. For harmony and goodwill in the workrooms there has been substituted friction and dissatisfaction and much absolute injustice. A few girls have been retained at the excessive rates for the sake of keeping the connection together until better times, but there is no alternative but to press and harass them in the work so that they turn out the greatest amount possible in the working hours. This irritates the girls and is most distasteful to the employer, who was content before with a moderate output carefully done and who paid a reasonable weekly wage in quiet as in busy periods. If work was not very plentiful or urgent the girls took things easily and the employer was content they should. In busy times they were ready to do their best—both sides considered the other, and most workrooms had a very happy air and were a pleasure to run and to work in. Though many firms have kept their departments going on the smaller scale for the sake of their trade in the future—when, as it is to be hoped, common sense will return to the legislature—yet they cannot do so for very long. The loss is serious and in these days of depression cannot be faced indefinitely.

That girls are drawing 7s. 6d. a week out-of-work pay who could be employed at 15s. to 20s. according to ability and are quite willing to accept this, their economic worth. Why should they not be allowed to earn what they can?

The wages for apprentices were fixed at an absurd level and are now much too high; 6s. weekly may sound small, but the fact is children fresh from school cannot earn even this, and employers will not take them and teach them their trade for three years if they are to have so much (for this rate rises rapidly in the second and third years). Parents are perfectly willing to support their children while learning and it is right and reasonable they should do so. It should be left to the parent and employer to fix terms mutually satisfactory. A clever girl will soon be pushed on and earn more than duller ones of the same age (let them be free to leave and do better when they like).

The uncertainty of employment is having a very mischievous effect in several ways. It demoralises the girls and is, moreover, very inconvenient to them. They much prefer a regular and moderate weekly wage to high wages and high pressure work for a short time and then frequent periods of complete idleness.

The unemployment dole might be entirely saved. There is work for all who care to learn dressmaking if wages are left free, and the girls will be quite content with the wages that local employers can afford to give. *They know their value quite well*, and will soon move away to other employers if one does not pay them their worth.

1788. *Chairman:* Your firm is Messrs S. Fowler & Co., who are drapers and dressmakers, of Ryde?—Yes.

1789. You come here to give evidence on behalf of the Isle of Wight Drapers' Association?—Yes, I have been asked to put the matter of the Isle of Wight before you.

1790. You have put in a statement which I think is admirably concise, and perhaps we may consider that as part of your evidence, and we will have it printed?—Yes, if you wish. I can confirm it in any way you like by any figures or documents.

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Mr. H. B. FOWLER.

[Continued.]

1791. You say that "in quiet residential districts such as the Isle of Wight the minimum wage policy has had a most detrimental effect. It has thrown many girls out of their chosen trade, and much reduced the volume of business done." Can you say that of your own knowledge?—I can say that as regards my own business, very distinctly.

1792. Where does the customer go to?—May I add to that that the Secretary of the Isle of Wight Drapers' Association furnishes me with statistics showing that as a result of their inquiries simply among the members of their Association 96 girls have been dismissed in consequence of the rates.

1793. Where does the custom go to?—It is very difficult to say. It is very difficult to trace where trade goes when you suppress it. Ladies have to be dressed, we know, but when rates are very high they may still have one dress or one costume made where they would have had two if the prices had been less. Then again a great many ladies, of course, who are in the habit of studying their dress like to be specially made for, but if the rates are too high and beyond their income they cannot buy; and that is the trouble in the Isle of Wight, where there are so many residential customers who have not benefited in any way by the war, but whose incomes have less purchasing power than before. Although there are ladies of good social standing who make it a pride to dress well, and have to dress well, they have to economise very greatly, and I should say in answer to your question that the trade has disappeared rather than gone elsewhere—that they have economised. The customers of the Isle of Wight all economise by having less articles, and of course less labour is required for them.

1794. In other trades when work is slack the workers are put on to short time. Do you adopt that principle?—Trade has been very slack; but we never engaged girls by time rate. We interviewed a candidate and engaged her on salary, perhaps £30 a year, in the house. We did rather a high-class business, and we took girls in the house and boarded them—the better workers—because sometimes one cannot get the skilled workers locally. We paid them a salary, and did not deduct anything because they were ill for a day or a week, or when work was slack for a week. We paid them their salary as agreed upon.

1795. Are you able to keep the same number going?—I got out particulars last year or up to the last balance sheet date, and there was only one week in which in our workroom they were not working the whole time, and were paid the whole wages. There might have been 20 weeks when we could have done with half the girls, but we paid them the full rate, and we kept them on.

1796. Shall you be able to continue that?—It cannot be done. It cannot be considered. You are killing an industry. It may be the national policy to kill it, but you are killing it, or the Trade Board is killing it—the industry of the local bespoke dress-making trade.

1797. *Mr. Layton*: Is the rate still at its maximum?—So far as I know, yes.

1798. Is the figure of 96 girls discharged the figure for the Isle of Wight?—That is the figure given to me by the Secretary of the Drapers' and Dressmakers' Association of the Isle of Wight.

1799. Have you any idea what percentage of the total employed that is?—I have not any idea. If it is any guide to you, our own workrooms employ about half what we did before the war, or what we could employ now if rates were left to ourselves to settle.

1800. When did this reduction start taking place—a year ago?—Before that, naturally. There was a great slump in business for the first two or three years of the war, and business went down somewhat then, but any revival has been prevented by these high rates.

1801. Is 96 the difference between the present employment and pre-war employment?—I could not say; I have not got that information; but what he says is: "In reply to our inquiries we find there have been 96 employees dismissed in consequence of the Trade Board rates."

1802. How many of those dismissals have been in your own work?—From when?

1803. From the date of the Trade Board figures?—I should say about 13 or 14.

1804. Out of how many?—Out of about 30.

1805. You would not be prepared to offer any information as to how much of the trade which you have lost has gone elsewhere, in other words has been transferred as the result of the Trade Board, and how much has been absolutely lost to a large extent as the result of the condition of trade in the country as a whole?—No, I could not say that. Of course a great deal of business has gone into ready-mades. The English lady to-day is of smaller means, and is less well-dressed than she used to be, and must be, because she buys a ready-made article which is cheaper rather than having things made specially for her. A good deal of business has gone into the ready-made. Is it any information to say that a great deal of that ready-made trade goes abroad? It does not go to English workers in English factories, or at least a great deal of it does not. I think I could supply the whole of my requirements in ready-made frocks from Paris houses.

1806. Supposing it were stated that this unemployment is the result of trade depression, what sort of argument would you use to prove that it was the result of the Trade Board, and not of trade depression?—I should not be able to use any argument. I should say it would be true that probably business would not be so good if we were left free to manage our affairs as we used to be. I do not suppose for a moment that business would be so good; but the way to revive it is to produce things at better value, not at a higher price.

1807. In other words, you would not regard those 96 girls as the measure of the harm done by the Trade Board purely?—I am not prepared to say. I am only giving you that figure from another source.

1808. May we get at it in this way: what is the Trade Board rate?—The same as all over England.

1809. Will you give it to me?—I should have to look it up. Do you mean per hour?

1810. Yes.—It is 10½d. per hour for a fully-qualified girl.

1811. Supposing that it were reduced from 10½d. to 9½d. or 8d., would you expect to recover much of your trade?—No, I should not.

1812. What rate do you think would recover much of your trade?—I do not think those flat rates are much good at all. I do not think many of us would make much if we were forced to pay flat rates. I am quite prepared, and we are all quite prepared, to pay 10½d. to a girl who is worth it, or even 1s. to specially clever ones, but the workroom has room for all sorts—for a slow girl, and a quick girl, for an intelligent one and a dull one. The dressmaking supplies them with an occupation. Some of the duller ones may not be able to earn high wages, but still they are useful, and it is useful to them. But I do not think that if you made a flat rate of 9½d. it would be very much help to the Isle of Wight.

1813. There is presumably some rate which would be helpful?—Yes, no doubt there is. It would be fixed of itself. Someone gave you an illustration of a bodice room just now: there is one bodice hand, there is her assistant, and then there is a sub-assistant, you may say, and perhaps a couple of learners or apprentices. That constitutes a little unit in the workroom. Perhaps there are four or five such units, all bodice hands. Then again in the skirts there would be the same: a head one with an assistant, perhaps, or two assistants, and an apprentice or two apprentices, each forming little units amalgamated in the larger unit of the workroom under one supervising head. That is the

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[Continued.]

system. Each one of those really competent ones, the head of each unit—the head bodice hand or the head skirt hand—can perhaps earn, in some cases, the 10½d.; it would be possible to pay it to a very clever girl, but not to all of them. You should be able to differentiate according to the ability of the girl.

1814. It would not help you if such a district as the Isle of Wight were allowed to pay 1d. or 1½d. or a percentage below the rate of the country?—I do not think that would help—not if it were made a flat rate. I do not believe that flat rates will be useful. I do not think they are in the interests of the employee. I think they are doing a vast deal of mischief. I have girls walking about in Ryde—I am Chairman of the Unemployment Advisory Committee, and some of these girls come before me and ask that their weekly out-of-work pay shall be continued at 7s. 6d. per week; and I could employ them in my workroom, we will say, at 18s. if you like, or perhaps £1. In one case the other day the girl was getting 26s. It seems extraordinary, and against the public interest and against the interest of the girls, that they should be stopped and crushed out of their industry just at the time when they are beginning to get efficient, and sent out either into some other work which they perhaps do not care for, and perhaps they do not get, or to do nothing at all.

1815. About what proportion do your workroom wages bear to the value of your products?—I think I am right in saying that the value of the product was about 20 per cent. less than the cost of it, during the last year. At the present time—we will say last month—the work done and the charges necessary for doing the work, such as the heating and lighting of the room in which the work was done, and the wages of the employees, came to more than the price we get for making the garments.

1815A. But under pre-war conditions, what percentage would your wages in the workshop represent?—I should expect to make an average of something like 20 per cent.

1816. I do not quite understand that?—That is the profit on the department without overhead charges.

1817. What percentage of the value of what you sell is represented by the wages in the workroom?—That depends entirely upon the quality of the material which the customer chooses.

1818. What is it approximately; is it a quarter, or a half?—You could not say. The material from which they make the dress, as these ladies know, might be 3s. 6d. a yard or it might be 33s. 6d. a yard. Those ladies will confirm that, I am sure.

1819. If you take your turnover during the year, what proportion would your wages bill bear to the total output in the workshop?—I should think possibly it might be half.

1820. In that case it would be probable that a substantial reduction of wages would make a considerable difference to the amount of orders you would get?—Yes, undoubtedly it would. It would tempt back business from the ready-mades to the bespoke work. I am sure it would.

1821. *Mrs. Lyttelton*: May I put one question? I expect you recognise that quite independent of all these considerations there is a tremendous movement among women in favour of using ready-made garments? It has nothing to do necessarily with prices, but is concerned with the convenience, the quickness, and the greater style that can be got by ready-made clothes?—Yes.

1822. There is a very great tendency which has nothing to do with these economic conditions; would you not agree with me?—Do you think that is correct, or do you not think that it is rather the result of prices?

1823. *Dame Adelaide Anderson*: I was going to put something like the same question?—Do you not think that it is really the result of higher prices?

Mrs. Lyttelton: No, I do not—not entirely.

1824. *Dame Adelaide Anderson*: Is it not within your knowledge that early in this century, somewhere about 1902 or 1903, that movement began?—In favour of ready-made clothes?

1825. Yes.—Yes.

1826. It began just about then, and it has continued to grow and grow, and during just the last year or two, apart from Trade Boards, has it not gone forward by leaps and bounds?—I should say during the last decade.

1827. Is it not within your knowledge that a great many private and other dressmakers have put in electric power and have begun to compete with the ready-made trade?—I should think that possibly that might be the case in very large towns, but it would not affect the smaller districts.

1827A. Is there anything to prevent them using electricity?—It would not be economical, that is all. You could not make a dress by electricity.

1828. I mean by machine work instead of by hand work?—But not to fit a person. You could not make a dress by electricity to fit anybody. You could turn out dresses to pattern, a hundred all alike, and they could afterwards be altered to suit the figures of the ladies who were going to wear them, but hand work would be necessary to make the thing fit, and that would not be practicable in a small workroom in a small town. Ladies would stand in horror at the prospect of having one hundred garments all exactly the same; and any number of them would be the same.

1829. But in these big drapery and dressmaking establishments in London and some of the other large towns, such as Manchester, does not a lady look at the models and choose one, and have it adapted for her?—No, copied. They would not be satisfied with that; they would have a fresh one made to fit them.

1830. But it is possible, is it not?—I do not think that it is. It is not a practicable method of doing business.

1831. *Lord Weir*: You have mentioned previously the tendency which Dame Adelaide Anderson speaks of. Is the foreigner getting the advantage of that?—He is getting a great deal; not during the war, of course.

1832. I mean now?—Yes, now he is.

1833. Are those substantial figures?—Very substantial figures.

1834. *Chairman*: I suppose we export ready-made clothing as well as import it, do we not?—In men's clothing, yes; Huddersfield, Leeds, and places in the North do, but very little in ladies' clothing except a few to our Colonies.

1835. To our own Dominions are there not a large number of houses exporting costumes, dresses, and so on?—Yes, that is true, there are, but we export to Europe scarcely at all, because they are more clever than we are at making ready-made things. But we do export to the Colonies I know, and also of course, the Colonies buy as we do in the Continental markets. Still, there is an export trade done in ready-made dresses; I do not wish to say anything to the contrary of that; but my point is: Is it not worth while to keep local industries? There is nothing more useful for a young woman coming into life than a knowledge of dressmaking when she is married. It is not a vital point in my own business because we have other departments, but the fact is that we are on the border-line throughout the country to-day of a decision whether we shall abandon these workrooms, or whether we shall continue them, and everything will depend upon the rate of wages. There has never been the slightest dissatisfaction in my experience with the wages in good class workrooms in the Provinces. I have no doubt that there has been a certain amount of sweating in large towns; I have heard of it; but there has never been the slightest agitation or general sense of dissatisfaction. There has been the happiest of feeling in the workshops that I

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have had experience of, and mothers to-day are most anxious to put their daughters out. I have had some mothers coming to me in the last week and saying: "Will you take my girl into the dressmaking department?" and I have to say: "I cannot take her because I cannot pay her 6s. per week to start with, 10s. in the second year, and 15s. in the third year. She is not worth it." The mother knows that perfectly well. She says: "I know she is not worth that, and I do not want her to have it; I do not want a child of 14 who has just left school to be bringing home 10s. or 15s. a week. I want her to learn the business." When

we dismiss girls over these high rates they come to us in tears about it. Putting the interests of the employers on one side, which no doubt in these inquiries will not get a great deal of consideration, I am quite sure that it is a hardship on the girls in the country districts. They like to live at home, and they like to learn a useful industry. In small towns there are no large factories or other occupations, except domestic service. It does seem a pity that they should not be allowed to learn a useful trade like that. However, I do not think there is anything else I can say.

Chairman: We are much obliged to you.

(The Witness withdrew.)

(Adjourned till Wednesday next, the 16th instant, at 11 a.m.)

SIXTH DAY.

Wednesday, 16th November, 1921.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE, G.C.M.G. (*Chairman*).

THE RIGHT HON. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTELTON, D.B.E.

MR. JAMES BELL, M.P.

MR. W. T. LAYTON, C.H., C.B.E.

SIR ARTHUR F. PEASE, Bt.

MR. A. PUGH.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (*Secretary*).

Mr. J. D. MOUNSEY, called and examined.

1836. *Chairman:* I think you are a representative of the employers on the Hat, Cap and Millinery Trade Board for England and Wales?—That is so, the unorganised employers. That is the point I wished to emphasise. We represent those employers who are probably not in any association or board or comprised in an employers' union.

1837. How many seats have the employers on the Board?—I should think about a couple of dozen.

1838. You represent really the smaller employers, do you not?—I represent those who are not in, shall I say, employers' associations, or anything of that kind. I was appointed by the Ministry of Labour, and I believe there is only another one, a lady, who is also in the same position as I am.

1839. Is there any difference of opinion between you and those members who are appointed or nominated by the employers' association?—Yes, it often does happen. This lady, with all due respect to her, who is no doubt a very charming person and a good business woman, but all the time I have been there I have never heard her open her mouth—though I do not know that there is much harm in that, perhaps. The position is that I claim to be the party to represent probably the largest number of employers, and yet anything that I may have to say is practically useless, and I can only protest.

1840. What kind of differences arise between you and the other members?—Differences do not always arise, but when they do arise the reason is that invariably the day before an official Trade Board meeting the employers' side hold a meeting of their own, to which it is only fair to say I am invited. I think notice is sent every time to me, but I am not a member of the employers' association, and though I certainly went on one occasion, I shall not go again. I felt that I was intruding where I ought not to be. Therefore when a matter comes to the

official Trade Board meeting the following day, anything which has been said or agreed upon the day before is said or agreed upon. I can only protest against it. At the last meeting I attended, before I went into the Trade Board meeting I was handed a paper of the various things that had been under discussion on the previous day: "That is what we are going to say and do," and it is said and done, and I can only offer my protest, and that is as far as ever I get.

1841. But you are invited to the meetings?—That is quite true, but I feel that not being a member of the employers' association I am, shall I say, intruding in their private meetings.

1842. Are they not willing to listen to what you say?—I daresay they would be, but anyhow, I have been there, and I shall not go again. I leave it at that. My idea would be that if it is worth while at all, and if the Ministry of Labour consider that the unorganised employers should be represented, there should be more representatives, or a reduction on the employers' side.

1843. I have the composition of the Board before me, and the list I have seems to bear out what you say.—There are two of us.

1844. They are all nominated or suggested to the Minister by the employers' association?—Yes, that is exactly so.

1845. What is the kind of point upon which you do not get quite at one with the other representatives of employers?—I will give you one instance. This is the paper which was handed to me at the last meeting which I attended: "This meeting of employers' representatives in the Hat, Cap and Millinery Trade Board (England and Wales), having considered the Minister's letter of 9th September, is of opinion that the formation of separate Trade Boards for the wholesale and retail branches of the

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[Continued.]

Hat, Cap and Millinery Trade is not practicable, this question, as the Minister points out, having been exhaustively discussed before the existing Board was set up, and no clear line of demarcation could be found. This meeting is further of opinion that on the grounds of economy alone no further Boards for the Hat, Cap and Millinery Trade should be established at present." I am clearly of opinion that it should be divided.

1846. The wholesale from the retail?—Certainly; and I may say that I presume that the majority of the employers sat and carried that the day before. At the same time there were certain other representatives there who were in entire agreement with me; they were, shall I call them, the representatives of the retail section of the Board; and I certainly think it should be done and could be done with advantage. I protested against it, I did not agree with it, and that is all; that is as far as I could get.

1847. *Lord Weir*: Is it a function of the Board at all to consider whether there should be additional Trade Boards?—I could not tell you. One of the reasons for my view of it is this: I am in the wholesale millinery trade in London; I know nothing whatever about the straw hat trade of Luton, or the felt hat trade of Stockport, and I do not think they should be mixed up together. I think that, say, Leeds, Stockport, Hyde, Denton and Manchester should have a local or district Trade Board, and their Chairman or someone appointed by them should be empowered to come to London to sit on the central Trade Board.

1848. *Chairman*: Has the question of district committees been mooted at your Trade Board?—I do not think it has. If it has I do not remember it. It may have been, but it is not to my knowledge.

1849. It is within the power of your Board to form district committees, but perhaps that has not been considered yet?—I do not think so, but I do not remember. Just take the retail trade of Cornwall, Yorkshire or Northumberland: what on earth do we know about it in London? What do we know about the millinery worker in a small village in the country? That is why I say it should be divided.

1850. You have members from certain parts of the country?—Yes.

1851. You have members from Luton?—Yes, and I think Luton should settle its own affairs.

1852. You have none from Cornwall?—No. I am simply mentioning that as a country place where probably there are a lot of small retail shops, and where the circumstances are so different that we sitting in London know nothing about them.

1853. You yourself are a wholesaler, are you not?—Yes, I am a wholesale millinery manufacturer in London.

1854. Are there representatives of small retail shops on the Board?—There are representatives of the Board of retailers. Mr. Nuttall, of Lancaster, I think is one, and there is a gentleman from Birmingham whose name I do not know.

1855. However, you think the wholesalers and retailers ought to be divided?—I do.

1856. *Sir Arthur Pease*: You mentioned the trade of making straw hats in Luton: that is a specialised trade for one district, is it not?—Yes.

1857. When you come to other things, they are much more scattered over the country?—Yes, the retail would be, but there are very few manufacturers in the straw hat trade outside Luton—none at all that I know of.

1858. Is your suggestion to have a district Board only where you have a specialised trade?—I would have a district Board, say, at Luton, and one at Manchester or Leeds; probably one at Stockport for the felt hat trade. The Manchester and Leeds trade is more a cap trade as we know it.

1859. The other trades are scattered all over the country; would you have district Boards for them?—I would divide the Trade Board up, and then we would get rid of those representatives such as Mr. Nuttall and some from Northumberland and Newcastle—the retail trade.

1860. *Chairman*: Then as for the rest which are left, you would have district committees?—Yes, the rest left would be London, Luton, Manchester, Leeds and Stockport, mainly.

1861. That is what was rather suggested to you. There might be district committees for places where there is a special trade?—Yes, there might be one for the Midlands, which might include Birmingham and Leicester, where they make children's millinery.

1862. Then I think you have something to say about the scope of the Board?—Yes, I have made inquiries of the people that I represent, or the people in the trade as far as I know, as to whether it should be abolished or, shall I say, improved or altered in any way, and I must say that the unanimous opinion is that it should be abolished altogether. At the same time I must tell you that that is not quite my view. I think that the scope of the Board should be no more than to fix a minimum wage, and it should stop at that. When you get to a girl of 18, 20, 21 or 22, who has to have a certain wage paid to her, then it knocks all initiative out of everything. There is too much red tape about it, that is the general view expressed by people in the trade as far as I have found out; and I think there should be a minimum wage only, and that it should go no further.

1863. A minimum wage for adults?—Yes. Because a girl has been in the trade three or four years she is called a skilled worker, whereas some of them are skilled in a year or eighteen months, while others are not skilled in as many years.

1864. I want to know what you suggest. You suggest a minimum wage for adults?—I have nothing in my mind as to the amount of the wage.

1865. I am not putting that to you, but you said you thought it should be a minimum wage?—Yes, a minimum wage.

1866. And a minimum wage for learners?—Yes.

1867. We want to know what you mean by learners. Do you suggest that there should be only one minimum wage for learners, whatever their experience or length of service?—No. At the present time, as you probably know, if a girl goes in at 15, 16 or 17 years of age, she starts on a certain schedule of wages; that is perfectly in order, and I quite agree with it. 1868. And it goes up now according to age?—Yes.

1869. Do you approve of that, or what do you suggest in its place?—I approve of it.

1870. That it should go up according to age?—Yes, and when she is 18, or has done her three years' apprenticeship or service as a learner, I would not suggest that she should go on three years more, and when she is 21 should have another 2d. an hour. I think they should be thrown on their own ability.

1871. I want to be quite sure that I clearly understand what your wish is. Some people tell us that the learner's wage ought not to rise according to age, but according to the length of her education or instruction: which do you think is right—that it should rise in stages according to age, or according to length of service?—I think a bit of both. I do not think a girl learning at 17, 18, or even 19 or 20 years of age, should start at the same money as a girl of 14; I think she should be paid a little more, anyhow.

1872. You are not very definite as to what plan you would suggest?—I would suggest that it should be on the line of the wages that are down for learners.

1873. That they should remain?—On that principle, according to the cost of living and according to what the trade can pay. Some can and do pay even more than that; others, of course, say they cannot afford it. They may be in a different trade.

1874. Will you say clearly what you mean about the minimum wage for adults?—Do you mean one rate only?—Yes, a minimum rate.

1875. Whatever the work is, you think there should be a minimum rate?—Yes. If a girl is worth more she will soon get it.

1876. What about piece work?—It should be based on much the same principle, that an average worker should earn when on piece work as much as

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the weekly wage—she should be able to earn the same amount.

1877. The piece-work rate should be fixed so as to enable an ordinary worker, I suppose, to earn the minimum rates?—Yes, and if she works harder she gets more.

1878. *Lord Weir*: Would you guarantee the piece-worker the minimum wage?—Yes, that is my view, though of course it is not the view of those people whom I have been in consultation with. They went on ability altogether, but I think a minimum wage would do no harm.

1879. Is that your own experience as an employer?—Yes. I dare say we pay more; in fact I know we do in many cases.

1880. *Mr. Layton*: Does your Board fix a piece-rate?—Yes, we have both.

1881. It is a general minimum piece-rate; it is not what is called a piece-work basis time-rate?—Yes, we have both. We have a piece-rate and we have weekly rates, that is, so much per week. It should be 8½d. an hour, I think, and 9½d. for piece-workers. They should be able to earn at the rate of 9½d. an hour. I am not falling out at all with the prices that have been settled; that is a matter for the Trade Board.

1882. *Mr. Bell*: So that the minimum is not a minimum piece-rate, but the minimum is fixed so that when they are working on the piece-rate they must get 9½d.?—That is it.

1883. *Dame Adelaide Anderson*: I am not quite sure that I am clear about your proposal for the organisation of the Trade Boards locally. You want them right through the country, wholesale and retail?—Yes.

1884. And separate local Boards, so that, say you set up Boards in Manchester, you would have a retail Board and a wholesale Board?—That would be so, definitely.

1885. And in Manchester you would get in the wholesale trade the silk hat trade, the ready-made cap trade, and the millinery—any wholesale millinery that there is?—Yes; there is a lot of wholesale millinery in Manchester.

1886. Do you think that the millinery trades in Manchester and London are so different that they cannot belong to one wholesale Board?—The Manchester trade is not so different from the London trade; it is when you get to the men's felt hat manufactories which there are in London as well as in Stockport.

1887. Hat and cap manufacture?—Yes; there are men's cap manufactories, that is soft caps, and then there are men's felt hat manufactories; but the cap trade is mainly in Leeds.

1888. Do you not think you could get under a central board along with the district committees which are already provided for in the Act regard for local circumstances?—That is what I think. There should be these district committees. I see very little use in our sitting in London saying yes or not to anything that may happen in those neighbourhoods such as Stockport in the felt hat trade. I will give you an instance of that. At the last meeting I attended we spent a considerable time in discussing whether the fireman at a felt hat factory, a stoker for an engine, came under the scope of the Board or not. Felt hats cannot be made without an engine; consequently there is a fireman, and we spent a considerable time in talking about whether he came within the scope of the Board or not. That was a subject absolutely foreign to us in London, because we have no engines in our trade here, and that should have been settled locally.

1889. *Mr. Bell*: Are you of opinion that for dealing with the different circumstances say in London and in Manchester, it would be better to have one Board in London and one in Manchester?—I am.

1890. But suppose that the Manchester Board fixed a minimum rate which was, say, 2d. per hour less than the rate which the London Board fixed, would

not that have a tendency to send the trade to Manchester?—That would, but I would not give power to do that. The minimum wage to be paid should be settled by the Central Board in London. If it transpired that the country people could not pay the flat rate demanded by the London people, then I would suggest that a certain percentage less should be accorded to those towns or districts which have a smaller population, and where, consequently, living is probably cheaper—say up to 20,000 or 10,000 inhabitants, or whatever number you like to settle. In a large town like Manchester I should say it should be the same as London. A town with a population of anything over 100,000 people should be the same as London.

1891. I take it for granted that in your particular industry you would not like to go back to the conditions which obtained previously to Trade Boards being set up, would you?—I do not think that the conditions in the particular branch to which I belong were at all bad in any way. I have made enquiries as far as I possibly could, and people who have been in the trade for periods, say, up to 40 years never remember a strike. We have very little trouble in our trade in London. I do not know what may be the case in the felt hat trade or the cap trade in Leeds; they may have had trouble there, but we in London have never had any trouble.

1892. My question was an attempt to ascertain your opinion as to the value of the Trade Board in your district—whether you would like to be without it now in your industry?—No, I have already stated that my personal view is that it should be maintained, but should only have power to fix a minimum wage; it should not go any further than the living wage.

1893. *Dame Adelaide Anderson*: Your trade covers simply wholesale caps and hats, and wholesale millinery?—Do you mean the present Board as established?

1894. No, you were speaking particularly of the local division of particular trades?—No, the wholesale manufacturers.

1895. But except for the special trade, say, in Stockport?—No, I should include that in the wholesale trade as well.

1896. You would include it in London in cases where it was found there?—I should keep the wholesale trade distinct from the retail whatever class of trade it was, whether hats, caps, or millinery, but I would not split it up and say that there should be a Trade Board established for the felt hat trade. I would not go so far as that. I should leave it as the hat, cap and millinery trade, but keep the wholesale distinct from the retail.

1897. Really you would be satisfied with District Committees to settle variations?—To settle their district affairs.

1898. I mean to advise as to variations?—Yes, certainly.

1899. But subject to a real control by the Central Board?—That is my view.

1900. *Mr. Layton*: You said that you considered yourself representative of more employers than anyone on the Board. Have you any idea what percentage of employers in this industry are organised?—At present as the Board is established with the retailers there, I should say by far the majority.

1901. Do you mean that the majority are not in an organisation?—The majority are not in an organisation. There are so many small people.

1902. You are in the position of representing the unorganised employers. Have you any means of ascertaining the views of the unorganised employers in London?—Yes, those I go to in my own immediate neighbourhood in the city where particularly the wholesale trade is done. There are a good few of them.

1903. But you have to collect their views by a sort of personal canvass?—Certainly, I meet them and say: "What do you say to so and so?" and I get their view in that way.

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1904. It therefore amounts to this, that it is impossible for an unorganised employers' representative to speak for any one but those who are locally in contact with him?—That is so; and if the Ministry of Labour consider that there should be more and they could not be got, then I would suggest that the Ministry of Labour themselves should send an official to the various Trade Board meetings to represent the unorganised employers.

1905. But how would that official ascertain the opinions of the unorganised employers?—I have gone into that. He would probably go into a certain neighbourhood and he could find out I think fairly quickly anyone who was not organised. Say he went to Leeds or to Manchester, he could very soon get a directory and find out the hat, cap and millinery manufacturers, and then at once he could go and interview them and ask: "Do you belong to any organisation?" and the answer would be: "No, I do not" or, "Yes, I do," as the case might be. Then he could say, "What is your view?" Once he had that he would be able to ascertain their views.

1906. When you say that you represent a very large numbers of employers, are you thinking of this local group with which you are in actual personal contact?—At present I am representing a large number, but if the retail were divided from the wholesale it would reduce the unorganised employers considerably.

1907. Are you able to find the views of the retail people?—I daresay that there is a majority of employers in the wholesale trade who are members of organisations, but of course, not all of them by a long way. Still, I think there would be a majority in some society or other.

1908. Your answer is that in the wholesale trade there is an actual majority of organised employers?—I should say so—all organised in the wholesale.

1909. And a large number of whom you are speaking here are the retailers?—They would be; that is so.

1910. Is it possible for any unorganised employers' representative to collect the opinion of so large a number of persons?—Well, they would get the opinions of some; they could not get the opinions of a great many, I think. They would probably go into a town and they would very soon find out those engaged in the hat, cap and millinery trade, and they would walk into a shop and say: "Do you belong to any association?" and ascertain their views. That is how I should approach the subject.

(The Witness withdrew.)

Mr. J. C. EATON and Mr. D. BRODIE, called and examined.

The Witnesses handed in the following statement:—

(1) The Retail Bespoke Tailoring Trade Board, Great Britain, is fundamentally faulty, in that instead of making for the harmonising of conflicting interests, its whole tendency in practice is to foment dissension. This is attributable to the fact that the two sides, instead of getting together to compose differences, bend all their energies to the task of influencing the appointed members, and in so doing are driven to the elaboration of extreme views.

(2) It is unrepresentative, in that, particularly on the workers' side, on which the representative members are all, or practically all, Trade Union officials, the persons most affected, *i.e.*, the rural workers, have no direct representation. The Trade Union officials are, perhaps naturally, only concerned with the large number of workers congregated in populous areas. The effect of Trade Board determinations upon rural workers has never been seriously considered by the Retail Bespoke Tailoring Trade Board, and the result is that many workshops in country towns have been closed, and the work sent to be made up in wholesale bespoke factories.

(3) It is inefficient, in that it cannot adequately provide for varying conditions, nor can it classify workers satisfactorily. These functions have, in the past, been performed with much success by Employers' and Workers' Associations. Its determina-

1911. Assuming that the Ministry of Labour had followed that idea, and had taken, let us say, half the Board and had appointed 15 persons from different parts of the country, do you think that that would have given a better opinion than the opinion of the organised employers' association?—No, I do not say that it would give a better opinion.

1912. A more representative opinion?—No, I do not know that it would give a better one, but when they were there, if certain points arose, like the point which I have specified here, probably they would say to the Ministry of Labour as a Trade Board that they approved of it being split up, because I can find that that is undoubtedly the opinion of those in the Trade Board who represent the retail interest.

1913. But assuming that the organised employers have an opinion different from that of the Trade Board, clearly the Ministry of Labour could only give effect to that by giving a larger representation on the Board, so that the voting powers of the unorganised employers' representatives would be larger; is not that so?—If you divide up the Board and get the control away from the wholesale to begin with, then, after all, if a District Committee, say, in Manchester, which would embrace Stockport and Leeds, were formed, one man from there could be empowered to come to London and sit on the Central Authority and voice the views of that particular district.

1914. *Sir Arthur Pease*: You are representing the wholesalers?—Yes.

1915. Is there nobody at all representing the unorganised retailers?—Yes, a lady. I think she represents them.

1916. Do you mind saying how many men you employ?—Myself.

1917. Yes?—Two.

1918. Are the rest women?—Yes, from 200 to 250 women.

1919. From whence does your competition principally come?—London.

1920. Does it come from Manchester, and so on, or does it come from abroad?—Personally I have no competition from Manchester. If I may say so, I make perhaps a rather better article, as many of us do in London, than they can produce in Manchester.

1921. You are not afraid of competition really?—No, because they make a cheaper article in Manchester. A lot of cheap goods are made in London, but not by myself.

Chairman: We are much obliged to you.

tions are not comprehended by one half of the persons responsible for their drafting, not to speak of those, both employers and workers, engaged in the trade affected.

(4) It is harassing to the employer, in that he does not know when he is keeping within the law, nor can he get requisite guidance either from the Trade Board Department or from the Board itself, which cannot agree upon the interpretation of its own determinations.

(5) It is wasteful, in that it takes from useful and productive employment a goodly number of persons for considerable periods without any corresponding benefits, except, perhaps, to the several classes of officials, on all sides, connected with it.

(6) It is cumbersome in its action, and cannot cope with conditions which may undergo drastic change from month to month.

(7) Its cost to the State is best known to the Treasury officials, but that it must be considerable is apparent to anyone who has experience of the frequent meetings, the prolonged and often futile discussions, and to the number of persons unproductively employed in its operations.

In the view of the Minister of Labour the Trade Boards Act imposes upon the employers the obligation to keep time records in the case of piece-workers. Having regard to the long-established

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habits and traditions of the trade, this obligation is utterly impossible of fulfilment. Evidence of this fact is in the hands of the Department.

In the course of an address to a meeting of traders at the Grocers' Exhibition, the Minister of Labour deals with a criticism of Trade Boards which has often been made, viz. :—

"That the period—from three to six months—before an amended rate can become effective is too long," and he says: "To-day, with a falling market, it is the employers' side which urges this. When markets were rising it was the workers' side who urged it. But that is human nature.

"In fairness to employers it must be pointed out that Trade Board rates are minimum rates, and that, should circumstances warrant, it does not necessarily take from three to six months to raise rates (although it is illegal to lower them even by mutual consent). In fact, the employers on more than one of the then existing Trade Boards, during the period when cost of living, etc., was rising, agreed to put amended rates into operation without delay."

With reference to the question of Differential Rates for Rural Areas, the Minister said that if such rates were not fixed the responsibility was with the Trade Boards themselves, as they had the necessary power.

In as far as this Board is concerned, the statement is a misrepresentation of fact. Strenuous efforts were made on several occasions to secure special rates for rural areas, but these were rendered abortive by the Government appointed members, for whose nomination the Minister is directly responsible.

The reason given was the difficulty of finding a suitable line of demarcation, albeit from time immemorial until the establishment of this Board differential rates were in operation throughout the whole country.

The failure of the Trade Board to fix suitable rates for rural areas has led to evasion of the Act, and complaints from workers have reached this Federation to the effect that their opportunities of employment have been reduced through the action of their fellow-workers, who, during slack periods left the workshops, and at home worked directly for the public. In so doing these workers were in a privileged position in not being compelled to exact the Trade Board minimum rate.

The following letter was sent on 6th September by one of our members to the Minister of Labour:—

"We have been in communication with the Secretary, Retail Bespoke Tailoring Trade Board, regarding an endeavour on our part to create work for our men, and find it hopeless.

"May we point out how these absurd restrictions are injuring trade and creating unemployment? Our trade is entirely bespoke. Now is our quiet season. The men are idle and drawing the 15s. dole, while we could create work for them by making up cloth into overcoats 'ready to wear,' not to order; but they must be made up cheaper to sell as such, and the men would gladly do it, but the Trade Board won't allow it, and so the men must go and draw the 15s. dole in place of four times or thereby the money which they could earn. Moreover, men would be saved from acting inconsistently by the law, for operatives all over the country are accepting work which would have come to their employers, and doing it at home at a third of the minimum rate and drawing the dole too. Can you blame them? They can't live on 15s. a week.

"Our trade is not one which requires expensive plant and hard and fast rules to carry on. A sewing machine is all that is necessary, and one can set up as a tailor (we have even a Government servant in this town—a postman—who carries on as a tailor too), and this these men do for the slack time and at prices far below the minimum rate.

"You see how these foolish restrictions are not suited to our trade and are paralysing business, creating unemployment, and causing men to break the law."

1922. *Chairman*: I think, Mr. Eaton, you are a member of the Retail Bespoke Tailoring Board?—(Mr. Eaton): That is so.

1923. And you come here as representing the Scottish Federation of Merchant Tailors?—That is so.

1924. What have you to say about the Retail Bespoke Tailoring Trade Board?—I think you have in your hands a statement which has been sent in giving a summary of the evidence upon which we expected to be examined. I think that summary states pretty fully what our view is, and I do not know that I have very much to add to it at the moment in the way of supplement. The only thing that I should like to say is that this trade is one which is carried on in every city, town, and village in the country, also that it is a trade where an employee can very easily become an employer. I say that just to give emphasis to the fact that in very many instances men in country districts particularly who are carrying on the trade are tradesmen, and have not a great deal of commercial or business experience.

1925. We will take your statement as part of your evidence if we may, but I will ask you a few questions upon it. Your first point is that the Board does not tend to harmonise conflicting interests; the tendency is rather that each side should press its own view?—That is so.

1926. I suppose if you do that you have to convert the appointed members?—Yes, every important question is really decided by the appointed member, who acts as the arbiter or as judge.

1927. Have you had it occur on your Board that the appointed members have exercised the casting vote?—We never have had any question of importance decided otherwise, in my recollection.

1928. It has not been a case of the two sides agreeing, but of the two sides differing, and the appointed members deciding the question?—That is so.

1929. There is, I suppose, an attempt to reconcile the two sides before the extreme step of a vote is resorted to?—I do not think that I could even say that there is now a serious attempt made. There have been attempts made, certainly, to reconcile the two sides—

1930. But they met with so little success that they are not continued?—Yes. It is always discussed with an appointed member present, and the result is that the one side makes an extreme statement and the other side probably does likewise, and you cannot get to common ground, whereas in the past when only employers and employees were meeting together they both understood the position, and their common interest and their common desire was to accommodate one another.

1931. *Lord Weir*: That is to say, that the decisions now are not what you might call decisions made by the trade as a whole, comprising the employer and the worker?—That is so; they are not at all decisions come to by employers and workers.

1932. *Chairman*: Are your employers all of them appointed or nominated by Associations? I think they are?—Yes, that is so.

1933. I see that four of them are officials of Associations?—Not of our Association. None of our Scottish Federation representatives are officials.

1934. No, I see that that is so, but four of them are officials. On the workers' side there are eight of them who are officials of trade organisations?—I should have thought there were more than that on the workers' side who were officials.

1935. You may be right. I think the number which I gave you represents the number of full-time officials?—Yes, I think that is so.

1936. There are others who are part-time officials?—Yes. I think they are practically all officials.

1937. I do not think they are practically all officials; I am given 11 out of 24 as representing those who are officials, either full-time or part-time. Does it

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have an effect upon the working of the Board that many of the members are officials of organisations on one side or the other?—Naturally where you have a rural area interested, these officials—I am not going to blame them—cannot help but be particularly interested in the larger districts from whence they are getting the larger body of their workers, with the result that as regards small shops where there is only a man or two, or a girl or two, these people are not represented; and these are the very people who are suffering most from Trade Board regulations.

1938. Thus the decisions tend to be more suitable for the big employers than for the small ones?—All the illustrations when discussions are taking place on the Board are from London and the larger towns. Those are the places which are always given as illustrations.

1939. Does that create difficulty in the country districts?—Very great difficulty.

1940. In what way? How would you describe it?—I have here a number of letters from various parts of Scotland, from one end to the other, giving instances of businesses which have had to be closed down entirely on account of the regulations of the Trade Board.

1941. Are those in a form in which we can see them?—Yes, I can leave them or I can read them. I have a summary of them. To deal only with the closing of workshops I have letters from Orkney, Kilmarnock, Peterhead, Elgin, Pitlochry, Forfarshire, and Banffshire. Each of these gives instances of workshops which have been closed on account of Trade Board regulations. I might add that before getting these letters it was particularly put before them that we did not want anything that was hearsay; we wanted letters which people were prepared to substantiate and stand by; so that I am prepared to hand in the letters with the letter which we sent out asking for this information.

1942. I shall be glad if you will do that?—I will do that.

1943. Mr. Bell: Can you tell us how many employees were affected?—I cannot do that.

1944. I do not altogether understand your reference to the Trade Board and your criticism of the Trade Union officials, because you say that things were better when the negotiations were conducted between the two sides. At that time when the negotiations were conducted better, the whole of the workers' representatives would be Trade Union officials and they understood the business better, and were more efficient, according to your own statement. I do not altogether understand it.—No, when we met them before the representatives were not Trade Union officials at all. The only official present would be the secretary and perhaps the president for the time being—the presidency was an office which changed from year to year—and the others were representatives from the local districts. In each case at that time the secretaries of local districts (if it happened to be the secretary who came as a delegate; it might not be) were men working at their work as journeymen; but the effect of the Trade Board has been enormously to increase the number of whole-time or part-time officials.

1945. Is your point then that these whole-time officials do not know anything about the business?—Not exactly, but my point is that the whole-time official is much more likely to consider his constituents in the larger areas than he is to consider the small numbers in scattered areas.

1946. I take it according to your experience of these Trade Union officials they have mostly been chosen from the ranks of the workers in the particular trade, and they know the conditions.—So far as Scotland is concerned, I think they have all been at one time or another workers. I think that is quite right.

1947. Mr. Layton: Would you just elaborate that point a little as to your negotiations? Is it true to say that before the Trade Board was established practically the conditions of the trade were regulated

in fact by agreement of employers' and workers' associations?—They were regulated by agreement. There might be exceptions in the very small outlying districts where it was difficult to supervise and organise, but in all the places of any size an agreement was come to between the two associations.

1948. Both sides were organised fairly satisfactorily in Scotland?—Both sides were organised sufficiently for us to grade practically every place of importance in Scotland into one of three categories. We had an agreement with the workers' side whereby we had the places all graded and the rate fixed; they were all paid to the one log. That is a thing which you will probably not understand, but they were all paid to the one statement—the one count-up of a garment—but at different rates per log hour.

1949. Was that arrived at by agreement with one association or were there several associations in Scotland?—There was just the one association.

1950. And it was a standing organisation?—Yes.

1951. It was a permanent organisation with permanent machinery?—It was our organisation, the Scottish Federation of Merchant Tailors.

1952. When the Trade Board was formed, did you represent to the Ministry of Labour that this organisation was sufficient to place it outside the category of unorganised trades?—I do not think that that was done. It may have been referred to. I know that some of our members thought that it was sufficiently organised to be placed outside, but with the coming into force of the 1918 Act the objection which many people had was overcome, because of the fact that it seemed that every trade was coming under the Act. Before that a trade which was brought under the Act was looked upon as a sweated trade.

1953. Do I understand your argument to be, therefore, that the degree of organisation in Scotland was really sufficient to have placed it outside the Act of 1918?—So far as material trades were concerned, that is so, but I am not going to say for one moment that outlying districts were properly organised, although even Stornoway was organised. In Stornoway the Operatives' Society had a branch of their association. At the same time I can quite conceive that there were a number of outlying districts which were not thoroughly organised.

1954. Dame Adelaide Anderson: Has any fresh movement towards the organisation of these rural retail bespoke tailors begun since?—On both sides, of course, the Trade Board has had the effect which it has had in other trades: it has developed organisation on both sides very considerably.

1955. Was this log to which you refer in Scotland agreed on at about the same time as the London log?—No, I think the London log is based upon the Scottish log.

1956. At about what time was the beginning of that; was it in recent years?—It was in the 60's—in 1866, I think.

1957. And that has been in operation ever since?—That is so. Someone behind me is saying that it is since 1804. It certainly was revised about 1866.

1958. I do not want to go into history; it is only to get an idea how far it is operative?—Practically wherever the piece-work system was in operation, and that was throughout the country.

1959. Evidence was given of this at the time of the proposal to form the Board?—No, I do not think there was any strong case put up for keeping us outside.

1960. You say that the organisation of the rural worker is going on?—Yes, it is increasing.

1961. Would not that meet your difficulty of representation on the Trade Board, if they organised sufficiently to express their opinion?—No, we feel, and feel very strongly, that, apart altogether from the employer, the worker in the rural area is suffering very badly at the present time, and he has no method of letting it be known.

1962. Do you think that there is perhaps something parallel in what has happened in factory industry in other ways? For example, the textile industry being ousted through power and the small hand worker

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scattered all over the country?—There is no doubt that the trade is gradually—

1965. And that was done without any Trade Board or any regulation of wages?—Admittedly the trade is drifting towards factory work, and in my own view it will drift more in that direction.

1964. *Chairman*: Has the Trade Board any effect upon that?—The point which I was just going to put is this: No doubt the development was in that direction, but the Trade Board has hastened the event and that is our objection: that if the trade was going to die it might be allowed to die in peace and should not have been killed by the Trade Board.

1965. *Dame Adelaide Anderson*: I am afraid that you would not find the poor textile worker died in peace; it was a long drawn-out agony, was it not?—Of course that is another matter.

1966. *Lord Weir*: Is this rural trade which is dying out a large trade?—It is in every village.

1967. Can you give us an idea of the number?—No, it would be almost an impossibility to give an idea of the number.

1968. *Dame Adelaide Anderson*: Is not perhaps the only course the organisation of the rural workers? If you have got a process like this going on, the transformation into a great industry, the only chance for the rural worker is to organise, is it not?—I do not quite see your point.

1969. In order to express the needs of the rural workers?—But they cannot express them. They cannot be expressed, because they would not be represented on a Trade Board.

1970. *Mr. Bell*: Why not, if they are members of an organisation?—Because they are isolated members, and they have no say when it comes to the appointment of a representative on the Trade Board.

1971. I should like you to try and explain how the Trade Boards have affected these rural workers, and why?—As I said, I have a number of letters in which it is clearly stated that workshops have had to be closed. One of the points is that there is no provision by the Trade Board for the differentiation of rates in rural areas. This is a question which has been discussed on the Board on more than one occasion, and we have been told by the appointed members that owing to the difficulty of finding a suitable line of demarcation it is impossible to fix differential rates for the rural areas. Incidentally, I should like to say that, as I have already pointed out, the two associations have been able in the past to do that. If the Trade Boards are not able to do it, then they are not, to our mind, able to fulfil their function.

1972. But I understand that a minimum is fixed. Is the contention that the minimum in the rural areas is too high?—The minimum is not a minimum at all. It is a minimum legally, but it was based, as I said earlier, upon the requirements of London and the larger towns. I have only got to say that the rate fixed for girls on a week of 48 hours, and the rate which the workers' side claim that most of the girls are under—that might be open to dispute—works out as 1s. 0½d. per hour, or 48s. per week. Now, while there are many workers who are getting that, there are a great many who are not value for it, and there is no scope beyond that for raising the efficient worker.

1973. *Chairman*: You have something to say as to the form of the Order. You say that it is difficult to know whether a man is keeping within the law or not?—Yes.

1974. What is the meaning of that?—I have here the notices which have been issued in a matter of a year and ten months. These are they. (*The same were produced.*) I put it in my opening remark that a great many of the people in the trade are tradesmen first and businessmen second, and I will leave it to the Committee to decide whether the average tradesman can get order out of these dozen notices.

1975. Would these all be put up in one shop?—Yes, they are all put in one shop.

1976. Not all at once, of course?—Yes, all at once. Some of them are superseding others, but in many

instances there is a reference back to a previous bill, which makes it necessary to put up both. These are what are on our walls at the present moment.

1977. *Mr. MacCallum Scott*: May I look at them? (*The same were handed in.*)—There is one there which is duplicated to make the bulk, because I have not the number, but it is right in number.

1978. *Chairman*: Is the point that they are very lengthy, or are they difficult to understand?—They are very difficult. It would require a legal mind to understand them.

Mr. Bell: Do I understand that all the bills referred to, Mr. Chairman, are posted on the wall behind you?

Chairman: They cannot be all of them.
Witness: The notice on the wall says so. I do not think it is so. I noticed that when I came into the room. I should like to know what the number of the last one is.

Mr. Layton: It is R.B. 12.
1979. *Chairman*: Some of the earlier ones may have been superseded by these, I think?—I think there are references back in some of them, which make it necessary to post the earlier ones, I think some of these which I have were proposals, and they would be superseded by the fixing notices.

1980. Probably these six are the effective ones to-day?—That is so. At the same time, it is very difficult for a great many people in the trade to understand the difference between the proposal and the fixing notice, and many start to pay when they have got in the notice of proposal.

1981. What do you say about changes of conditions in the trade and the manner in which they are dealt with by Trade Boards?—That would refer, I think, to the differentiation of rates between the different districts?

1982. I was considering rather the question of a change of rates—conditions changing so that the rate has to be either increased or reduced?—The chief objection there is to the time that it takes. I know that it is the same time upwards as it is downwards, but I should like to point out to the Committee that before this Board was set up I sat on the Wholesale Board, and that was in the time when rates were rising; and it was agreed—I understand the same thing happened on other Boards, but I know that it was agreed on this Board—that immediately the new rates were proposed the employers would put them into operation at once. My point is, therefore, that in raising rates it is possible to put the new rates into operation at once, but in lowering it is, I think, bound to take—I say here 3½ to 4 months; it is bound to take almost more than that.

1983. You think that is too long?—Yes, I think that is too long.

1984. *Mr. Layton*: In that connection may I ask whether the upward movement of earnings during the war and up to the time of the Trade Board was carried on by your association?—Yes.

1985. Could you tell us whether that was done rapidly?—Of course, it generally rested with the operatives to ask for an increase; and supposing that it was arranged, say, to-day—this is Wednesday—it would come into operation not later than Monday week.

1986. Was that movement carried out quite independently of any movement in England?—Yes, it was certainly independent of England. We made our own arrangements. I could not speak for England.

1987. *Mr. Bell*: Prior to the war when the two associations met and the employers' side asked for a reduction, how long did it take them?—There was not a reduction.

1988. *Chairman*: You have spoken of workers losing their employment. What becomes of men who are discharged owing to the Trade Board?—The letters which I have here will show that in many instances they are in the receipt of unemployment benefit. That is particularly pointed out in the letters, I think.

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1989. I suppose some of them would be engaged by the larger concerns?—Of course, in a rural area there is no larger concern to take them on. Factories, I know, are established in the larger centres, but these workers are not in places large enough.

1990. So that unless they have opportunities of migrating into employment elsewhere they must go on to the unemployment benefit?—Yes, that is so; it means migration.

1991. *Sir Arthur Pease*: Are many of them half-timers? Are many of them doing other work for part of their time as well as doing this work, or are they mainly whole-time workers?—They are whole-time workers.

1992. Even in the rural areas?—Yes, I think so. There is a letter here which says that a postman is doing some tailoring, but that is an isolated instance.

1993. *Chairman*: Was there what I might call "sweating" in this business before the Trade Board was set up?—No, I do not think so. I am quite prepared to admit that a tailor's wage, taken on the average over a year, was a poor one, but in my view it was not because the amount paid for the making of a garment was small, but because of the amount of slack time throughout the year, which brought down the average. I do not think the amount paid per garment was ever lower than other tradesmen were earning.

1994. So far as it is directed against sweating you would have no objection to it?—No.

1995. *Mr. Layton*: You say about a Board that it cannot agree upon the interpretation of its own findings; I presume it is the fact that the secretaries on both sides who were formerly engaged in the work of these associations are on the Trade Board?—That is so. The employers' secretary until recently was a man carrying on the trade. We have no outside man like a member of the Board acting as secretary.

1996. My point is that the people who got skilled in the drawing up of a joint bargain, such as the kind of agreement you had before the Board came into existence, are in fact represented on the Board?—The secretary is on the Board, and will probably give evidence here; on the other hand, if your point is that those secretaries should have seen to it that the determination was such as could be understood and administered, then what I would say in reply to that is that the determination was not the result of the vote of the employers, but the result of the vote of the appointed members.

1997. I am not at the moment talking of the amount of wage, or anything of that kind, but of the form of the agreement?—That is exactly what I refer to: it is the difficulty of administration which you are dealing with, I take it?

1998. Yes, my question is this: If you have had a long experience of drawing up agreements between the two sides, and the personnel conversant with the particular kind of work are now on the Trade Board, why is it that the Trade Board cannot put into effect an agreement which is a practicable one and which has stood the test of time? I am now thinking of the definition of workers and of the kind of consideration of the agreement?—To begin with, I am not prepared to admit that the personnel on both sides was capable of drawing up an agreement which was going to be administered by law.

1999. The personnel of the old associations?—Yes; they are not capable of drawing up an agreement which could be legally administered. We are quite capable of coming to an agreement with the operatives which could be understood by each side.

2000. Because it had to be interpreted by each side, and therefore on an elastic basis?—Yes; but when it comes to be put into a document which is a legal document to be administered by civil servants—this Department itself—we are told that our determination cannot be administered.

2001. Then the root of your difficulty is not so much the question of representation, and so on, as putting a complicated agreement into a legal, enforceable form?—Yes, our point is that the Trade

Board cannot satisfactorily classify workers or deal with varying conditions. So far as the minimum rate is concerned it may be able to deal with that, but the present powers of the Board are much too great, and it cannot adequately perform them. The amount of time which is taken up to no purpose is wasteful in the extreme: it takes from both employers and workers time which would be much more usefully occupied in attending to their business, and it would be more satisfactory to the workers as well if they were doing so.

2002. Supposing a Board had the power and the desire to take your previous agreement and say: "We will not go into this question all over again, we will give legal sanction to it," would that have been possible?—It might be possible, but having regard to the construction of the Board and the fact that we are from Scotland and we have three representatives on either side, I do not think it is very probable.

2003. I must limit my question: Assuming that it were applicable to Scotland—I suppose there is a further difficulty arises with regard to England and Wales—but assuming it were merely applicable to Scotland, was the agreement such that it could have been given legal sanction?—Speaking generally, I should say yes, but of course you will quite understand that a lawyer might find objections to the phraseology, and so on, and say that it could not be effectively administered. I am not prepared to say that the agreements were drawn up sufficiently legally to be administered by an outside authority, such as the Department here.

2004. You are acquainted with the suggestion for the formation of Whitley Councils in certain trades as compared with Trade Boards in others?—Yes.

2005. Is it your view that the Scottish trade as represented was one in which you could have suitably formed a Whitley Council?—I am not sufficiently familiar with the operations of the Whitley Council to answer that. I see difficulties of inspection, and I see difficulties of expense if we were under a Whitley Council as compared with a Trade Board, where the Department is paying the expense. That is the difficulty which I see with a Whitley Council.

2006. Now I want to take you to an entirely different point. You say in your proof that strenuous efforts were made on several occasions to secure special rates for rural areas; could you tell us a little more about that? What were the objections raised? You seem to imply that it was the appointed members who turned that down?—Yes, I think I have already stated that we have made efforts on more than one occasion to get special rates for rural areas.

2007. A discount on the usual rate?—Yes; but the appointed members distinctly said that there was a difficulty in finding a suitable line of demarcation as between one district and another.

2008. But you had been prepared to tackle that problem in your Association before the formation of the Trade Board?—We have tackled it in the past, and put a suggestion forward, but it was turned down.

2009. I understood you to say that in the pre-Trade Board times you rather left the rural workers out of your agreement?—No. When I tell you that Stornoway was within the agreement you will see that the rural worker was within the agreement. But I would not say that our old agreement was all comprehensive of the country. It embraced a number of rural areas, but I would not say that it embraced them all. My colleague corrects me with regard to that. We had a general statement at the end that those not mentioned were in a certain category. (*Mr. Brodie*): We by agreement with the operatives unanimously divided the whole of Scotland into three grades, and in each of the three graded towns there were two rates, so that in effect we had three grades in operation by agreement covering the whole of Scotland. The Trade Board has on three different occasions failed to do that for the reasons that Mr. Eaton mentions, the difficulty of

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funding a proper line of demarcation and the difficulty of administering any such thing. Our argument is that if in Scotland, leaving England out altogether, we can come to a satisfactory agreement with the workers and solve that problem, we should be far better left to do it without the formation of a Trade Board at all. That is one of the main reasons why we ask to be demobilised, as it were, or set free from the Trade Board.

2010. Suppose you failed to agree, what would you suggest then?—(Mr. Eaton): We have in the past failed to agree, but we have agreed upon an arbitrator and accepted his decision.

2011. I wanted to get that from you. You have gone to arbitration?—Yes, we have done that in the past.

2012. When you have a trade unorganised, at all events on the workers' side, and you fail to agree, is it certain that arbitration will always be effective on both sides?—Do you mean is it certain that the unorganised portion of the trade would agree with the arbitrator's decision?

2013. No. I meant with the workers unorganised and the employers organised, and the two sides failing to agree, is there any risk of the employers saying: "These are our terms, you must submit to them: We will not arbitrate"? I am putting an extreme case?—Is not that a case which, as far as we are concerned, does not arise because of the fact that the workers are organised?

2014. If they are organised in this trade, really what Mr. Brodie has said is directed to the case where both sides are fairly well organised?—(Mr. Brodie): Yes, the workers are really more highly organised than the employers, and were organised before the employers.

2015. Dame Adelaide Anderson: Even in the rural districts were the rural workers organised?—The rural districts, of course, are not completely organised, for this reason, that you will find in many of the villages and small towns there are probably no more than two or three journeymen tailors working in the whole place.

2016. Lord Weir: Do you suggest that the constitution of this Board was unjustified, and it did not fulfil what is laid down—that there was adequate organisation?—(Mr. Eaton): Do we think it was unnecessary? I would scarcely like to submit that, because the workers approached us with the view of coming into the Trade Board, and we had no objection. I would say at once, yes, to your question but for the fact that we compromised the position when the Trade Board was set up.

2017. Mr. Bell: I asked a question some little while ago as to how many employers would be affected in these rural areas that you said the Trade Board had practically eliminated?—Yes.

2018. This is the point I want to refer you to: We have just been told that in some of these rural areas there may not be more than two or three journeymen tailors: Would I be safe in assuming that that is a safe guide as to the number who have been affected?—As I said in my opening statement, the trade is carried on in every village, town and city, and it depends entirely upon the size of the place. There may be little villages where there are only two or three, and the number will go from that up to anything. The letters here refer to shops with six, or seven, or eight employees where the workshop has been closed. There is a town like Kilnarnock, where there was a trade which has been given up, and that is a town for which it is quite impossible for me to give a figure.

2019. In pre-Trade Board days supposing you had 75 per cent. of the employers organised and 75 per cent. of the workpeople—I think I am putting it fairly high for Scotland—what happened to the other 25 per cent. who were not organised when the two associations had agreed upon a rate?—Practically without exception they fell into line with what was arranged.

2020. Is that your experience?—That is my experience.

2021. That the 25 per cent. loyally carried out an agreement come to by the two associations?—If you are going to bring it up to 100 per cent. I am not prepared to say that you got 100 per cent., but I will say this, that in any place of any material size the result of the negotiations between the two sides was followed. It must be followed, because the workers take care that that is the rate which is paid, and they take care to get it. (Mr. Brodie): The employers themselves see that it is paid, in order to prevent undue competition.

2022. But there are some employers themselves who are not members of your organisation; what happens in their case?—They might want to pay under the rates, but we have more and more encouraged the workers' side to organise, even taking in all the small traders. There is a distinct movement in that direction at present encouraged by the employers, as Mr. Eaton has said. The operation of the Trade Boards Acts has compelled those, and we quite realise that it would be very much more satisfactory and more effective in every way if we could settle our own affairs and be allowed to do so: we should prevent the resentment which is felt all over the country, especially in rural areas, against having rates of wages imposed upon them by men who really know nothing about the conditions. I mention that as being the statement which is made by men carrying on the trade in these small places. They do not understand all the little details of Trade Board operations, but that is the view they take about it.

2023. Mrs. Lyttelton: What was it that influenced the workers to ask for a Trade Board in the first instance?—I cannot say as to that, but as a matter of fact a good many of them joined in the wholesale Board under the 1909 Act, and then when the 1918 Act was passed and the powers of the Board were very largely extended, it was the unanimous feeling that rather than be legislated for by a wholesale Board where the retailers would be very much in a minority, we would be very much better off in a Board of our own, a retail bespoke Trade Board. That was really at the bottom of the formation of this Board.

2024. Dame Adelaide Anderson: I want to be sure of one thing: is it your opinion that if you could get a really representative Trade Board, a Board representative of the different interests, the rural workers as well as the others, you would not object to the Trade Board?—(Mr. Eaton): We might still have an objection to it; we would object to any black and white classification of workers beyond the minimum rate. We think that a Trade Board is not competent to classify workers into various grades: the trade being so widely scattered, the conditions in the workshops being so varied, and the operations that they do possibly being so varied, a Trade Board dealing with a district—say, for instance, Scotland were divided into one district—the variations in Scotland are so great that a Trade Board could not classify the workers and fix different rates for the various classes. With that qualification I quite agree that a Trade Board, if it were representative, would suit all right if it fixed only minimum rates. (Mr. Brodie): On this point, may I say that we have special observations: it appears as if the Trade Board was set up in order to meet the status of the rural workers, and at the present time we are finding nine-tenths of the objections to the Trade Board and its operations coming from those rural areas. I am quite certain of this, that if the rural workers themselves were to be asked frankly for their opinion on the subject, they would admit that the Trade Board, instead of having done them good, has done them harm.

2025. Chairman: By causing unemployment, do you mean?—Yes. The fact of the matter is this, that in small areas rates of wages have been set up by the Trade Boards which have been found to be too high for them to pay, and in order to keep business they can still send their work to a wholesale factory

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to have it made up. The employer can still carry on business, but when he does that the employee loses his occupation. That is what we feel about it, that the hand workers is being crushed out of existence much sooner than he need have been.

2026. *Dame Adelaide Anderson*: Has he represented this to the Board?—I do not know that he has, but we have had it pointed out to us lately. (*Mr. Eaton*): Really it is more a question in the rural areas for the workers than the employers, because the employers can carry on business as merchant tailors pure and simple. The employer takes the orders and the measures, and sends to the factory, and he can get the stuff back to be fitted on, and send it back again to be finished. Those letters bear out that that is being done in an increasing number of cases, so it is really the rural worker who is suffering more than the rural employer.

2027. *Lord Weir*: Have you had personal experience of the 1909 Act?—Yes, I was on the Board from the time when the retail bespoke section was taken over. I was six years on the Wholesale Board as a representative of the retail section.

2028. Was there much dissatisfaction?—No, I do not think there was, because the conditions in the old days were entirely different. If I might mention what they were, in the first instance you had a permanent chairman and you had one set of appointed members who were chairmen and appointed members for all the Boards. It was one business, and they got a good knowledge, and the Board was particularly fortunate in the Chairman whom they had, who took great pains. Many a time in those days an agreement was reached between the two sides; but now we have Appointed Members who are Chairmen on this Board and members of others; they are on several different Boards, and there may be important points up for discussion on an administrative committee, and recommendations are put forward and a decision reached. Then it comes to the Board—we had an instance of this ourselves—and one Appointed Member says, “No, I am not prepared to vote for this unless you do so and so,” and that one vote, though he was on the committee but was not present at

(The Witnesses withdrawn.)

Sir ARTHUR PEASE took the Chair.

Mr. P. B. ADAMS and Mr. J. GORDON, called and examined.

2034. *Sir Arthur Pease (to Mr. Adams)*: You are representing the National Federation of Merchant Tailors?—Yes.

2035. Does Mr. Gordon give evidence with you?—He may probably supplement anything I may say. He is the Secretary of the Federation.

2036. Are you giving different evidence from the last witness?—Somewhat different.

2037. Do you agree generally with him?—I do not know. He represents Scotland. We are not opposed to Trade Boards as such, but we claim that for a trade so very diverse in methods of manufacture, grades, and value of he work, and with varying customers' requirements, they are unsuitable for the retail bespoke tailoring trade. Even if restricted to the 1909 provision they could not be worked satisfactorily on a national basis. I am speaking now of a national minimum rate, as obviously while a minimum rate may provide just a living wage in London or in a big industrial centre, it may mean affluence in a country district. Speaking generally, what will be enough for the country may mean starvation for the Londoner. We say that Trade Boards are had in so far as they have, in this trade, made a large number of workers unemployable who would have been, without their restriction, able to obtain a fair living. There are many male workers in the tailoring trade who are old, and many females who do nothing but plain sewing, but by virtue of the rates which have obtained in this trade even as high as 1s. 0½d., those workers are absolutely

any meeting where the particular subject was discussed, throws the whole thing back where it was after we have spent days and days coming to an agreement.

2029. *Lord Weir*: I should like to revert to a question which Mr. Layton put to you: has any suggestion been made that your retail bespoke Board should be given up and become a Joint Industrial Council?—The resolution of our Federation is in favour of abolition. I must state that, whether it be my own view or not. That is the resolution of the Federation, but no doubt that is largely caused by the disgust with the whole proceedings, and naturally, in the case of a man who is not in touch, his feeling is on a thing like this to get it out of the way. Some of us may think that a certain amount of regulation is desirable, only we think that it should be a minimum rate, and a minimum rate such that the economically poorer district can continue to exist while safeguarding a subsistence rate for the workers.

2030. *Chairman (to Mr. Brodie)*: Have you anything to add to Mr. Eaton's statement? I understand that you agree with him?—(*Mr. Brodie*): I agree with the opinions expressed by Mr. Eaton, and the only point I had to make, I made a few minutes ago, and that was that I wanted the matter to be considered from the point of view of the local workers as much as of the employers, because the workers stand to lose more than the employers. (*Mr. Eaton*): Shall I leave the letters, or shall I send them in to the Secretary?

2031. *Chairman*: You might give them to the Secretary. Perhaps you had better send the whole of them in to the Secretary of the Committee?—I only brought representative ones with me, because I thought probably you would not want to go through them.

2032. We want a fair selection.—I will send in 40 or 50.*

2033. Perhaps you would like to have them copied, and to keep the originals yourself?—I could do that if you would be satisfied with copies, but I want you to be satisfied that we have the letters.

Chairman: We can trust you for that.

unemployable, and have been discharged in a large number of cases, whereas if they had been paid at the minimum rate they would have been employed even to-day.

2038. Is 1s. 0½d. the minimum rate?—No, there are three grades in the female rates, 9½d., 10½d., and 1s. 0½d. Those will be altered presently, but that is not yet confirmed by the Ministry. There is no provision for a sub-normal worker or an otherwise deficient worker unless they have some physical infirmity. There have been no end of cases, and it must be obvious to anyone who knows anything about the trade that there are no end of people who are slow. One cannot always say why, but they are slow and you cannot get a permit to pay those people anything less than the rate, because they have not any physical infirmity. The result is to-day that a lot of those men are unemployed. Even if you take those who have some physical infirmity, it is such a long time under application. I have known 8 to 12 months elapse between the time of the application and the time of the decision of the Board, owing to delays between the Office and Montagu House, and if the legal position were followed the sub-normal workers would be unemployed during the whole of that time. There is a sort of unwritten law by which an employer is allowed to employ the man until he gets the decision, but supposing in any instance that decision is adverse to the employers' application, there is nothing in law

* Subsequently handed in—not printed.

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to stop the worker making application for the whole of the difference between the rate which was paid and the Trade Board rate during the whole of that time.

2039. He would be entitled to it?—Yes, notwithstanding that the man himself had agreed that that rate was a fair one. The provision under which members may sit on a number of Boards prevents a true perspective being taken of the matter before an individual Board.

2040. Before you go on to that, is your evidence directed to show why there should be no fixing of rates by a Board at all or different rates?—I say they should be confined to a minimum. The position which we take up is this, that we would have no objection to the 1909 Act provided the district committees had power to fix rates. Under the Act the district committees have only power to recommend and then they have to go back to the whole Board to get those fixed. They have not any power to fix them themselves.

2041. You are not objecting to Trade Boards altogether?—No; we fully recognise that there should be some power to make the rates obligatory. We would prefer the lines of the agricultural committees: that is what we are strongly in favour of. We have already split up the country into 14 areas. We have had a unanimous resolution between our Executive and the Executive of the Amalgamated Society of Tailors and Tailoresses—I know there is another Union—but there has been that resolution between those two bodies in favour of that principle, which would have practically amounted to conciliation committees of those representing 14 areas of the country.

2042. Would a decision of a district be binding, or would it need confirmation by the Central Board?—The agricultural committees have an Act whereby it becomes binding in that district. We recognise that we cannot have power without an Act of Parliament, so while that is what we wish for, we think the only way of getting what we want now is to go back to the 1909 Act, the minimum rate, with power to the District Committees to suggest minimum rates for those respective areas, and to fix them; not to have to go back to the parent Board, because when you go back to the parent Board the whole thing is reviewed from a different standpoint, with the result that very often the district committee finds all its work rendered nugatory.

2043. Would you suggest having appointed members on each district committee?—No, I would suggest that in most cases they would agree, but in the event of their not agreeing there would be an arbitrator. For over 20 years our Federation and the Amalgamated Society of Tailors and Tailoresses have had this Conciliation Board, and we have never had a strike: we have always settled these things. Each of the branches has had local autonomy. They have met the men and they have had no difficulty.

2044. Your argument is that if both sides came to an agreement locally, that should be made binding without any further steps being taken?—Yes.

2045. If there were a dispute in that district, what would you suggest? Would you suggest that it should be referred to the Central Board?—No, I think they would try to come to an agreement.

2046. And if they could not come to an agreement?—Then we would refer it to the Chairman of the Board, who, we suggest, should be a legal chairman.

2047. Mr. Layton: The Chairman of the local Board?—If you had an appointed member on your local Board, then it would be to him, but what the Chairman suggested was that we might not have an appointed member on those local committees.

2048. Sir Arthur Pease: I asked whether that was your suggestion that you should have an appointed member on each local committee?—We do not mind having him, but we do not want to refer to him so long as there is a possibility of agreement.

2049. You would only call him in when you had come to a deadlock?—Yes.

2050. Mr. Layton: On these district committees what size of districts do you propose? Is it simply geographical areas of the country?—Practically that.

2051. Perhaps I can put the point which I want to put more simply. Is it not so much a question of geographical areas, but of the difference between town and country—a difference between the minimum in the towns and the minimum in country districts? In any county there are some industrial towns and some country districts.—No, our idea was this, that much the same thing should be done as has been done by the public authorities. They have agreed on gradings. They take a crowded part of a county, and the part with a lesser population. They have an urban district and an urban district with a lesser population, and then there is the rural district mainly industrial and the rural district mainly agricultural; and there are seven rates within what one might call the midland area. What we suggested to the workers' side was that in those areas you would have this joint committee meeting and taking, for instance, the midland area, you would agree upon what was a fair rate for the rural part of the area, and you might agree on a special rate for Birmingham and a special rate for Worcester, Malvern or Cheltenham, which, while being lower than Birmingham, would be higher than Evesham, which was truly rural.

2052. So your suggestion is that you should have 14 districts in England, and within each of those districts there might be several minima?—Yes, and they were in agreement with the principle of it.

2053. Who?—The Amalgamated Society of Tailors and Tailoresses. There is another society, of course, which represents the division of labour system, but we have had no difficulty hitherto in agreeing before the Trade Board in my own district; those were the merchant tailors, the middlemen, and the middlemen's employees. With regard to the middleman, he is often called a sub-contractor or an outworker, and what we did in our own district was to have a joint conference of the merchant tailors, the middlemen, and the operatives. They worked on the division system, and worked out what was a fair wage for the men, giving the middleman a reasonable profit on that, and that was the rate that we paid. We did that and we had a joint agreement which I have in print. Then they came for an advance on it, and we had another joint conference, and saw that the operatives got a fair proportion of the rate paid to the middleman; and now during the last three months there has been a reduction on the same principle.

2054. Was this all before the Trade Board?—Yes.

2055. Were both sides organised before the Trade Board?—Yes. I am telling you about something that took place in May, 1919, and the Trade Board was not established until December, 1919. I have a printed agreement dated May, 1919, signed by the three parties.

2056. They have been organised for a long time?—Yes.

2057. Do you mean to say they were so organised that it was not necessary to put the Act into force?—I do not think it was, speaking for myself, and I was at the conference, but I did not feel that we had any option. The Act was to be put into force, and it seemed to me to be a question whether they were to come under the Wholesale Board and be swamped, or whether we should have a Board of our own, and once it was an accomplished fact that we were to come under a Board we fought tooth and nail to have our own Board.

2058. Dame Adelaide Anderson: What was the extent of the organisation?—As regards the extent of the organisation of the workers, I can only say that what was claimed was this: they claimed on the Trade Board that they represented them fully. When we claimed that they did not represent the rural workers, they claimed that they did.

2059. And they go through all towns in Devonshire and Yorkshire and Cornwall?—Yes, Cornwall in particular. One man practically lives down there, and while they may represent those workers, what we

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claim is that they are not representative of them. I think you will appreciate that there is a big difference, and that is what we say, that on the other side, while they may not be paid officials they are members of their Council, and spend most of their time either in organisation work or in Trade Board work. I notice that you gave the numbers out as 11 out of 24, but I think there must be more than that. There are men there who have not put in a needle for years, because they have been busy on their Union labours.

2060. Eleven full time?—Most of the others are more than 50 per cent. of their time.

2061. *Mr. Bell*: What is the objection to that?—I am not speaking of the objection to the men as such, but what I say is that they are not truly representative of the rural worker, neither do they give voice to the disabilities under which the rural worker is suffering by virtue of these high rates.

2062. *Sir Arthur Pease*: Your real point is that the rural worker is swamped by the members in the towns?—Yes, and by the outlook of the town worker. You get members in Cornwall and Devonshire of whom it would be wrong to say that the secretary of the organisation to which they belong did not represent them, because he does represent them; but to represent them and to be representative of their wishes are two different matters. That is my whole point, and that is what we contend for on the Trade Board. When we were asked to nominate someone on the other side to represent the rural employers we put up a gentleman from Louth, which it will be admitted was a purely agricultural district, and he did represent the tailors in that district. Mr. Brodie, the last witness, was the representative of the rural areas of Scotland, and they spoke from that point of view; but we had no one on the other side representing the views of the rural worker. What we have gathered has been from letters sent by the workers themselves asking for lower rates so that they may get more work. We had an application for a permit on the Administrative Committee from a man at Porlock, and he mentioned the infirmity. I pointed out a little while ago that unless a man has an infirmity you cannot get a permit. Now he gave the nature of the infirmity as a diseased hip. In forwarding the application the worker states he has worked for his employer for the last 61 years and has "always had satisfaction on both sides. Should you not grant me a permit (being married) it will mean being out of work and breaking up my home. Seeing that all wages are now on the downward grade"—this came up before the Committee on the 10th August, 1921—"I consider you ought to grant me a permit, as you must admit that the above wages is very decent for this part of the country." The offer was 60s. a week of 53 hours, while the Trade Board rate is 76s. for 48 hours. That was sent to an investigating officer to report upon, and he said: "The case was considered by the Committee at their meeting held on the 19th May last, when it was decided to await the receipt of a report by an investigating officer. The following report by an investigating officer has now been received: 'I attach the report I made on this case on 21st April, 1921, when I visited this firm'—"

2063. *Sir Arthur Pease*: Perhaps you might hand this in?—If you do not mind I should like to read it; it is not very long. He says: "The man was discharged in consequence of my inspection. At the time of my visit no mention was made of his infirmity. He was certainly sitting at the machine while I interviewed him, but as he can sit at a machine and can do his ordinary hand work as a tailor, I do not think he is in any sense physically a permit case. The worker says he must go to the workhouse if he cannot be employed at his present wage. There are only two tailors in Porlock—this employer and his brother—and both dismissed all their workers as a result of my visit. The trade done is absolutely non-competitive with the firms round, being confined to the agricultural labourers and tan-

nery workers of the village. Rents in the district range from 1s. to 2s. 6d. weekly—with a garden, and food is very much cheaper there, as I found when I stayed. I cannot recommend the man as a permit case on the grounds of physical infirmity, but only state that the wage appears to me for the district and class of trade a fair one." This is bearing out the point that I made that you get slow workers in different grades of work, and where a man is able to do it you cannot employ him because of this Trade Board, and so the man is unemployed.

2064. *Mr. Bell*: Was not that a case where the employer took up this attitude: "If you compel me to pay a certain wage I shall discharge all my men"?—No, he said he could not employ him and pay the rate.

2065. The men were discharged as the result of the inspector's visit?—Yes. This did not go to the inspector again until August, and this man had not been employed by the tailor in the meantime.

2066. What date was the inspector's visit made?—Hitherto the tailor had not been paying the Trade Board rate; he was unable to pay it and conduct his business.

2067. When he was made to pay the rate he discharged his workers?—He discharged his workpeople. He suggested he should pay a piece rate of 1s. 0½d. per log hour, which is the artificial rate for this trade. "Mr. Perkins said he was not paying the Trade Board wages and could not afford to do so. He gave both his employees notice when I told him he must pay Trade Board wages. The applicant is aged 31—in the trade since age 14. He is a tailor on coats and due 1s. 7d. per hour. He is paid £3 a week for a 54-hour week. When this worker was at once dismissed I went into the question of paying him on piece rates. Mr. Perkins was not familiar with the log rate—but I went over the average prices of garments made up on the London log basis and stated that the general district rate was 1s. 0½d. on the log hour. Mr. Perkins said this would not be a solution because the class of work done did not permit of that price for labour. His average price for a suit was £5 10s. A little of his best work would be £7. It is clear that in supplying good woollen tweed there is going to be little profit to the employer—when he has to pay 34s. for the labour only on a coat and probably over 12s. for trousers and 8s. 6d. for a vest."

2068. I think the Committee fully understand your point of view on this now; will you go on with one of your other points?—"Mr. Perkins said he was, however, very slow. His intention, however, was to some extent borne out by the statements of the man at the other Mr. Perkins' shop. They said they put in better work on what they knew was a 'good-class' order. It was not in the 'extras' of the suit but in the general finish of the work." This shows that there are different grades of work. Then you have Mr. Nicholson of the Ministry of Labour; he came down to the Trade Board two meetings ago specially in reference to this differentiation of rates. He said: "The experience of inspectors who have visited retail bespoke tailors in the villages and small country towns, both in England and in Scotland, indicates that the time-rate and the piece-work basis time-rate for men have operated very harshly upon a certain class of employers in such districts. Recent inspections have been made in Somerset, Norfolk, Lincolnshire, Shetland, and the North and East of Scotland, and it has been shown that there are a number of small master tailors employing 1, 2 or 3 hands whose businesses are seriously affected by the enforcement of the Trade Board rates." Mr. Nicholson is the Chief Executive Officer. He goes on to say: "These employers make a rough, strong type of clothes for agricultural labourers. The time usually taken to make a suit, though the work could not be called high grade, is rather above the average for medium class work. A few months ago the price charged to the customer for a suit of clothes by such tailors in England was from £5 to £7. The enforcement of the Trade

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Board minimum rates would, it is stated, cause this amount to be increased to between £6 and £8; and the increased charges necessitated by the minimum rates are stated to be beyond the means of these customers who are therefore compelled to buy cheap ready-made clothes. The wages paid are usually about £3 a week, and the profits of the employers appear often hardly to exceed this amount. In these circumstances enforcement of the Board's determinations becomes a matter of the greatest difficulty in the case of such employers in the rural districts, and in small towns; and the Board may wish to consider whether it would not be desirable to fix a lower rate for the type of work done at the establishments to which reference has been made." I have read that last page because from the employers' side we have put up two propositions for the differentiation of rates. We first put up one on the rural area basis on the lines of the public authorities that I have mentioned, and the appointed members voted against that, and then we put up one on the population basis, and they did the same thing on that occasion, because they contend that the value of a man's work is the same wherever it is done.

2069. *Lord Weir*: What did the men say? You are speaking of your own proposals on the Board as an employer?—This is where you have had this town representation of the workers.

2070. Do you mean that they agree with the appointed members?—They say that you can have a trade in London, and you have a trade of equal merit in Totnes, which was one of the places, or Cheltenham, and why should a man in Cheltenham pay less money for the same class of trade than a man in London? We say so long as you pay the proper value for the man's work in Cheltenham, having regard to the Cheltenham conditions, that is all you are required to do: it does not matter what the class of work is so long as you pay the man a fair rate. It is obvious that if you paid a man the same rate in Totnes as you pay a man in London, the man in London would be far worse off, owing to the conditions under which he lives in London, than the man in Totnes. That is the principle on which we have gone hitherto in our voluntary agreements between the two sides.

2071. *Mr. Bell*: Does not that also apply to the employer?—What do you mean?

2072. Are not the expenses as much greater in London to the employer as they are to the workman?—Yes, but that does not affect the rate that you pay for your labour.

2073. You are arguing that the worker in London should be paid a higher rate than the worker in Cheltenham on account of the higher cost of living in London, and I say that those disadvantages apply to the employer equally to the worker.—The employer is not complaining.

2074. No, but he is asking for a differentiation of rate. He is complaining about the present system.—Yes, he says that it acts disadvantageously to the worker and therefore to the employer, in these smaller districts.

2075. Would not all these arguments that you are advancing apply to other work? Take the cotton trade: the same rate is paid in the small village of 100 inhabitants as is paid in Manchester.—I say in most of these cases that the grades of work are not the same. Probably in the instances you mention you get the same grade of work where you have those 100 workers as where you have a 1,000; but as I have said, and as Mr. Nicholson says, the grade of work that they do is totally different. While we want a low minimum rate for these rural areas, there is no suggestion, and it has never been suggested, that it should be the maximum. The higher skill always gets the higher rate.

2076. Do you differentiate between the places that the men live in, or the number of people employed in an establishment?—The places the men live in.

2077. In the case of a factory or a small shop employing, say, half a dozen, do you differentiate?—I am not dealing with factories: there are no

factories in our trade, they are all workshops. Then, as I say here, another thing which does not help to come to an agreement is this, and we have never come to an agreement on our Trade Board. Although we had these agreements for all these years, since we got to a Trade Board we have never had agreement between the two sides, but have always had to go to the appointed members. When you get on to the Board there is so much playing off of one trade rate against another, because the members that are members of our Board are members of very many others. I remember one incident where a member came straight down from the Tin Box Trade Board and said: "They have just proposed a rate upstairs for the tin box trade, and here you are proposing this rate for the tailoring trade." We said that that had nothing to do with it. There are two classes of trade, and I have already mentioned the divisional system and the individual garment system.

2078. *Dame Adelaide Anderson*: Which is the larger of those two?—The divisional system, I suppose, taking the whole country through, would be the larger: there is absolutely no consideration given as to how heavy a rate a trade itself can carry, and by virtue of the position and qualification, or lack of qualification as far as my trade is concerned, with the appointed members there has been playing to the gallery—it is not confined to the workers—with a view to getting the vote of the appointed member on their respective sides. These appointed members have not a trade knowledge, and very often there are red herrings drawn across the path, not always by one side, with a view of influencing them and getting their vote. I say that that ought not to be, and if we have still to have a Trade Board I would prefer that there should be one Chairman of legal ability, that we should endeavour to come to an agreement ourselves, and only call him in if we could not.

2079. Would you have him sit with you as a conciliator?—I would not mind that, but preferably not: I have instances of cases which we have had during the last few weeks, where we came to an agreement over this area system, and there were two other matters in which we came to an agreement between the two sides, but as soon as we got the appointed members there there seemed to be a totally different atmosphere.

2080. *Mr. Bell*: Can you explain that?—I should think it would be better explained from the workers' side.

2081. Before those appointed members were there, if you did not come to an agreement, what would be the result?—That we should go to arbitration.

2082. Or strike, I suppose?—I have told you that for over 20 years we have never had a strike.

2083. But there was always that in the background. That if you did not come to an agreement there was the possibility of a stoppage, and perhaps that assisted you to come to an agreement, but when you get the appointed members on your Board, is there not a desire on both sides, both on the part of the employers and of the workpeople, not to give way to each other but to rely on what they regard as the neutral numbers, perhaps giving them something more than they were prepared to give up themselves?—No, I do not think there is that, because I have one instance in mind where we had a meeting one night and there was general agreement on both sides that a reduction was desirable in the interests of the trade: in fact there was a resolution to that effect; and then the next day at the Trade Board they fought tooth and nail all the other way. Simply because there are people there who know nothing about it, they try to draw a red herring across the track. That has been our general experience.

2084. Taking your own statement, would you say that a Chairman who was a legal gentleman would know anything about it? Would he not be liable to be influenced by the arguments of either side, or of both sides?—We do not think that if you had a legal Chairman there you would get the same influence brought to bear on him, or that he would be

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subject to the same influence as you get now. We have had a very bad experience of the appointed members on our Board. They made all sorts of reservations, and in one case they had these side meetings, first with the workers, then with the employers, with a view of getting an agreement; and when I went into the room after the workers had been in, one of the appointed members spoke about a thing that had not been brought up on the Board at all. I have no objection to side meetings if they are for the benefit of giving the appointed members some information, or about something which has been discussed, but I do contend that they ought not to bring up anything in a side meeting that has not been discussed on the open Board. This matter was mentioned at this side meeting, and it was put to me when I went into the room, and I refused to discuss it: it had no bearing on the matter before us. We said that the appointed member ought to refuse to vote and ought to wait until something had been done on this particular matter. In another instance we had 800 objections to a rate, and one of the appointed members said he did not consider so much the contents of the objections as whether they justified him in hanging up the rate for two months. I said before him that it was vital for us to consider the objections if that was the line they were going to take up, because if the rate was unjust, as all those objections from 800 people made it look, it did not matter if it was hung up for six months: that would be better than to have an unjust rate. That is one of the things that we have to contend with.

2085. I do not want to say anything as uncomplimentary about employers as you have said about appointed members, but should I be right in assuming that the chief objection to the Trade Board is that the minimum has been fixed too high?—No, it is not only the minimum rate, but definitions have been laid down which are unworkable. The minimum rate is too high, but our complaint is that they have no minimum rate for the districts. It is a national minimum rate which is unworkable. You say that my remarks are uncomplimentary to the appointed members, but they are not intended to be uncomplimentary to them. As individuals I have the greatest respect for them, but I say that they have not the requisite trade knowledge to enable them to sit there as arbitrators over the rates which have to be paid in this trade. They are not conversant with the intricacies of the trade, nor the variations of the work, classes of trade and labour.

2086. *Sir Arthur Pease*: But you all must have a say, I suppose. They are permanent people, are they not?—Yes, they are permanent, but then you see they fluctuate between these different Boards. They are on several Boards. We have had two-day meetings; we had one in particular where one member who had been up on another Board the first day came down on the second day and voted on a matter upon which all the arguments had been heard the first day. He had not been present to hear the arguments. We say that that is not fair.

2087. *Mr. Bell*: I understand from your general remarks that the appointed members are very unsatisfactory?—I say that the method of appointment or selection of them is.

2088. And that the workpeople's representatives do not represent the whole of the workpeople; so that there is only one efficient side of your Trade Board, is there?—I do not think I put it in that way.

2089. I will leave it at that?—There is another thing that we say is not in accordance with English justice. You send out a proposal; that goes out,

and they are asked to send in objections to the rate; and as I have instanced, in one case there were 800 objections. We do not think that it is altogether fair that the same people as had heard it in the first instance should sit and hear the objections and arbitrate on those objections. It is not usual. It really is in a manner a sort of Court of Appeal against the first proposal.

2090. *Sir Arthur Pease*: You think there ought to be a further court?—Yes, or a differently constituted bench, I put it.

2091. You would then run the risk which you have just been arguing against: that you would get somebody who did not really understand the position, like the people who had heard it thrashed out in the first instance?—I am not speaking of the employers' and workers' side.

2092. No, the appointed members?—Yes, I am speaking of the appointed members.

2093. Your complaint recently was that the appointed members were not sufficiently conversant with the details of the trade?—Yes.

2094. Those appointed members have heard the whole thing thrashed out in the first place?—Yes.

2095. If you hand it out to an appeal court you are going to hand it out only to possibly another body who are even more ignorant than the first?—I was arguing from the point of view of a legal chairman. I have a rooted objection to these four or five different people always—on principle, not as individuals. As individuals there is nothing to be said against them.

2096. That is a different point; but you want to have one arbitrator instead of three or five; that is your point?—Yes, that is so; that is the point. Another complaint is that in the Trade Board system there is no elasticity at all. If you propose a rate of 8½d., and then you get all these 800 objections, and if it may seem equitable to the whole of the Board—I mean to the appointed members as well as to the two sides—that a slightly higher rate should be fixed, or that a slightly lower rate should be fixed, they have no power to confirm that rate; they are bound down to the 8½d. or nothing. We will assume that earlier on a higher rate or a lower rate might have been suggested by one side or the other, and 8½d. went out: and then you have to confirm that or nothing. If you want to do anything different you have to send out a fresh proposal for another two or three months. We think there should be more elasticity given to the Board, to give them more power than that, if you are going to have a Board. I am taking the view now that the Boards will remain.

Sir Arthur Pease: I think the Committee appreciate that point.

2097. *Mrs. Lyttelton*: On the general question of Trade Boards, you stated that your trade would not have asked to go under a Trade Board except for fear that they might come under another Board?—We asked for a Whitley Council.

2098. For fear that you might go under a Whitley Council or a Trade Board?—We did not object to a Whitley Council.

2099. No, and therefore for that reason you asked for a Trade Board?—We did not ask for a Trade Board.

2100. You asked for a Whitley Council? That is what I did not quite understand?—Yes. When it was suggested that we should have to go under a Trade Board, we asked for a Whitley Council.

2101. I thought you asked for a Trade Board because you feared a Whitley Council?—No, the point I made was that we had to go under a Trade Board, and we said that rather than go under the wholesale we would have our own Trade Board.

(Adjourned for a short time.)

2102. *Sir Arthur Pease*: The evidence which you gave us before we adjourned was spread over more than one of the items in this summary. You have practically dealt with Nos. 1, 2 and 3, I think, have you not?—I am afraid I have not a copy of that.

That was sent on by the secretary of our organisation.

2103. I do not want to stop you saying anything that you wish to say.—No, I appreciate your point. Of course, Mr. Eaton did deal with the delay, but

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the delay in getting these orders formed or fixed is far too great, and it is partly because of that that it works so disadvantageously to the retail trade. I want you to bear in mind that with, I think, one exception, we, the tailors, are the only retail trade under the Trade Board. Most of the others are wholesale or manufacturing. If you are to be able to compete with varying conditions, such as we have had of late, you do want to be able to deal quickly with the fluctuations in wages.

2104. Both upwards and downwards?—Both upwards and downwards. There has never been any difficulty upwards, because we have always, without exception, given the workers the benefit of that. As soon as we have appreciated that the conditions are such that they are entitled to a rise we have given them the benefit of it.

2105. Do you mean during the Trade Boards or before the Trade Boards?—Before and during the Trade Boards.

2106. If there is a proposal you give effect to it before it legally comes into force?—Yes; but as regards reductions there was a proposal first made in March, and then it was hung up for various reasons connected with the definitions; I mean it was brought forward in March; it was proposed officially in July, but it was not confirmed by the Board until October, and even now, which is over a month since that Board was held, it is not fixed, and it has not become operative; it is awaiting the Minister's confirmation. That is a delay right from March to November, and that concerns the females' rates which are concerned to a greater extent with the ladies' trade than with the men's trade. The ladies' retail bespoke tailoring is going through a slump now such as they have never experienced for years and years, and still they are faced with those high rates from 8s. 6d. to 1s. 0d., and you cannot get them down until the Minister has fixed these rates; and we have been waiting all this time for that, so that practically the whole of this autumn season has gone. The proposal for the reduction of the men's rates came up first in July, and then it was voted down. It came up again in October, and it was proposed on October 12. That proposal has not gone out yet. Although it was proposed on October 12 it has not yet gone out from the offices. After it goes out a period of two months has to elapse for objections to come in. That takes you to January. Then there has to be time to collate the objections and send them out to all the members of the Trade Board and call a meeting of the Trade Board. Having regard to that, the earliest date at which they will be able to confirm that is February, and then we have to wait for the Minister's confirmation, and you have the spring trade on you. It is of no advantage now for the autumn trade, when we all wanted it so much, and if they are not very quick about it, at the end of it we shall lose the spring trade also.

2107. Lord Weir: You wanted it so as to bring down prices?—Yes. There is no question that tailors generally have brought prices down, but it has all been done out of the cloth or profit; it has not been done out of the labour at all.

2108. Sir Arthur Pease: What has happened to the trade? Is there less bought, or has the trade gone elsewhere?—There is less bought, and, of course, there is a good bit being bought of the ready-to-wear stuff. There have been a lot of sacrifices in the ready-to-wear end of it. There has been realisation of stock everywhere; the tailor's difficulty has been that he is dealing with raw material, and that while he is prepared to lose on his cloth which he has in stock under the condition of realisation, he cannot afford to take anything off what he has got to pay to-morrow for wages. If it is a manufactured article you can face a loss on the whole article, but he is dealing with the raw material. That is what does not occur to a lot of people when they talk about tailors' prices.

2109. Lord Weir: I take it that there is no question whatever of foreign competition in the trade?—

No, our competition comes from the wholesale bespoke, principally, as Mr. Eaton instanced, in the "cut, make and trim," where a man can sell his cloth, and he may even cut it out and then send it up to a factory to be trimmed and made under factory conditions. That is one of the points which I wanted to raise: that this Retail Bespoke Tailoring Board does not cover the whole of our trade. A section of it comes under the Ready-Made Board. The definition setting up that Board reads that where a firm work for three or more shops they come under the Wholesale Board. That works in this way. If you take a multiple shop—I mention names that you are all conversant with; there are Lockwood & Bradley, there are the Rego Clothiers, and another one which has been instanced a lot on our Board, namely, Montague Burton and Cusson Brothers—they have a factory, and because they make for three or more shops, although they are their own shops, they come under the Wholesale Board, whereby they are able to pay to their women a flat rate of 8s. 6d. per hour for the same labour for which we in our trade have to pay 1s. 0d. per hour, and we say that that is unfair competition in the same class of trade. You have got to go a long way to make the public understand the difference between that class of tailoring and handcraft tailoring, but to all intents and purposes they are all retail shops, and they compete with us unfairly to the extent of 3s. 6d. per hour.

2110. Sir Arthur Pease: Would the rates of wages be different before there were Trade Boards?—I do not know how they would be. That class of trade has been under the Trade Board—under the old Wholesale Trade Board; but then there were only two representatives of the retail trade on that Board as against the 22 wholesale representatives. Last week there was a resolution passed by the Retail Bespoke Tailoring Trade Board to this effect:—"In the opinion of the Retail Bespoke Tailoring Trade Board (Great Britain), administration of the minimum rates fixed by the Board would be simplified by the deletion of paragraph (3) of the exclusions to the definition of the Trade Board"—that is the one applying to the three or more trades—"and that the Regulations governing the Board should be amended so as to provide that all workers employed in the production of bespoke tailored garments, which are ordered direct by the individual wearer from an employer carrying on business as a bespoke tailor"—now, this is the point—"whether such workers are employed on the premises of such employer, or as an outworker, or by a sub-contractor for such employer, shall come within the scope of the Trade Board." That was passed unanimously by the Trade Board with the idea that all retail bespoke tailoring should be under the same regulation.

2111. That would bring them all under your Board?—All under our Board.

2112. Who passed that resolution?—The Retail Bespoke Tailoring Trade Board.

2113. Lord Weir: It is a question of administration whether that is carried out or not?—Yes. They are at present altering the definition, and they passed this resolution, that it is not fair that one section of the retail tailoring should come under a different rate and a different Board from another section.

2114. Mr. MacCallum Scott: There are two Trade Boards, one for the retail trade and one for the wholesale trade?—Yes, there is the Ready-Made and Wholesale Bespoke.

2115. What is the proper title of it?—That is it, that is ours.

2117. Sir Arthur Pease: Which was the paragraph to which you referred?—Paragraph 3 of the exclusions on our Board.

2118. Mr. MacCallum Scott: I was struck by the difference in wages, but I do not see that here in the summary which I have. Did you say that one figure was 8s. 6d.?—Yes.

2119. Is that the Ready-Made Wholesale Bespoke Tailoring?—That is it.

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2120. The rate, I think, is 1s. 2d.—I am speaking of females. That is 8½d., is it not?

2121. It varies from 8½d. up to 1½d.—You are on the piece rates, but the flat rate is 8½d.

2122. And in the retail bespoke tailoring?—They start at 9½d. and go on to 10½d. and up to 1s. 0½d., and the same class of labour for which we pay 1s. 0½d. they are able to get at 8½d. The paragraph of the exclusion is on R.B. 4, page 3:—"But excluding all or any of the above-mentioned operations where carried on in a factory where garments are made up for three or more retail establishments." That is the one we wanted excluded.

Another point about the representation of the country districts is this. What obtains on the workers' side of our Board is that they have the side vote, so that if you had one or two representatives of those districts, so long as you kept the side vote, they would be over-weighted by the others; they vote as one. That is the reason why we are so anxious that the district committee should have power to fix rates. We contend that they know what is good for themselves in their own district, and it is not fair that they should make a recommendation and send it up here to become the shuttlecock of the different interests at the meeting of that Board, which would probably come to a decision against what they had decided was in their own interests for their own area.

2123. *Sir Arthur Pease*: Would not they be over-weighted by the large population in the district just as much as in the whole country?—In their district?

2124. Yes.—No, I do not think that for a moment. We have never experienced that. There is always a better understanding when you are down there in your own area. Take my own district; who would suggest that what was a fair rate for Birmingham would be fair for those small villages in the market garden districts—Evesham, and places of that sort? No one could count that. You could not do it. There you are on the spot, and you would have too much regard for the knowledge of the people there. There is another thing, although I do not want to make too much of it. A question was put up to me at the last Board meeting, when a suggestion for a reduction came up from one of the appointed members, as to whether I could agree to the present rate remaining for towns, the reduction only to apply to the country. To that we could not agree, because in the towns there are small shops who do cater for the cheap class of trade and compete with the ready-made trade, and who do experience quite as much difficulty to make a living as some of those in the country districts. That is a matter which has to be considered as well. That is not solely for the rural districts, but there are small shopkeepers in the towns. Even here in London there are three grades, Grades 1, 2 and 3. The shops in the West End of London are graded by the Association of London Master Tailors, and have been graded for years past.

2125. Then how would you deal with those—simply by leaving them to the district committees?—Leaving the district committees to deal with them. They have never had any difficulty before. There is an agreement here between the union and the employers; there is an agreement in Liverpool, there is an agreement in Manchester, and I do not anticipate any difficulty. We all recognise the different classes of trade that one does.

2126. *Dame Adelaide Anderson*: Then within one area you would have two or more district committees?—No.

2127. Or at least different grades?—You might possibly have sub-committees, but you do not have two district committees.

2128. *Sir Arthur Pease*: I understood that your suggestion was that you would have one district committee and have various grades, and grade the shops according to the standard of work which was going on from them?—Yes, that is right. There would only be one district committee—only one controlling authority.

2129. *Lord Weir*: You would try to make the district committee operate as your old organisation?

—Yes. They would really be like District Trade Boards with the power of the Minister to veto.

2130. *Mr. Pugh*: How many district committees would you want?—There are 14 areas into which we have split up the country, and the Workers' Union and the Amalgamated Society would be prepared to have a smaller number. They have areas of their own.

2131. *Mr. Bell*: Do you not think that you are manufacturing difficulties? What do you mean by "small shops"? When you speak of a small shop in a large town, what do you mean?—The shops in the poorer districts which cater for the labouring classes. There are labouring classes in large towns just as much as there are in the smaller places.

2132. But is it not a fact that the lower grade of cloth is very often more difficult to work than the higher grade?—No, it all depends upon the method of manufacture. If you put the lower grade of manufacture into the lower grade of cloth you will get an "eyeable" garment, but if you put a good class tailor on to your lower grade of cloth he will spoil it.

2133. Supposing you put a good class tailor on to a good class of cloth, and you put the same class of tailor on to a poor class of cloth, which would he prefer to make up?—The better cloth, as I have said.

2134. Of course he will; so that your system of grading would not work, would it?—What system do you mean?

2135. You talk about a lower rate for the poorer class of material?—I did not say a lower rate for the poorer class of material. It was you who suggested material, not I. I suggested the shop.

2136. You talked about the poorer neighbourhood where they could not afford to buy the higher class of cloth?—The higher class of suit.

2137. It was you who introduced the grade?—I introduced the grade of shop; you introduced the grade of material; but while the poorer shop might have a higher-grade material, the shopkeeper would not for his customer necessarily have to have such a high grade of work in, even if he had a higher grade of material. That is my point. There are to-day cases innumerable where the small shopkeeper has a bagged coat—an absolutely bagged coat. That is a trade term. I mean that the whole of it is machined; and then it is turned inside out. It is very often drawn through the sleeve here and then just finished off. There are other cases where there is a little bit of hand work put in, and then there is the other case where the collar, sleeves and shoulders are done by hand and the rest by machine; and there is another case where it is all hand work. There are all those different grades. Where there is the division system which I have spoken of, there are Grades 1, 2 and 3.

2138. *Sir Arthur Pease*: I think you have made that point quite clearly.—There is another point which I did not get quite clear this morning about the workers on all the different Boards. There are certain members whom we have on our Board, and they are on several other Boards, and they do seem to take the view: "How will this rate affect us on such-and-such a Board if we pass it here?" What we do feel is that the workers' representatives should be engaged in the trade. I do not want to be uncomplimentary, as I have been charged with once before, but with all respect I think that they should be practical people for all intents and purposes, not professional Trade Board members.

2139. Do you consider it impossible that the employers might be influenced in that way too—that if they fixed a rate which was too high or too low in this particular trade it would have some indirect effect on others?—We have not got them on our Board. With the exception of Mr. Gordon they are all engaged in the trade, and Mr. Gordon up to 12 months ago was actually engaged in the trade. All of them are actual merchant tailors, excepting that there are two from the middlemen, who we think ought not to be on our Board; I mean two from outworkers—sub-contractors.

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2140. *Lord Weir*: Is there not a little inconsistency in that connection, because you have just pointed out to us the very large difference between the rate settled for the same class of work on two Tailoring Boards, so that the fact that the employees' representatives sat on those two Boards does not apparently co-ordinate at all? You have just told us that one was 8½d. and the other was 1s. 0½d.—Yes.

2141. And you have the same people settling those inconsistent rates?—We did not agree on our Board; on the Wholesale Board they did agree.

2142. So that they had no influence in bringing about co-ordination. The fact that some representatives sat on both Boards did not achieve co-ordination of the rate?—In our case they have graded the workers from the Trade Board; in the other case they have a flat rate, which is the legal minimum, and then they grade the workers inside the factory according to their skill.

2143. Does that mean that the Board which does that is the old Board based on the 1909 Act?—Yes, that is the old 1909 Act, one of the first that was set up, the Tailoring Board, which was to combat the sweating in that particular trade.

2144. So that in that Board there are attempts to fix a minimum rather than the regulation of wages?—Yes, they fix the minimum and work out their own salvation, according to skill, in their respective factories. They have what they call a piece-rate list inside the factory, and we contend, and have always contended—and it is so in practice—that the skill does get its value. The minimum there is 1s. 0½d., and I have girls in my own employ who are getting as much as 1s. 7d. an hour, and they are worth it.

2145. *Dame Adelaide Anderson*: May I just ask whether in your proposals for these district committees to take account of different grades of work, you are contemplating a minimum rate or the regulation of wages? You propose these district committees in order to grade the wages for different degrees of skill?—Yes. That would be for different classes of labour.

2146. Is there any sending out from one town, say, of a high class of garment, to a maker elsewhere to do the work? Does one district send work to another district?—There are cases of that. We have been told by the workers' side—and we have no reason to doubt it—that that is done in some cases.

2147. How would that work out, then? Would it not tend to increase that if you had different rates in different districts?—I can give you an instance which has been put to us. There is a firm in London who also have a branch in Suffolk, and they send their work for their London place down to Suffolk to be made. That, I think, is the point which you mean.

2147A. Yes, I wanted to know whether there was any movement already. If you have different rates, do you not think that it will tend to increase that movement?—It might tend to increase that movement, but I do not myself see how it would be a disadvantage to the worker if the worker got the fair rate for his labour which he put in, having regard to Suffolk. There is no disadvantage to the worker.

2148. *Mr. Pugh*: Except that the trade would all tend to gravitate to the lowest rate, and, consequently, the workpeople in the districts with the highest rates of pay would be prejudiced, would they not?—No, they would not be prejudiced. There is the transport, and there is the competition; and then in our own trade you must know that in so much of it there are as many as two fittings. It is only in certain cases where they can do a thing like that.

2149. It is only a matter of information, but if you are paying a lower rate in a district, and if you had the practice extended of firms sending their work to the lower rate, it must tend to prejudice the workpeople in the district with the higher rate of pay. That is the point which I make.—(*Mr. Gordon*): Our reply to that is, that under the District Committee we should be able to trace all work of that

sort, and if a London firm sent to a rural firm or to a town of smaller importance, where there was a lower rate prevailing, that shop would be classified and paid the London rate, so that there would be no evasion. (*Mr. Adams*): The broad suggestion I made—I did not commit myself solely to it—was that they would have to pay the rate which obtained at the place from which the work was sent out. That was the main basis of it. If you did not do that it would mean unfair competition between one shop and another in the same area.

2150. *Sir Arthur Pease*: I think the Committee have had sufficient information now on this point about the differentiation of wages. If anybody wishes to ask a question, I think it would be convenient to have the question now before going on to another point, but I think it has been made perfectly clear.—On the question of inspection, I think you have already heard from Mr. Wolfe that it only covers a very small percentage of the trade. In our trade it has been very indifferently done. The tendency has been to go to those people who kept proper time books and rates of wages and to leave alone those who did not, and it is those people, naturally, that one wants to cover. The inspectors at present are not only not sufficient, but they are not qualified for their work. We have had instances in which inspectors have gone into a tailor's shop and have asked what "felling" is. It seems really ridiculous that a man should go and inspect work and have to judge of it having regard to the female definitions, and not know that. Then they have not any trade knowledge; and they have to inspect other things as well; in some cases, I believe, they are using the Health Inspectors for the Trade Board work. There are a number of instances in which the Orders have not been posted at all, and we say that if you have a Trade Board system it ought to be thorough, and the inspection ought to be so thorough that everyone has to obey it. It is not being obeyed to-day, and it is common knowledge that it is not being obeyed, and that acts very unfairly on the good employer. You have already heard, too, that in this trade there is an artificial time system which has obtained, as I think a previous witness said, since 1804. Under that system there is a log which they work out, and the artificial time for a job is set out, and you have to pay that price no matter what time the job takes. That has been the practice in the trade, but these inspectors are insisting that the employer shall keep a record of the time which any of these log workers, as we term them in the trade, occupy on a job.

2151. Were the log rates agreed between you and the trade unions?—Yes, we have agreed upon a log equation of the Trade Board piece-rate. That is what you mean, is it not?

2152. Yes.—We have agreed on that, and we contend that so long as the other side are agreed that it is the equation, we are doing all that we are called upon to do, so long as we do that. The inspectors come along and say: "You must keep a register of the time that a man occupies on a job to see if he can earn this Trade Board rate." We say that that is impossible, having regard to the habits which have grown up in the trade. Without fear of contradiction I say that the ordinary journeyman tailor is the freest labourer that there is in the land: he comes when he likes, and he goes when he likes; he takes up his paper, or smokes; and we have no control. It may seem extraordinary, but that is the habit of the trade: you have no control over what a workman does on a piecework job. He says, "So long as I only ask for the log rate for what I do, it matters not when I do it or how I do it." That is another one of the difficulties that we have been experiencing in this matter. They say, "You must clock a man in and clock him out," but then you have got to stand over him with your watch to see if he works, if you are going to time him properly. There is one case up in Cambridgeshire in which the employer gives his men the key of his shop, and each man

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comes in when he likes and goes out when he likes. We say that the responsibility of the employer should end when he pays the equation of the Trade Board rate. That is one of the difficulties with the inspectors: they do not seem sufficiently qualified to take into account the difficulties of the trade.

2153. What is the position of that now?—It is in a state of flux. Broadly speaking, we cannot agree that the Trade Board has been any benefit either to the worker or to the employer. The tendency is all the other way, and in fact, as far as unemployment goes, it is undoubtedly against the worker. Broadly, taking the whole country through, the action of the Retail Bespoke Tailoring Trade Board has been against the interests of the worker.

2154. Do you refer to both the 1909 Act and the 1918 Act?—We have only had the 1918 Act, generally speaking. The 1909 Act was practically not worked as far as the retail trade was concerned.

2155. Mr. Bell: Are you of opinion that you have more unemployment in the tailoring trade than in trades which do not come under the Trade Board Acts at all?—I cannot answer as to unemployment in other trades; I am only speaking of my own, and we know that there is a good deal of unemployment caused directly by these rates. I have had a tremendous number of letters sent in which I produced to the Trade Board; and in any questions that we have sent out we have asked particularly that they would separate any unemployment caused by the slump from that caused by the high rates.

2156. Is not that very largely a general statement which is made throughout by trades: that one of the causes of unemployment is the high rates?—I do not think so, *uo*. (Mr. Gordon): That may be, but we have particular instances. One occurred last week in Tiverton. Trade has been very slack there. It is a country district where naturally low prices prevail. The employer, who was very anxious to keep his staff together, made a proposal to the men that he would make up a number of overcoats for sale if they would accept a lower price for the making; he said that the Trade Board rate he could not afford to pay, but that if there were a difference made he also would cut his profits and substitute this instead of buying overcoats from the warehouse. The workers were quite willing to agree to that, and submitted it to their secretary who, of course, replied that they could not possibly accept an agreement of that sort; the Trade Board was against it, and that it would be sanctioning an evasion of the Trade Board rate; with the result that the man has to give his order to the wholesale people for ready-made goods, and the workpeople are idle; and that is not an isolated instance.

2157. Would not the natural result of that be that if they had agreed and he had been able to make those overcoats, the people who made overcoats for the ready-made firm would have been out of work?—Each speaks for his own trade, of course. The trade is so interlaced that it is difficult to follow its effects, but each speaks for his own and naturally seeks to serve his own.

2158. Mr. Pugh: That is an instance, therefore, not of Trade Boards causing unemployment, but rather of Trade Boards preventing the creation of employment to meet an abnormal condition, is it not?—It shows the inadaptability of Trade Board methods, whereas prior to the advent of the Trade Board the workers in his employ could have agreed.

2159. It is rather a matter of adaptability to the special circumstances than anything else?—Yes.

2160. Sir Arthur Pease: You were speaking just now of differentiating between unemployment which was due to the slump in trade, and unemployment which was due to the Trade Board rates. How can you possibly know to which cause it is due?—(Mr. Adams): You can tell in a good many cases. Our experience has been that while you could price an article at a certain figure and could do no business, should you put the article in your window and ticket it at a lower price—I am speaking of my own experience and the experience of people in my own neigh-

bourhood—you could sell that article, showing that people want the clothes, but they have only a certain spending capacity. To produce the article at that lower figure you cannot employ the expensive hand; you must get cheaper hands. There are cases where you have to stand girls down; and I have had an application from a girl, who came with her mother, asking if we could employ her, and I said: "I cannot employ you at the rate which I would have to pay you." The mother said: "But the girl is willing and I am willing; what more need matter?" I said: "I cannot do it. At 3s. per week I could find you employment"—it was 3s. for the time we worked; we did not work eight hours—"but I cannot pay 4s.," and that girl had to go. That was a direct cause of unemployment, simply caused by the rate. I could have found her a job remunerative to me at the lower rate, but not at the higher rate.

With regard to the question of the overlapping of the different sewing Trade Boards, one of the suggestions made by the Ministry of Labour is that the shirt-making trade should include the making of linen, cotton, flannel, or similar textile fabrics, into shirts, cricket blazers, and trousers. If they include that under the Shirt-making Board, our competitors will be able to get those made under whatever are the shirt rates, while we will have to pay the tailoring rates. That may be an argument against the Ministry in their definitions, but that is one of the difficulties over this Trade Board system and the definitions they set up.

2161. You want your wages co-ordinated between the two Boards?—Yes, or left to our own proper sphere.

2162. Have you any other points that you wish to make?—I think not, thank you.

2163. Mr. Pugh: I should like to put two questions which perhaps you will answer, Mr. Adams. Under the regulations you complain of the delay. What do you suggest to facilitate the procedure as far as regards getting effect given to the decisions of the Board?—I do not think it is necessary to have so long as two months for objections to be sent in, and I think that there ought not to be so long taken for the Minister's decision. There is a tremendous lot of delay in sending out the first proposal. You may have difficulties with regard to printing, but there is that point. There is another matter with regard to apprentices. I sat on the Joint Committee which got out that indenture. We got that out and then it came before the Administrative Committee and then before the Trade Board, and then went out as a formal proposal, and that was out two months. Those objections came in. The Trade Board confirmed it, and after all that we had a notice saying that the Legal Department of the Ministry said that this would not work, and that would not work, and we had to go over the whole thing again. Surely they could have done all that while this thing was out without waiting for four months before they did it, and hanging the thing up. It has only just now become operative.

2164. Is it possible to get all the views of the trade with regard to proposals to fix rates before the rates are fixed, and then for the rates to become applicable as soon as possible afterwards, say, in the course of a month at latest?—(Mr. Gordon): You would if you had district committees. (Mr. Adams): Yes, your district committees would do that.

2165. Sir Arthur Pease: You must not get mixed up.—Mr. Pugh is speaking of the Trade Board system as at present, is he not?

2166. Mr. Pugh: After your rates are fixed you have to notify all the trade, and anybody who has an objection can raise that objection. That means, I take it, that the thing has got to go back to the Board again, so it seems to me that you have interminable delay?—Yes.

2167. My question is directed to ascertaining whether it is possible to get the views of your trade previous to fixing your rate, so that the rate may become applicable, say, within the month allowed to the Minister?—That is what I say. There should

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be a month for objections, and then 7 days for the Minister's decision, so that in six to seven weeks you would get the whole thing done.

2158. I gather that you hold the view—and you rather say that the workers' side hold the same view—that really the Boards are not wanted. Is it not your trade in which the Minister proposed that you should substitute for the Board now an Industrial Council, on the ground that you had sufficient organisation, and did not your trade object by representation from both sides?—No, we never had that. It was just the other way. We asked for a Whitley Council, and it was the Minister's contention that we were not sufficiently well organised.

2159. I thought it was the tailoring trade that was the best organised of the trades connected with the Boards?—No, it was the other way about.

2170. *Sir Arthur Pease*: I think there is rather a division in your Board, is there not? There are different interests besides yours, I think?—Yes, there are different interests. There is one thing that we do feel. I have already instanced many cases where the rates are being observed, and I do not think that the present method of just sending out the notices to all known tailors is sufficient. We are not all saints in our trade any more than in any other trade, and in plenty of these villages we do know that the notices are being torn up and the workpeople have never seen them. I think it has gone so far as a resolution on our Board that better methods should be adopted of advertising the rates, either by public poster or by advertisement in the local Press, so that everyone may know. It is in the interests of the trade generally if a rate is going to obtain that everyone should observe it, and that workers and the employers in all those districts should know, and I think it might be done either by placard or by advertisement in the local Press, instead of just sending it to the employer and leaving it to his discretion whether he posts it or not.

2171. Thank you for the very full information that you have given to the Committee.—(*Mr. Gordon*): Will the Committee allow me to say one or two words?

Viscount CAVE resumed the Chair.

2173. The retail bespoke trade?—Yes, the retail bespoke trade. In administration it was found necessary, I suppose, to make regulations, and at Moutagu House here under Mr. Besso, a regulation was introduced that any garment for a male person made by two females or three males—why they should place women under that disability, I do not know—should be brought under the operation of the Wholesale Board, because they said that it was sub-division of labour and assimilated to the methods which operated in the wholesale trade. Against this we protested very much, and we were forced in against our will, because it was a practice which prevailed in most of the places. In London, my first knowledge of the trade was that a coat was made in the highest-class trades by thirds and fourths. Mr. Lawrence, the President of the London Master Tailors' Association, and Mr. Corelli, the Secretary, will confirm what I say. So that it was no new practice, but it brought us under the operation of the Wholesale Board. Then when we found that these regulations were irksome and inapplicable to the retail trade, with its varying conditions, we besought to be released, and when this new Retail Board was being formed we had a deputation to the Minister of Labour or the President of the Board of Trade, and protested against being brought in, and reminded him of the promise which was given by Mr. Churchill. We were told then that we were not sufficiently organised, though why we were told so we could not see, because we, on examination, find that we are organised quite as well as, and better than, many of the trades that were left outside; but we were brought under it. The fatal step has been the flat rate which was instituted. You see, it swept away

I am sure you are all getting very much bored about the tailoring trade, but there are one or two points that I want to put that I think have not been made sufficiently clear. One point is that the portion of the trade which we represent, the retail tailoring, is fairly well organised; we have branches extending from Newcastle in the North to Penzance in Cornwall, in all the large industrial towns.

2172. Both sides?—I was going to say that the Amalgamated Society of Tailors are even more highly organised than we are, because they are a very old Association. We had a number of local associations each in their own locality exercising a more or less efficient form of organisation until 1880. At that time, owing to disputes, the principle of federation was adopted, and then the whole of those branches were united under the Council—the Federation. That has later been extended to the formation of areas with their representation, so that we have the country well covered. I should like to make known to the Committee through you that there has always been—I was born in the trade, and my forebears were in the trade, and so far as my knowledge of the trade can go there has always been—this principle of differentiation existing in the rates. In London, and in all the large centres of industry, and in the provincial towns, there has been more than one rate of pay prevailing, so that what we are asking for is no new principle. This prevailed right up to June, 1920, when this Board, the Retail Tailoring Board, was formed. Prior to that, when the 1909 Act was framed, we had a deputation—and I think it was to the President of the Board of Trade, but I forget; it is so many years ago, but Mr. Winston Churchill, I believe, was the President—and we protested against the application of the 1909 Act to our trade, and showed, I think to his satisfaction, that we were then in such an organised condition that the cry of sweating which was raised through the Sweated Industries Exhibition did not apply to the section of the trade that we represented, and we were given a promise that that 1909 Act should not be extended to the retail tailoring trade.

all the old conditions which existed throughout the country.

2174. *Sir Arthur Pease*: I do not want to interrupt you, but of course the evidence-in-chief was devoted very largely to that point of the flat rate?—I do not think this point has been made quite clear, that these differential rates prevailed and that the introduction of the flat rate has just brought about a ruinous condition in the industry. That is what we are appealing against, and we appeal because we feel that we are sufficiently organised and that we ought to be liberated from the Trade Board, and a Whitley Council instituted, so that we might make the conditions and regulations as to payment and hours of labour, and other things, adaptable to the changing conditions of the trade, such as do not obtain under the Trade Board.

2175. *Lord Weir*: Have you made that appeal?—Yes, we had a deputation and were turned down. I could bring the records of the appeal.

2176. *Mr. Pugh*: Was it a joint application of workmen and employers?—No, it was an appeal by the employers alone. I may say that prior to that we had in existence a method of settling disputes in the trade, which acted efficaciously for quite 20 years and preserved the peace. We had in all our branches arbitration committees, consisting of three to five employers and the same number of workers, and these met together to consider all local disputes—all disputes from whatever cause they arose. If they could be settled locally, so much the better; if they could not be settled in the branches, then we had a joint tribunal composed of a number of the executive of the workers' side and the employers' side. We never had a chairman or anyone brought in from

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outside, and there was no dispute that was brought before us that we did not settle. Sometimes we sat three and four days together, but we settled them. The weakness of that was this, that where we had come to an agreement it only operated upon those members who were loyal; we had no power to enforce it on others in the industry. The result was, of course, that the effect of this agreement was only partial. The workers had not the power to enforce it, neither had we, though frequently we acted jointly, and if it was not illegal, I may say that we have frequently withdrawn the workers from employers who would not conform to the rates. I quote this to show that we had this system of organisation in the trade. Against sweating we set our faces altogether. We are quite agreeable to a minimum rate; we should like to have some mutual agreement below which we shall not fall; but we think that for all the rest there ought to be that principle of collective bargaining upon which British industry has been built. What is the case at present? It means this: that we meet at the Trade Board, we have our organization, as our Chairman has told you, and it is settled by the votes of the appointed members. What does that mean? It means compulsory arbitration, and we do not see why we should be singled out and other industries let free. It is compulsory arbitration. The workers themselves disagree with that principle, and they will not have it applied. Why should it be applied in our industry? Strip it of all outside language, and that is what it comes down to: it is compulsory arbitration. Had it not been for the operation of the Board a great deal of employment which exists would not have existed. We speak from experience, and we feel sure that we should have been able to adapt ourselves more easily to the conditions. (Mr. Adams): Would it be helpful if I were to put in the compilation of our 14 areas? You have referred several times to our area committees. Here is the division of them into 14 areas.

Northern.

Area No. 1.—Northumberland, Durham and Cumberland.

(The Witness withdrew.)

Mr. T. ERNEST JACKSON, Secretary of the Incorporated Association of Retail Distributors, and Mr. E. J. Pegg, called and examined.

The Witnesses handed in the following statement as their evidence-in-chief:—

1. Preliminary Statement.—The Incorporated Association of Retail Distributors is an organisation consisting of 85 distributing firms who are in the nature of departmental stores, and which are situated entirely in the British Isles. The scope of the trades carried on by members of the Association can be judged by quoting the largest store, which has 225 departments, each carrying on a separate trade under the roof of the main building, or in adjacent and branch buildings. There are very few trades and industries, outside the great national key industries, which are not carried on by such a firm. The business of the members of the Association is carried on primarily with a view to distributing merchandise to the consumer at the lowest price consistent with quality, and, quite apart from the distributing side of the business, members conduct a large number of the smaller manufacturing and "making-up" trades as a necessary part of their distributive interests.

The members of the Association employ between sixty and seventy thousand distributive workers, and between twenty and twenty-five thousand workers in the manufacturing and "making-up" trades. The total paid-up capital employed by members of the Association is approximately £35,000,000. Every possible desire or need of man from his birth to his final dissolution can be satisfied by a typical firm which is a member of the Association.

2. Application of the Trade Board Act.—Under the Trade Board Act of 1909 the firms whose views are expressed in this statement were not directly affected.

Area No. 2.—West Lancashire, comprising say Blackpool, Preston, Leigh, Southport, Wigan, St. Helens, Warrington, Liverpool, Chester, Hanley and Shropshire.

Area No. 3.—East Lancashire, comprising say Barrow, Lancaster, Kendal, N.E. Lancashire, Blackburn, Accrington, Bolton, Rochdale, Bury, Manchester, and Westmorland.

Area No. 4.—Yorkshire.

North Midland.

Area No. 5.—Notts., Derby, Leicester, Rutland, Lincolnshire.

Area No. 6.—Staffs. (part), Worcester, Warwickshire, Northampton, Gloucester (part).

South Midland.

Area No. 7.—Oxford, Bucks; Bedford, Herts.

Eastern.

Area No. 8.—Norfolk, Suffolk, Cambridge, Essex (part), Huntingdon.

South Eastern.

Area No. 9.—Kent, Surrey, Sussex (excluding Metropolitan area).

Area No. 10.—London, Surrey (part), Essex (part), Middlesex (part), Kent (part).

South Western.

Area No. 11.—Cornwall, Devonshire, Somersetshire, and Gloucestershire (part).

Central Southern.

Area No. 12.—Hampshire, Dorsetshire, Wiltshire, Berkshire.

North Wales.

Area No. 13.—Denbigh, Flint, Carnarvon, Anglesea, Merioneth, Montgomery.

Monmouth, South Wales, and Hereford.

Area No. 14.—Hereford, Monmouth, Radnor, Brecknock, Carmarthen, Cardigan, Pembroke, Glamorgan.

Chairman: We are much obliged to you.

The Amending Act of 1918, however, seriously changed the situation. It was not generally realised by traders at the time that the Bill before Parliament would put such drastic powers in the hands and at the discretion of the Minister of Labour. In the difficulties of transition from war to peace conditions the Bill was placed upon the Statute Book before its import was fully appreciated.

3. Manufacturing and Making-up Trades.—Under the amending Act of 1918 the Minister of Labour proceeded to schedule manufacturing and "making-up" trades; definitions were drafted and Trade Boards were formed, the following directly affecting the large stores:—

Boot and Shoe Repairing Trade Board,
Brush and Broom Manufacturing Trade Board,
Coffin Furniture Trade Board,
Corset Trade Board,
Dressmaking and Light Clothing Trade Board,
Fur Trade Board,
Hat, Cap and Millinery Trade Board,
Laundry Trade Board,
Linen, Cotton and Household Goods Trade Board,
Made-up Textiles Trade Board,
Paper Bag Trade Board,
Ready-Made and Wholesale Bespoke Tailoring Trade Board,
Retail Bespoke Tailoring Trade Board,
Rope, Twine and Net Trade Board,
Umbrella Trade Board,
Wholesale Mantle and Costume Trade Board,
and many others.

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4. *Distributive Trades.*—In 1919 the Minister of Labour convened a Conference to consider the application of the Acts to the distributive trades, and it was realised immediately that there were so many interests involved that it would be very difficult, even if legally possible, to establish one Trade Board for the whole of distribution. Naturally each organised section of employers and employees who occupied their own particular corner in the distributive trades began to agitate for a separate Trade Board which would add to their dignity and importance. The tendency was at the outset for employers and employees themselves to create a demand for an unlimited number of Boards. This association from the beginning requested the Minister of Labour to consider the formation of one Trade Board only for distribution, on the ground that for the purpose of fixing a minimum standard of life, all distribution was one trade and the basis of salesmanship the same. When this was found to be impossible, the association suggested to the Minister that the just definition of distribution should be within three Trade Boards, i.e.,

- (a) Food and Provisions,
- (b) Furniture and Hardware,
- (c) Textiles, Drapery and Clothing.

This, in the view of the Minister, was not possible as the three sections could not be legally defined under the Acts. The Minister then proceeded to frame his plans for the distributive trade. It was early announced that there would be a Trade Board for the

Drapery and outfitting distributive trade,
Grocery and provision distributive trade,
Milk distributive trade,
Meat distributive trade,
Fish, poultry, game and rabbit distributive trade,
Fruit, flower and vegetable distributive trade,
Hairdressing trade,
Catering and light refreshment trade,
&c., &c.

The formation of these Trade Boards has in many cases been delayed, and has not been advanced further than the preparation of a draft definition. The Boards actually formed and functioning are:—
Grocery and Provision Trade Board.
Milk Distributive Trade Board.

If the application of the Trade Boards Acts to distribution proceeds upon the lines indicated above, there will be almost as many Trade Boards for the distributive trades as there are for the manufacturing and "making-up" trades. It would have been simpler for the Minister to have secured a slight amendment of the Acts to enable broader definitions to be framed, rather than to accept the legal limitations placed upon him by the existing Statutes, and thereby multiply the Trade Boards beyond reasonable limits.

5. *Unorganised Trades.*—It has been generally recognised by employers that the original Trade Board Act achieved a good purpose in raising the standard of life in the "sweated" trades, contained in the Schedule of that Act, and that the subsequent extension of that Act to certain other recognised "sweated" trades by sanction of Parliament also achieved a good purpose. The Amending Act of 1918, however, gave power to the Minister of Labour to apply the Trade Board Acts to any trade or industry which, in his opinion, was not sufficiently organised to give a reasonable basis for the mutual adjustment of rates of wages and conditions of employment. This was in accordance with the recommendations of the Committee upon Relations of Employers and Employees (the Whitley Committee) for covering those trades which were not sufficiently organised to form a Joint Industrial Council or an Interim Reconstruction Committee.

It is necessary at this juncture to describe the position in the distributive trades, and to explain why it can be classified within the Minister's conception of an "unorganised" industry. The employers are organised to the extent of between fifty and sixty thousand, the great majority of unorganised distributive employers being the smaller shopkeepers,

of whom many thousands are only "one-man businesses." The majority of the organised employers are organised sectionally through the local branch of their trade association; such as:—

- The Butchers' Association.
- The Bakers' and Confectioners' Association.
- The National Federation of Boot and Shoe Retailers.
- The Association of Caterers and Purveyors of Light Refreshments.

etc., etc.

They are also organised geographically in local traders' associations and chambers of trade, which are mostly federated nationally through such bodies as the National Chamber of Trade and the Drapers' Chamber of Trade. The larger distributing firms, which are carrying on many different trades under the roof of a central store and in adjacent or branch buildings, are organised in this association. The firms which are in the nature of multiple shops are also organised in their own associations.

The distributive trades, it is submitted, still give to the employee a clear field for advancement in accordance with experience and efficiency. The salesman who has been trained in the various stages has the ambition and opportunity in the progress of time to become a buyer; the positions of managers of departments or sections of stores are recruited from the ranks of buyers, and it is further observed that the principals of most distributing firms have themselves risen from the ranks of buyers and managers. By the very nature of the distributive trades it is always desirable that the control of the business should be in the hands of men who have had practical experience of every grade of the business, and the result is that employees in the distributive trades do not generally desire to have any coercive restrictions from outside organisations which will tend to produce the levelling up in their position, remuneration and prospects. It is for this reason that the employees' side of the distributive trades can be brought within the category of "unorganised" trades.

During the war, when there was a serious shortage of labour in the distributive trades, inexperienced labour was introduced which had had no previous training or knowledge of salesmanship and the various other grades of work connected therewith. Since the end of the war, owing to the state of trade, a large number of these untrained and temporary employees were continued in employment; and it is generally recognised that it is these employees who have been the majority of the organised employees of large distributive firms.

6. *Composition of Trade Boards.*—Under the Trade Board Acts a Trade Board consists of a panel of an equal number of representative employers and employees, together with a number of "appointed" members, who are selected by the Minister of Labour to act as an unbiased mediator between the two panels. These appointed members are in theory to protect the interest of the consumer. In fact they have usually been ladies and gentlemen of excellent academic qualifications, many of them University professors and efficient social workers, but in few cases, if any, can it be shown that an appointed member of a Trade Board had any technical knowledge of the particular trade concerned by the Board, or of the practical economic relationship of that trade to other trades.

The selection of the representative employers and employees by the Minister has also been a subject of criticism. It is quite appreciated that the Minister has great difficulty in selecting representative people from either side, as he has to bring on to the Board representatives from so many geographical areas. Naturally, in dealing with an "unorganised" trade a so-called representative employer will be more of a "typical" than a representative one. On the employees' side there is usually some nucleus organisation which is quite capable, and only too eager to nominate an employees' panel.

In the case of one Trade Board recently the rates were sent forward to the Minister for confirmation

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by a vote of the employees' panel and the appointed members, either with the abstention of the employers from voting, or after they had left the room. Subsequently the Minister referred the rates back for reconsideration, and with a view to securing agreement the appointed members themselves prepared rates on the basis of meeting half way the rates put forward by each panel, and when it was found how hopeless it was to contest the matter further, the employers reluctantly voted for compromise in the interests of industrial peace.

7. *Rates fixed by Trade Boards.*—If the original purpose of the Trade Board Acts, namely, to prevent "sweating" by fixing a minimum wage, had been adhered to, a considerable part of the objections raised by employers would be unnecessary. The result of the application of the Trade Board to the seven trades scheduled in the 1909 Act met with the general approval of employers, and it is not desired that the particular Boards appointed under that Act should be disbanded until some other means for adequately protecting the conditions in these industries has been devised. There has, however, been an increasing tendency on the part of Trade Boards to fix a standard wage instead of a minimum wage which was the original intention. This may have been due to the fact that the same organisations both of the employers and employees have been affected by, and represented upon, a number of Trade Boards, and have been tempted to use the machinery of the Trade Board for forcing standard rates covering a large group of workers up or down by playing off one Board against another. It is this fixing of standard rates higher than the economic minima of the trades, and the fact that a number of Trade Boards cover sections of what are generally looked upon as one large industry, which has caused so much dislocation. In the large stores, whose workrooms and workshops come under so many Trade Boards, it is customary in times of pressure to transfer a certain class of employee from one workroom to another in order to cope with a rush in business, but owing to the various rates that are now in existence, and the discontent amongst the employees themselves caused by transfer to workrooms coming under different minimum wage rates, this practice has had to be considerably curtailed. It should be generally appreciated that whilst it is possible to define for the purposes of Trade Boards such trades as (a) dressmaking and light clothing trade, and (b) the wholesale mantle and costume trade as separate trades, also the ready-made and wholesale bespoke tailoring trade and retail bespoke tailoring trade as separate trades, the employees in the less skilled trades are more or less drawn from the common pool of labour.

8. *Learners and Juniors' Rates.*—The result of Trade Board decisions in regard to learners has had serious results. It is frequently the experience of employers that mothers bringing their children who have just left school to seek admission for them into one of the "making-up" trades state that they have been informed by many employers that they will not be troubled with taking children owing to the Trade Board regulations and rates. A departmental store has its own educational system into which learners enter under the requirements of the Education Act, 1919, for continued education; thus learners in the same school who happen to be employed in different workrooms starting at the same time, are in receipt of varying rates of wages, with the result that there is considerable dissatisfaction among them and their parents at the outset of their careers. In order to escape trouble arising out of this, many employers as long as adult skilled labour is available set themselves against the ever-increasing expense of taking on learners and training them. During, and immediately following the war, a large number of employees wished to enter workrooms at a later age than they would have done in the ordinary course of events. They were eager to learn a skilled trade, but owing to the prevailing rates of wages fixed by Trade Boards they could not, and they cannot be profitably employed. It is now possible in the near future that

the making-up trades will be faced with a serious dearth of skilled labour. Further, the fact that a junior knows that on a certain date, because he happens to have a birthday, he will, *ipso facto*, have an increase in his wages, quite apart from any merit or efficiency. The general experience of a large number of workrooms which has been carefully collected shows that this causes (a) lack of application, and (b) lack of healthy competition. Good workers are greatly handicapped owing to the impossibility of increasing their wages beyond a certain point, whilst high rates have to be paid to a large number of less efficient employees, and the good workers therefore receive no encouragement. Inefficient workers, owing to the fact that their path is made easy by the Trade Boards, do not trouble to improve, and sub-normal employees, if they manage to secure employment, get little or no chance at all.

It is submitted that the high rates fixed by Trade Boards for learners during and immediately after the war has led to a diminution of the number of juveniles which can be accepted in the various trades, and has had a serious effect upon the employment of young children immediately upon leaving school.

9. *Adult Employees.*—What has been submitted in regard to juveniles is also generally true of adult employees. It is again found that the method employed by the Trade Boards of fixing wage by age leads to a lack of initiative in the individual employee and a general reduction in the standard of efficiency. The adult, similar to the learner, seldom understands the Trade Board notices, and a great number of small manufacturers employing a few hands make no attempt to explain these notices, or to pay the rates prescribed, being quite willing to risk the possibility of prosecution. The employer, therefore, who religiously interprets the Trade Board notices, and explains them in detail to the employees, is penalised. This is particularly true in the gentlemen's tailoring trade, the fur trade and the toy trade.

10. *Alteration of Rates.*—It is submitted that the time occupied in the procedure of Trade Boards to secure an alteration in the rates of wages, is a serious handicap to trade; that with the fall in the cost of living, the high wages reached by Trade Boards cannot be reduced quickly enough to save the particular trade from serious results. The organised employees submit that employers did not make this complaint when wages were rising at a less rapid rate than the cost of living. "Two blacks do not make a white," however, and the fact remains that this complaint is justified and is true. It must be comprehended that in the cost of production, wages whilst being a first and essential charge, is only one of many. During the last year, when the serious slump in trade has taken place, high wages have been largely maintained over that period, and simultaneously heavy stocks have had to be liquidated. Taxation and other charges and levies made upon industry by departments of State have also heavily increased. The whole of the items which go to make up the cost of production and distribution of a given article have been maintained at a high figure, whilst there has been a demand through the Press for a considerable reduction in prices and the inability of the consumer to purchase the articles at the price which present economic conditions permit them to be sold.

12. *Expense of working the Act.*—Firms report that when Trade Boards operate in departments of their business the work immediately becomes difficult and intricate. It is necessary to employ extra staff varying in size in accordance with the number of Trade Boards, and to insure that the firm are within the law. This is a non-productive charge, which is occasioned to industry by the existence of these Boards.

It is increasingly difficult for employers to find the time from their business to attend the protracted conferences and meetings which are preliminary to the defining of a trade under the Act, the actual formation of the Board, and the ultimate meetings

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of the Board itself. The employees are also experiencing the difficulty of securing suitable representatives for such a large number of Boards.

13. *Summary.*—The Association has endeavoured in this statement to summarise the position as it affects the larger distributing houses. It is the custom of the distributing trades to grade the staff throughout the whole of the stores into such grades as (a) salesmen and saleswomen, (b) clerks, (c) packers and skilled porters, (d) porters and lift attendants, messengers and cleaners. The division can be said to be horizontal and the minimum rates are paid to employees in each grade so as to permit the more efficient and experienced employees being paid a rate commensurate with their skill and knowledge. The advent of the Trade Board in the distributive trade, however, brings a further division, which can be said to be perpendicular. It considerably complicates the administration of the personnel side of a large business house through dividing it up into a large number of still smaller sections. The less skilled grades of labour which will be brought within the distributive Trade Boards should not be included therein. This particularly refers to such grades as porters who are available for employment in a large number of trades and industries and can migrate from one to another. Their minimum rate is therefore generally determined by the minimum rates prevailing throughout the district for the same grades of labour.

The same chaos which has been apparent in the manufacturing and "making-up" department of large manufacturers will be a still greater chaos in the distributive trade of the business. If, for instance, a heavy demand in the tailoring and costume department of a business is forthcoming, porters, etc., may have to be temporarily transferred from the grocery and provision department, and during a period—which may be of hours, days, or weeks—paid at a different rate.

Past experience has shown that Trade Boards covering the food distribution trades, such as the Grocery and Provision Trade Board (formed and functioning) the proposed Fish, Poultry, Game and Rabbit Trade Board, the Milk Distributive Trade Board, the Fruit, Flower and Vegetable Trade Board, may only result in one Board being played off against the other by ever-varying rates which have no relationship to the economic situation of the different sections of what is generally recognised as one trade.

The Association desires to urge upon the Committee of Enquiry that they should recommend the suspension of further action in regard to Trade Boards that are pending until some constructive alternative can be secured. The Association feels that if some scheme can be developed which is based upon the unanimous proposal made by the Joint Committee of the National Industrial Conference which, the Prime Minister addressed at the Central Hall, Westminster, in the spring of 1918, i.e., a national minimum wage, it would be a simple, economic, and constructive alternative to the present costly and cumbersome Trade Boards. The Association suggests that it is along these lines that the Committee of Enquiry might investigate further, if their terms of reference permit. It is obvious that a recommendation made unanimously by representative employers and employees is capable of some development in a definite Act of Parliament.

On behalf of the Association.

(Signed) T. Ernest Jackson,
Secretary.

125, Pall Mall,
S.W.1.

8th November, 1921.

2177. *Chairman:* You are the Secretary, Mr. Jackson, of the Incorporated Association of Retail Distributors?—Yes.

2178. What is the association?—The association consists of 85 large firms who are in the nature of departmental stores. The principal London and provincial stores are members.

2179. Such as Harrods, Selfridge's and Whiteley's?—Yes, and the other large houses. I have set out in the preliminary statement of my written evidence the exact scope of the firms which we include in our membership. I have quoted there for the information of the Committee the largest departmental store which has a large number of departments, 225, and there is I suppose hardly a human want for which these firms do not cater. It is quite unnecessary for me to go into the detailed activities of a large departmental store; they will be known to all the members of the Committee.

2180. They are mainly distributive, I suppose?—Yes, but incidentally they have a large number of small manufacturing industries and workrooms attached to the firms.

2181. What is that for—repairs, and so on?—Repairs, mainly, but some firms are also manufacturers on a fairly large scale.

2182. How many workers do these firms employ?—In the second paragraph of the first section of my evidence I say that they employ between 20,000 and 25,000 workers in the manufacturing and making-up trades, and between 60,000 and 70,000 distributive workers. That includes the main distributive houses in London, Manchester, Liverpool and Birmingham, and large stores in most of the other principal cities, such as Leeds and Bradford, and the whole of the South Coast towns. The association was formed to deal entirely with questions which are peculiar to departmental stores. We are comparatively recent in growth, having been formed on our present basis only for a period of under two years, and we have peculiar functions to fulfil. We deal with every problem connected with distribution from the time the goods leave the manufacturer's workshop until the time they reach the consumer's door.

2183. Did your firms come under the Act of 1909 at all?—None, except in so far as they may have been concerned with the wholesale bespoke tailoring. Apart from that they would have no direct connection with the 1909 Act. They would be incidentally connected, I suppose, with the chainmaking trade, because they were distributors of the finished articles, but they were not directly manufacturers.

2184. Of course, you have come, or may come, under the Act of 1918 so far as the trades with which you are concerned are not organised?—That is so.

2185. Under how many Trade Boards do you come now?—So far we are only directly affected by the Grocery and Provision Trade Board. A great number of our firms have large food departments, and that is the only Trade Board upon which we are directly represented, and which is at the moment functioning and affecting stores.

2186. Are there proposals for new Trade Boards which may affect you?—The Trade Boards with which we have already been threatened, shall I say, are Drapery and Outfitting (which I understand from the latest information, the Minister has practically agreed, although there will only be one Board, is to have two committees, one for dealing with drapery and one for outfitting), the Milk Distributive Trade Board (which does not affect us), the Meat Distributive Trade Board, the Fish, Poultry, Game and Rabbit Distributive Trade Board, and the Fruit, Flower and Vegetable Distributive Trade Board, the Hair-Dressing Trade Board (which will affect hair-dressing departments), and the Catering and Light Refreshments Trade Board. Those are the Trade Boards which the Minister has definitely announced his intention of forming in the trades affecting the stores, and upon which we have been consulted at various times with regard to the scope and definition of those Boards.

2187. Were you consulted at all before the passing of the Act of 1918?—No, there was no such association in existence then, except in nucleus, and they were not at the time consulted.

2188. Have you been consulted as to the formation of these new Boards?—Yes, we have had fairly frequent visits from officials of the Ministry, and we

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have also attended a considerable number of conferences on Trade Boards which the Minister has convened.

2189. I think there was a conference, was there not, about the application of the Act to distributive trades?—Yes, and I believe my association were represented then, not through the official body but by one or two of their members.

2190. What view did you take?—We had no association then formed. When the stores found that they were coming under the definition of unorganised trades under the Trade Boards, and that the Minister would apply the Trade Boards Acts to the distributive trades, they took the line then that there should be one Trade Board for distribution on the ground that salesmanship is the same for all purposes of minimum rates, no matter what you are selling.

2191. The man who sells meat and the man who sells grocery are both just people who sell over the counter?—Yes, for the purpose of minimum wage rates.

2192. I think you recognise that that was impossible under the Act as it stands.—Quite. After that the Minister informed us that it was not legally possible for him to define distribution as one trade, and we then put up a proposal to him that there should be three Trade Boards, and at the time we were quite prepared to accept this as a way out of a very difficult situation. The three were to be: Firstly, Food and Provisions, which would be a comprehensive Trade Board covering all food and grocery requirements; secondly, Furniture and Hardware; and, thirdly, Textiles, Drapery and Clothing, which would include the whole of the textile distributive trades. That was our second proposal.

2193. That would be a reasonable classification?—That, in our opinion, was a reasonable classification for three Boards.

2194. Did you contemplate district committees at all in connection with those Boards?—No, we did not, because at that time we were entirely a London organisation. It is only since that time that we have extended our organisation throughout the provinces.

2195. Have you any views now as to the formation of district committees?—We have not. We are endeavouring, as far as we can, to put it to you to-day that the Committee, if it has power under its terms of reference, might investigate the possibilities of a national minimum wage as an alternative to this system.

2196. Would that involve the formation of district committees?—That might, but we have not gone into details. We are simply putting forward the general principle.

2197. Mr. Pugh: I suppose you will agree that if you were going to form a single Board, or even three Boards, for the distributing trades it would not be workable unless you did have district committees?—Personally, I think so.

2198. You could not get proper representation on a single Board or even on three Boards of the whole of the distributive trades, could you?—I think my reply to that would be that the distributive trades are so large that even under the present definitions you do not get what we should call adequate representation. I think, for instance, the grocery and provision trade, wholesale and retail, being on one Board is such a vast trade that you could not say that the present Board was truly representative of the whole industry with its ramifications, and I do not think that any Trade Board for any distributive trade, unless it were very small or, perhaps, divided and sub-divided into very small Boards, would be truly representative.

2199. While your proposal for your three Boards might be suitable to trades or traders such as those whom you represent, would it be suitable for the smaller traders? Could you bring the smaller traders into your scheme?—I think you could. Certainly I think that small traders could be covered by these three groups, because they are, as I stated in my Statement of Evidence, organised in some way on

a very large scale now through their various organisations, such as the National Chamber of Trade, which has, I believe, twenty thousand members associated with it, mostly small shopkeepers.

2200. But is it your opinion that if you had either a single Board or three Boards such as you suggest, you could get rid of many of the difficulties which now exist?—Yes. I would like, if I might, to touch on that point later, because I am coming to the peculiar position in which our stores are. I have set out in paragraph 5 the reason why, in our opinion, the distributive trades are in such an unorganised condition. Various attempts have been made to organise the distributive trades on both sides, and have failed. I think, to-day, possibly the employers are becoming more organised, but on the employees' side the general feeling is that there is no trade in the country to-day which gives so much opportunity for advancement from the lower grades of the staff to the higher grades than the distributive trades, and as evidence of that I have stated that most of the buyers in the distributive trades are recruited from the ranks of the salesmen, and most of the higher managerial posts are ultimately filled from their ranks, so that there is an opportunity for the ambitious man or woman to-day in the distributive trades; and for that reason they seem rather to resist organising in organisations which might have the effect of levelling up opportunities in the trade.

2201. Crystallising them in their particular rank, I suppose?—Yes, quite so.

2202. Mr. MacCallum Scott: Would it have the effect of crystallising in that way? I mean, are the two necessarily connected? Would it prevent a man from rising up to be a buyer?—Do you mean by organisation?

2203. Yes?—No, but if the trade becomes completely organised on the employees' side it would tend, as it has done in those firms where there has been organisation and a measure of collective bargaining, to level up throughout the stores the whole standard so that, as has been the case in the work-room, the efficient worker would be paid at a lower rate than he has at present in order to provide a higher wage for the least efficient worker.

In paragraph 6 we refer to the composition of Trade Boards, and in passing I only want to mention this point; and I think it will deal with Mr. Pugh's point on paragraph 2: that there has been a feeling that on both sides, and particularly on the employers' side, it has been very difficult for the Minister to secure a truly representative person; and we have not been quite happy over some of the selections to serve on these Trade Boards. It does show the difficulty, and we quite appreciate the difficulty which the Ministry of Labour has had in securing these representative employers, and we feel that they should rather be called typical employers than representative.

2204. Mr. Pugh: How would you get over that difficulty?—We cannot see any way out of the difficulty, except by some statutory alternative to the whole Trade Board system; and I am afraid I must keep coming back to that, as from our point of view the Trade Board system as proposed will be absolutely unworkable and chaotic.

2205. Chairman: You recognise that the Ministry of Labour had very great difficulty under existing conditions in selecting a representative employer?—Quite so; we fully recognise the difficulties which the Ministry of Labour have in applying the Acts. We also realise that if employers had known when this 1918 Act was going through Parliament what powers it put into the hands of the Ministry, there would have been much stronger opposition to that Bill; but I do not think it was realised in the change-over from war time conditions to peace time conditions that it put such tremendous powers into the hands of a Government Department.

2206. You are speaking of the power to form Trade Boards?—Yes, without parliamentary sanction.

2207. Mr. Pugh: Supposing you did away with the 1918 Act, what method do you suggest of collec-

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tive bargaining to take its place? Do you suggest that you will have sufficient machinery for collective bargaining under the 1909 Act?—The only alternative which we have to put forward is that there should be some national minimum wage which would guarantee to the least efficient worker a subsistence level, leaving all higher rates to be fixed, as they are at present, by collective bargaining and other methods of bargaining, in accordance with experience and efficiency. If there is a minimum wage which affects the least skilled of the distributive workers, the trade is so naturally graded that there would be a rising grade of wages for each more skilled grade above the lowest.

2208. Accepting that as being in some degree satisfactory from the point of view of the trades which you represent, would that be satisfactory when you consider the large number of small businesses and so on? Is not that where your difficulty in maintaining anything like standard conditions exists?—The advantage I see in the national minimum wage is that by publishing each month in the daily Press that the cost of living figure is so-and-so, the minimum wage will therefore be so much for a certain district, and every worker employed in the smallest shop would know exactly what wage he or she had to have as a minimum in that district, and you would get away from the great difficulties which you have at present of adequately inspecting under the Trade Boards to see that the minimum wages fixed by the Trade Boards are being paid.

2209. *Chairman*: You are speaking of the distributive trades only?—Yes.

2210. *Mr. Bell*: Your system of grading might apply quite well to a large firm which was employing scores, or even hundreds, of shopmen and shopwomen, but suppose you had a small country shop which only employed one person who was general labourer, errand boy, and all the rest of it, how would it be possible to grade him?—I admit that difficulty, and I am not here to-day to speak on behalf of the small shopkeeper. I do not know whether the Committee has yet received evidence, but I understand that there will be evidence submitted to the Committee from the point of view of the small shopkeeper. Mr. Pegg reminds me that his position would be no better under the Trade Board because you have still got to define under which grade of labour he comes.

2211. *Mr. Pugh*: You have not got to define which Board he comes under, I hope?—You have not got to define that, but you will have to if the plans for the distributive trade are carried out. I want to come on to that point later on.

2212. *Chairman*: Before you leave the question of the constitution of the Trade Boards, have you anything to say about the system of appointing members?—We have a feeling there that the appointed members should be, as far as possible, people who have some understanding of the economic position of the trade. As I say, so far we have only had one experience of a Trade Board in the distributive trades, which is the Grocery and Provisions Trade Board, and the reference which I have made in the third paragraph of Section 6 of my evidence refers to that particular Trade Board, where the rates were sent forward to the Minister for confirmation and they were referred back by him for reconsideration, and, finally, the rates, I am informed, were agreed to by the vote of the appointed members and the employees' panel, the employers either having abstained from voting or having actually left the room before the vote was taken, and those votes are now pending confirmation by the Minister. We feel sure that had the appointed members had more knowledge of the economic conditions of the food trade to-day they would not have supported those rates.

2213. There would be a difficulty, would there not, in appointing members who had been engaged in the trade, because it would be said that they were biased in favour either of the employers or of the employees?—It is quite possible, I think, to get one Chairman who would be the only appointed member, apart from the two panels, who would have

sufficient knowledge of the economics of the food trades to act as a presiding genius over the meetings of the Board, rather than to have a panel of such varied people as we have to-day.

2214. When you say "to act as a presiding genius," do you mean with or without a vote?—I think without a vote.

2215. *Mr. Pugh*: Is there really any difference, or any material difference, between the functions of the appointed members and an Arbitration Court? Can you say when you would get men with greater experience in an Arbitration Court than you have in your appointed members, who are continually attending your Boards?—I think that usually in Arbitration Courts the Court consists of gentlemen who have some knowledge of some of the industries of the country. They are usually selected from panels, I believe, from another industry, or even from that particular industry, who are to arbitrate on the particular dispute; but in the case of a Trade Board, I think you would agree that most of the appointed members have little or no connection with any trade at all.

2216. Of course on the panel the representatives from the trade act as assessors, but have you not actually got that in the representatives of the two sides of your Board, and therefore will not your appointed members be in the position of a chairman who is not necessarily conversant with the trade, and who might sit on an Arbitration Court? I am wondering what advantage you are going to get from doing away with your appointed members, assuming that you are going to apply arbitration methods to settle disputes which the Boards themselves cannot settle, or which your people cannot settle?—I have no personal experience of the working of a Trade Board, and I am only informed indirectly that in the case of the one Trade Board the Board are practically agreed upon the employers' panel that the appointed members have not functioned properly; and that is the case of the Grocery and Provisions Trade Board. In my written statement I have referred in certain paragraphs to the rates fixed by the Trade Boards in the "making-up" trades, which affect indirectly and through the members of my association, but I find now that evidence has been given on those points by Mr. Barnard on behalf of the Drapers' Chamber of Trade, and I do not want to go any further into those points; but I have with me Mr. E. J. Pegg, who is the staff manager of Messrs. John Barker, of Kensington, and who has the actual management and control of a large number of workrooms, who would be prepared to answer any questions on those paragraphs which you or any of the members of the Committee desire to put.

2217. *Chairman*: We will make this statement of yours part of your evidence if we may; it is easier to follow what you say. Have you anything to say about the effect of these Trade Boards on a big concern such as you represent? I suppose you come under, or will come under, a number of Trade Boards if matters go on as at present?—We estimate that if the full plans of the Ministry are carried out, and the distributive trades are covered on the same elaborate basis as that on which the food trades are covered, where at least four Boards are already threatened, we shall be covered by between 25 and 30 Boards in the distributive trades, adequately to cover on the same basis the whole of the distribution.

2218. So that the different employees of your firms would come under different rates, although they were doing very much the same kind of work; is that the point?—That is just the point. At the present time, as I have stated, you may say that in a large departmental store the staff are graded horizontally in an average of four or five grades, the highest being the salesman and the saleswoman, and what we call Grade 1 clerks. They receive the highest minimum wage in the stores. There are those five grades. If the Trade Board applied throughout that store you would be cutting up those grades perpendicularly as

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well as horizontally, and possibly turning the five grades into something like 25 or 30 times five, leaving you with a store with minimum rates applying to anything between 120 and 180 different classes of labour. Furthermore, you would have to decide whether a porter who on Monday and Tuesday was handling meat in the butcher's department of the store, which happened to be busy, and on Wednesday and Thursday was helping to move pianos in the piano department of the store, was mainly engaged in the butcher's department or the piano department, and under which Board he would be paid.

2219. *Mr. Pugh*: Omitting the case of the porter, have you not already got a vertical division of your business which would largely minimise the difficulty of which you speak, that is to say, it is divided by departments, and would not a particular Board be applicable only to the particular department so far as the general staff are concerned, leaving out of account the case of the porter which, of course, one appreciates?—That, of course, is rather involved, because you have got so many different types of organisation. For instance, I could not say until I saw the definition of the various Trade Boards how far they would affect the other grades of the staff.

2220. Perhaps it will save time if I put this simple question: Do you say that there would be overlapping by the different Trade Boards between the different departments?—Certainly. In busy times you would get the selling staff transferred from one department to another in order to meet a rush, and assuming that their wages were fixed by Trade Boards they would have to be paid under a different Board for a portion or the whole of their week during the time they were serving there.

2221. *Chairman*: One often sees in these big stores sweets sold on one side of the room, and other goods on the other side; the same room is sometimes subdivided?—Yes. You have only to quote the case of what we might term "the village Whiteley" or "the village Selfridge," where he has in one fairly large shop almost as comprehensive and varied an array of merchandise as a store of considerable size, and you would have to determine in which trade he was mainly engaged, and under which Trade Board his employees would come. There would be the case of a man who was possibly serving out bacon at one corner, and in the other corner of the same room was dealing with draperies, one man doing the whole work.

2222. *Mr. Pugh*: Would your proposal for three Boards for the distributive trades largely get over that?—It would help matters considerably.

2223. *Lord Weir*: Would not the extreme case be the Woolworth shop?—Absolutely.

2224. They sell everything?—Yes.

2225. *Chairman*: Does that lead to difficulty among the workers?—It always has led to difficulty in the making-up trades, when what we term like grades of labour, seamstresses and others, have been transferred from one workroom to another during times of rush. One of the points in our evidence is that there are varying rates for like grades of labour. It is practically impossible for us now to transfer hands without causing discontent amongst employees. They cannot understand why, if they go into another workroom, they are paid a different wage for precisely the same labour, and it has in the past caused, and is at the present time causing, discontent in the workrooms of the stores.

2226. Their cost of living, of course, remaining the same?—Quite.

2227. You have something to tell us about learners?—In clause 8 of our evidence we have tried to summarise the experience of a large number of stores. At the end of that paragraph we state, "The general experience of a large number of workrooms, which has been carefully collected, shows that the high rates which have been prevailing for juniors, and the fact that a junior gets a rise automatically each year, because he happened to have a birthday, causes (a) lack of application, and (b) lack of healthy competition. Good workers are generally handicapped

owing to the impossibility of increasing their wages beyond a certain point, whilst high rates have to be paid to a large number of less efficient employees, and the good workers therefore receive no encouragement. Inefficient workers, owing to the fact that their path is made easy by the Trade Boards, do not trouble to improve, and sub-normal employees, if they manage to secure employment, get little or no chance at all." On that, Mr. Pegg is quite prepared to answer questions on the practical side, as the manager of workrooms.

2228. What happened before this Act; when a learner came in, was he or she paid at all to begin with?—(*Mr. Pegg*): Yes, they were paid a salary, and their salary was increased as they grew efficient.

2229. Not as they grew older, but as they improved?—No, according to efficiency.

2230. Who fixed that?—The managers of the workroom, who would generally be the fitter.

2231. Now they must be paid more as they grow older?—Yes, automatically.

2232. You are with Messrs. Barker, I think?—Yes. (*Mr. Jackson*): Do you want any further evidence on the question of learners' wages? This was rather fully covered by Mr. Barnard last week.

2233. We have had a great deal of evidence upon this point. I just want to know whether your experience shows that the effect is to prevent learners being employed at all?—Absolutely. I have here in writing a large number of statements from different stores. It is owing entirely to the non-employment and consequent decrease of skilled labour available at this time, and the high rates appertaining to Trade Boards, that workrooms are being closed down. I have letters from the firms already quoted before this Committee, the Portsmouth and Southsea Stores concerned in the recent dispute. Two of those firms are members of my Association, and have supplied me with written statements which have already, I believe, been received by you from other sources. I have a letter from a large store in Liverpool which states that "making-up departments are giving way to the ready-to-wear department, owing to the high cost of hand work production under Trade Board rates."

2234. I was thinking more of the learners. We were told by the Trade Boards that the effect of these rates was that they would not take learners at all. Is that your experience?—That is so. Very few learners are being taken at the present time, and I believe a child has got to show particularly good characteristics to have an opportunity of getting into employment to-day.

2235. That must affect the supply of skilled labour in future years?—It is already, I believe, affecting it in many trades. Owing to the high rates which were reached by certain Trade Boards during the war, and at the end of the war—in 1918 and 1919—among the young people who are now reaching 19 and 20 years of age, there is great scarcity of skilled workers.

2236. *Mr. Pugh*: What do you suggest is going to be the ultimate result if you are not getting the learners? If that means that you entirely lose your skilled workers, who is going to make your goods? Are they not going to be made?—They will be made in factories. It is driving the trades to factories now.

2237. That is the point, is it? It is increasing the factory trade at the expense of the handicraft?—Yes.

2238. *Chairman*: Does that affect the proportion of workers employed?—Ultimately, yes, because of the mass production in factories, and the fact that the employee in a factory is only a machine minder, whereas in the workroom they have a definite handcraft, and are not handling so many garments naturally as one worker would in a factory.

2239. So that for the same number of garments more people would be employed in private trade than in the factory?—Yes, a good many more.

2240. *Mr. Bell*: The factory system cannot affect the distribution, can it?—The factory system affects it in this way, that a lady who came in to buy a

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costume would say that she would take a ready-made costume—I think Mr. Pegg will confirm this evidence—and then have it altered to suit her. She would be told that the cost of alterations in the workrooms which are under the Trade Boards would be so much, and she would then refuse to have the costume altered. It has even affected in many cases the factory trade, because a ready-made article comes in and the customers frequently refuse to pay the cost of altering to suit them. The ready-made trade has been considerably injured by it. In Mr. Pegg's case they were employing 41·3 per cent. more employees in the dressmaking this time last year than they are employing this year, and yet the trade in that particular department has tremendously increased this year as against last year's, showing, of course, that extra trade has gone into the factory-produced goods.

2241. *Lord Weir*: That is a tendency which has not been brought about wholly by the Trade Boards? You will not submit, will you, that that is entirely due to the Trade Boards?—No, I would not be so foolish as to suggest that that was due entirely to the Trade Boards. We know as a matter of fact that the high costs of the hand goods under the Trade Board have facilitated it, but I think it is generally lamented throughout the trade that the handcraft is departing, because it has generally been finer work and a more useful article.

2242. *Mr. MacCallum Scott*: Then you do not lay so much stress upon learners' rates? I thought just now we were on the question of the difficulty raised by the high rate for the learners—the juniors?—There will always be enough work coming into a workroom to keep a certain number of skilled workers always employed under any conditions.

2243. How have they got over that difficulty of the learners' rates in the factories? You cannot answer that perhaps, but there is in the factories also the problem of the learners?—(*Mr. Pegg*): May I say that I think when a girl goes into a factory she is almost immediately a wage earner, but when she comes into a workroom I am afraid she is not. So far as we are concerned I do not know whether it is quite clear that we were last year employing 41·3 per cent. more dressmakers: I had that worked out for me. We do ourselves consider that in our own workrooms that is due expressly to the Trade Boards. That is our opinion, because we are doing more trade in the department, consequently the workrooms, which are largely concerned in dealing with the manufacture of the goods which we have already bought, should be more busy still. They should be correspondingly busy with the department, and they are not.

2244. *Lord Weir*: Is it possible for you to give us an idea of the increase in the cost of a particular product which you would attribute to the action of the Trade Boards?—I think they could tell you that more in a factory than we could in a workshop. May I say that it is something of the atmosphere which you have got into the workshop. Our juniors have got an idea that they must be worth what we are paying them or we would not be paying them that salary. The people who are really good servants to you are discouraged because you cannot increase their salary. Why can you not increase their salary? We made a very substantial loss in our workrooms last year. I happened to take up a trade journal, and I noticed that our chairman said that we made between £2,000 and £3,000 loss in our workrooms last year. I put it down entirely, roughly, that that is due to the Trade Board. I think if our chairman had gone a bit further he could have found a bigger loss than that. Only yesterday a girl came to me, and I said: "What can I give you to do here? Why did you leave?" and she said: "I am 22, and we are paid on the scale. We girls of 22 are doing the work and the seniors are getting the money, and I only get on advance when I am a year older. There is that killing of initiative and the incentive to excel which, in my opinion, is what

we shall be up against if we get a Trade Board established in our house and throughout the distributive business.

2245. *Sir Arthur Pease*: Do you mean that the loss is due to too high wages or to too little work?—A little of each—some of each.

2246. *Mrs. Lyttelton*: And to the uniform rate not allowing for competition?—Yes, I think so.

2247. *Sir Arthur Pease*: Upon which would you lay most stress—that the rates were too high or the impossibility of increasing the remuneration of people according to their work, which would increase their efficiency?—Yes, it would increase their efficiency in my opinion.

2248. To which of those two do you attach most weight?—I think to the opportunity of increasing their efficiency and getting their interest in the work which they are doing. I think that is the whole substance of it.

2249. *Mr. Bell*: But is there anything under the Trade Boards to prevent you paying for an increase of efficiency?—If your workrooms are losing thousands a year you cannot very well throw much more away.

2250. I want to ask you a question about that. With the same rates in operation have you not made a profit in previous years?—I am afraid I could not answer that question. Have we, with the same operations? We did not have the same operations, did we?

2251. I said, with the same rates in operation.—If we have the same rates in operation without the Trade Board, can we make a profit; is that the point?

2252. No, I said: With the same rates in operation, have you never made a profit?—But we did not have the same rates. I could not say they were the same rates in operation without a Trade Board. I do not think we ever paid a girl of 14 9s. per week, or whatever the wage was. I do not think we did that, because her economic value would be about 2s. 6d. When I came to look into things I found where this money was going, and I said: "Get rid of them; we cannot afford to carry it."

2253. *Mr. MacCallum Scott*: How long has the Board been in operation?—About 18 months, I suppose.

2254. *Lord Weir*: I should like to put my question to you again: Supposing you take any one product of your workroom—let us say repairing a skirt—assuming that in 1914 your wage cost for that was 10s., what is it to-day, and of the difference how much is due to the general inflation in values, and what is due to the Trade Boards? Is it possible for you to answer that?—May I put it in this way? I am speaking as a general manager. If you have not got the same energy put into that, although the rate of wages is the same, the cost will be more. May I ask my practical person who is here? (*Mr. Jackson*): Might I say, while Mr. Pegg is getting his answer ready, that we do not consider that any age is too high for adequate service, and it comes back to the old question of output. According to the evidence that I have, the output in the workrooms has decreased by the introduction of the wage for age with the automatic rises, and that has been one of the main causes which added to the costs of alterations and products in workrooms, in the West End of London, particularly. It has been the fall in the output consequent upon the lack of ambition on the part of the employee which is caused by the automatic rise each year. If you had the output and the efficiency of the worker which you had before the war, I think there is no doubt about it that conditions might improve.

2255. *Sir Arthur Pease*: Had not the output gone down before there was any question of a Trade Board? (*Mr. Pegg*): No. (*Mr. Jackson*): No, I should give an emphatic answer to that. Before the Trade Board came into the workrooms there was no decrease in the output.

2256. Not compared with pre-war?—Not compared with pre-war, except that during the war you might have found that certain firms had to take into their

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workrooms a less skilled type of employee, because they were busy and many of the employees went off into munitions, where they could earn more money, and they had to take workers where they could. During the war there was that experience.

2257. *Chairman*: That was dilution.—Yes.

2258. *Mr. Pegg*: Is it possible for your Association to support that with actual figures?—Actual figures as to output before the war?

2259. You said that on the application of the Trade Board system to the business, production went down. That statement, of course, would be based upon certain experience.—Quite so.

2260. Is it possible to demonstrate that experience by any sort of figures?—I will endeavour to secure the figures for the Committee and post them on to you.

2261. *Chairman*: Have you got your answer ready, Mr. Pegg?—(Mr. Pegg): I thought the question had been answered.

2262. *Lord Weir*: My question is very simple indeed. I said: Take a cost of 10s. in 1914, and assume that everything is nominally double to-day and that that ought to be 20s.—I am only speaking of the wage cost: Is the wage cost 20s. or is it 30s., and of the 10s. difference do you attribute it to the Trade Board or to what do you attribute it?—It is just this. The wages pre-war were on a lower basis, and they are on a different basis to-day. I do not think you quite follow the point. You would not have two skirts alike in a workroom. It is not a factory.

2263. But it is quite conceivable that you have to repair the same kind of skirt now as in 1914?—No, we would not be doing repairs, we would be doing alterations. Alterations is a different thing. It is not like producing a thing by the gross in a factory.

2264. *Dame Adelaide Anderson*: You mean that the fashion for the individual article has changed and the work put into a skirt would be different?—Yes. You would not have two of the same kind of garment in stock probably.

Lord Weir: I think you must assume that you would have to do something the same in 1914 as now. Can you not think of any example?—?

2265. *Mrs. Lyttelton*: Would you take payment by time for something?—I will help the Committee all I can, only I am a staff manager and I have some thousands of staff, and the workroom is only a side issue; but I would be very pleased to answer anything to the best of my ability.

2266. *Chairman*: It only comes to this, I think: what percentage of the increased price do you put down to Trade Boards?—I should say roughly one-third.

2267. *Lord Weir*: Of the wage cost?—Yes. (Mr. Jackson): The figures which are given me are that work costing 21s. in 1914 would to-day cost 42s.—precisely the same work. That is 100 per cent. increase on wages, as compared with 1914, for the same actual work. The figures as to output we cannot give at the moment, but we will endeavour to give you figures as to output.

2268. *Sir Arthur Pease*: For the same time do you mean, or the same work?—For the same work.

2269. *Chairman*: We had better get back into the main stream of your evidence. You had something to tell us about the time occupied in altering the rates?—Yes. We simply referred to that as it is our experience in the case of the Grocery and Provision Trade Board that the time which is taken to get the rates operated or varied is too long. You have that case of the Board which I have just quoted, where the rates were practically determined in November of last year; they were not sent forward to the Minister for his confirmation until the spring of this year, when the cost of living had considerably fallen, and it was on that ground that the Minister referred them back to the Board for reconsideration. We do feel that the time in which rates can be varied is much too long. It applies both ways, to the employees and the employers of course; but when agreements are made between firms and their employees for a rise or a fall in wages, certainly the rise is

frequently made retrospective, but the reduction is never made retrospective. Under the Trade Board, of course, you have the situation of wages being fairly high at a time when the cost of living has fallen, and the cost of production in the particular trade still remains high, and enormously affects the trade.

2270. You have no special suggestion to make as to time?—We have no suggestion as to time. We feel that the whole Trade Board system requires not only reconsideration, but, possibly, replacement, and we are not prepared at the moment to put up any definite suggestion for the re-modelling of Trade Boards.

2271. Then what about expense?—As to the expense of working, we chiefly want to refer to the time which is occupied, particularly by employers, in Trade Board matters. We find that we are summoned to a large number of conferences, and the meetings very frequently stand adjourned—meetings which employees attend at the expense of the Government from all over the country, and there is usually much discussion as to the scope and definition of a Trade Board which might very well be done without such a meeting. We practically have to adjourn at this preliminary conference because the section of employers in the room feel either that they ought to have a separate Trade Board, or that there ought to be other sections brought in. Then again, when the Trade Board is actually formed, the employers' time occupied in sitting upon the board is also increasingly heavy, and if the Minister carries out his plan of applying the Trade Boards throughout the distributive trades, we shall be in the position of having to staff a large number of Boards with employers, and occupy their time in that way.

2272. *Mr. Pegg*: You will appreciate that whenever you have negotiating machinery it involves the employers' and workmen's representatives giving the necessary time to give effect to the machinery?—Quite.

2273. Do you suggest that in your Trade Board arrangements that is excessive, in comparison with what generally obtains in other industries?—Much more excessive. If you are negotiating conditions for your own particular group of firms, it can be done in a much quicker way than by fixing up rates by the machinery of a Trade Board, which is going to cover the whole country, or certainly a much larger section of the country.

2274. And that would probably be simplified by your suggestion of three Boards only for the distributive trades?—It would simplify it from our point of view, certainly, but we should prefer not three Boards, but one Board for the whole of the distributive trades.

2275. *Chairman*: How would you fix a national minimum wage by one Board?—It need not necessarily be national in the sense that it would be one rate applying to every district all over the country, but it would have to be graded possibly by districts according to the cost of living.

2276. Do you suggest that it should apply to all trades, or only the distributive trades?—Our alternative suggestion—would be a national minimum wage which should apply to the lowest grade of worker in each district, the districts to be determined by some such method as a Royal Commission.

2277. That would involve a further very careful inquiry?—A very careful inquiry.

2278. I think in Australia it took some years to make that inquiry, and the results have not yet been approved even?—Do you mean an unvariable minimum wage?

2279. You would have some machinery for varying it if goods got very much dearer, or the reverse?—A minimum wage which would rise and fall with the cost of living automatically—which would require no committee to supervise it, and require nothing but a bare announcement of the cost of living figure.

2280. The cost of living figure is not always undisputed, is it?—We would suggest that the method

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whereby that figure is prepared should be investigated, and if possible a better figure secured, and it should be accepted by all parties.

2281. That would involve a further inquiry?—Of course the whole question of the fixing of wages by the State is so important that the most exhaustive and careful inquiries are necessary. You have under the Trade Board system a fixing of wages practically by the State for a particular section of the trade—I am speaking now of distribution. The result is if you fix for that particular trade too high a minimum rate, or even a standard rate, as Boards in other trades are said to have fixed, you may take it out of its economic relationship with other sections of the same trade. That is the whole difficulty. The moment you set a very high standard of minimum rate in the grocery and provision trade, you would automatically force throughout the distributive trades a very high minimum rate upon other sections of distribution. They are so inter-related and connected that the wage fixed in one trade forms the basis of negotiation for a higher rate in another section of what is, after all, the one trade, salesmanship.

2282. I do not doubt that; I was only wondering whether you had considered the tremendous task which you are suggesting when you ask for a national minimum wage. I suppose it would extend to all the trades, including such people as miners, and so on, who would put their minimum very high probably?—I think the output of energy required to secure a national minimum wage might be about 50 per cent. of that which is now exhausted on the very elaborate Trade Board system per annum. I think not only would you save 50 per cent. of the present output of energy of your members on Trade Boards, but you would save a considerable amount of Government expense and the time of Government staff.

2283. *Mr. Pugh*: But is there really so very much difference between the machinery of the Boards and the ordinary machinery of negotiation in other industries, excepting that the Trade Board decisions are made compulsory by the State, and in the other industries they are not? May I put it in this way: supposing you made decisions arrived at by other Wages Boards which exist in other industries compulsory, would not they be in very much the same position as your Trade Boards are?—Certainly. There is no objection to wage rates which are agreed being made legally compulsory, because it does protect the good employer against the unscrupulous employer, and we feel that there should be some method of protecting the employees against sweating; and it is for that reason we say that whilst the Trade Board system brings chaos into our business, and that to proceed on the lines indicated will bring still greater chaos, we put to you the suggestion of a full minimum wage as an alternative, in order to secure that standard of life which is necessary for the employee.

2284. My point is that I do not see why there should be very much greater difficulty in applying machinery of negotiation collectively in the distributive trades than there is in other industries, provided that the methods of applying the machinery were similar. The essential difference seems to me to be that in the one case your decisions are made compulsory and in the other case they are not compulsory?—There is that difference in fact, but in the distributive trades I am pointing out that you will have so many different minimum rates applying through one business house. Under the machinery to which you refer in other trades, you practically only have one rate. I take it, for one grade of labour throughout the whole of the trade.

2285. What I am trying to get at is this, whether the difficulties which you put before us are difficulties arising from the application of the machine, or from the machine itself?—They are certainly not difficulties which arise from the application of the machine, but from the machine itself, and that is

by reason of having too many machines for one trade. That is the whole of our difficulty.

2286. I have had a great deal of experience of Wages Boards, but I have not yet been able to understand why you should have greater difficulty in respect of your negotiating machinery in the trades which you represent than we have in other very important trades. I can conceive difficulty possibly arising from the compulsory factor, but it does appear to me from the evidence which has been submitted to the Committee up to the present that the difficulty is not in the Board itself, but in the mode of application, and possibly in some cases it is owing to the constitution of the Board, it having possibly too many or too few members. I put that forward because there seems to be an important distinction between an objection to the Boards as such and justifiable complaints as to the way in which they are utilised. You appreciate the importance of the difference, do you not?—Yes, I quite appreciate it, and the objection is, of course, to the way in which the Boards are used, and the large number of Boards we are threatened with. Possibly we are crying out before we are hurt, but we know what the plans are, and we are asking the Committee to consider what will be the position if those plans be carried out.

2287. *Chairman*: You mean apart from that you would have no objection to the Trade Boards?—Quite so.

2288. *Dame Adelaide Anderson*: Does it partly arise from not being used to wages consideration jointly with the workers?—I mean not being used to working out agreements? Perhaps these other trades of which Mr. Pugh was speaking have slowly evolved their own machinery. I am trying to find out what the difficulty is?—They are, of course, highly organised, and they are able through their higher organisation and long experience to have their agreements honoured and carried out throughout the trade.

2289. Does not that show all the more urgency for regulation of the character of the Trade Boards where there has been that slow growth of self-government?—We quite agree that there should be more regulating machinery; it is simply on the question of what that machinery is to be that we differ from the Trade Boards. They do not, in our opinion, meet the situation.

2290. *Chairman*: You wanted to say a word about suspending the operation of the Act, did you not?—Yes. We desire to urge that this Committee should seriously consider recommending that no further Trade Boards should be applied to the distributive trades. The Grocery and Provision Trade Board, as I pointed out before, is operating and functioning, and it is anticipated that those rates will shortly come into operation. We urge that until some complete revision of the Trade Board machinery, or, as we suggest, the statutory alternative of a national minimum wage, takes its place, no further Trade Boards should be formed. I have described in detail how it will affect the large stores, and the absolute chaos which will result if the application of the Trade Boards to the distributive trades should be carried out completely, and I want to urge upon the Committee that that shall not be proceeded with until, at least, the Report of your Committee is available, and, if possible, not even after that, until some alternative is found to the Trade Boards.

2291. *Lord Weir*: You are interested in the grocery trade, in which these things are pending now; will it constitute any grave difficulty in your large stores?—The existence of the Grocery Trade Board will not; it will simply mean that it will fix a rate which will immediately become operative, and which will be paid to all employees in the grocery and provision departments. It will obviously follow that certain grades of labour which come under that Board will then immediately affect the same grades of labour in other departments of the stores: that will be the immediate effect when it comes into operation; but that will not constitute a difficulty. The

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difficulty will be if the three Boards already defined, meat distribution, fish, poultry, game and rabbits, fruit, flower and vegetable, are brought into operation, because you will then have four Trade Boards in what is commonly called the food department of the stores.

2292. *Mr. Bell:* You made rather a point of the question of the wages as fixed by the Trade Board affecting employment: are you of opinion that the wages in an industry covered by a Trade Board are higher than they are in an industry which is not covered by a Trade Board?—I would not submit to the Committee that the existence of Trade Boards had appreciably affected employment, but it does in some ways, and it will in this way: we will assume that a store of the type I have quoted, which is situated in the West End of London, has to attract to its employ a highly efficient and highly qualified type of labour: it has to pay a wage which will attract that type of employee to come in from the outlying parts of London and take employment in that store; and to do that it has to pay a higher rate than will be paid in the suburban districts of London. Under the Trade Board rates the moment those become applicable that store will have to pay higher than

the Trade Board rate in order to attract the right quality of labour.

2293. There are certain industries in the country which are not affected by the Trade Boards Act, while there are others that are; in which industry is the wage the highest, is it higher in those affected by the Trade Boards or in those not affected?—It is quite impossible to say off-hand what industries are affected by Trade Boards: you might find one which is not affected paying higher wages than one which is affected, and there are so many affected and so many unaffected that it will cut both ways.

2294. You would say, generally speaking, that those affected pay higher wages than those not affected, would you not?—I should suggest, on the contrary, that in certain kinds of trades, such as the making-up trades, the wages have been forced to an uneconomic height by Trade Boards, and have consequently resulted in a certain amount of unemployment, but I would not say that that unemployment in those trades has been due to that factor, because there has been the other factor of the reduction of the purchasing power of the public.

Chairman: We are much obliged to you for your evidence.

(The Witnesses withdrew.)

Mr. A. H. WOOLLEY and Mr. F. W. CHRISTALL, Miss SUSAN LAWRENCE and Mrs. ———, a Middlewoman, called and examined.

Mr. Woolley handed in the following statement on behalf of the employers' side of the Lace and Net Finishing Trade Board:—

We have been doing our best for about eleven years to put up with the serious defects of the Trade Board system because it has one great redeeming feature, i.e., it gives power to take legal proceedings to compel the would-be sweater among employers to pay the minimum rates fixed and so tends to eliminate the undesirable or incapable employer. For this reason we have been content to wait for amendments to the Act to rid us of the serious difficulties which it has imposed on us, owing to the fact that when it was drafted Labour demagogues and philanthropic cranks only were consulted and employers were ignored.

Now that amendments are in prospect we make it a condition of our continued co-operation that if any new legislation is enacted effective provision shall be made therein for dealing with the defects referred to, which come under the three following heads:—

- (1) Middlewomen and middlemen.
- (2) Foreign competition.
- (3) New provisions for prosecution of offenders.

Middlewomen and Middlemen.—The amendment required under this heading is made the subject of a separate document, enclosed herewith, from which it will be seen that the Lace Finishing Trade Board as a whole will not continue to function unless a Special Clause, which all sides of the Board deem necessary, is included in any new legislation.

Foreign Competition.—The foreign competition which is most prejudicial to the Lace Finishing Industry is that of an exactly similar industry in France, in which country the scale of wages paid for precisely similar work is, at the normal or pre-war rate of exchange, actually less than half the rates fixed by the Board, whilst at the present rate of exchange it is less than one-quarter of these rates. This competition has entirely prevented Nottingham for a long time from producing the best class of laces in competition with Calais, as these best goods contain the largest quantity of handwork, which handwork is done by the outworkers for whom the Board fixes the rates payable without having any regard to the rates paid in Calais. It is absolutely essential therefore that there shall be new legislation providing that the appointed members shall take into consideration the incidence of the lower rates paid in these similar industries abroad which are competitive in the

markets of the world and in the home market. Failing this, Counter-Vailing Duties must be imposed that will balance the difference between the rates paid abroad and the rates fixed by the Trade Board, so that if we cannot compete in foreign markets we may at least retain our home market.

Prosecution of Offenders.—When all sides of the Trades Board are agreed unanimously, power should be given to the Board to initiate and take charge of prosecutions for underpayment without having to depend upon the permanent officials in London to do this, with the delay or slackness which is usual under the present system. This is urgently necessary in view of the fact that on the ground of economy it is not desirable to increase the staff of inspectors although their numbers are undoubtedly quite inadequate.

Special Statement on the position of Middlewomen and Middlemen.

(1) The Board has no power to fix a rate of commission or other remuneration for middlewomen or middlemen.

(2) Both sides of the Board and the appointed members are unanimously of the opinion that it is urgently necessary in the interests of the workers and the good employers that such power should be given them by Statute.

(3) All the members of the Board have laid their views hereon before the Minister of Labour and the employers' representatives struck (i.e., declined to sit) until the deputation had been received and heard on the matter. This deputation, representative of all three sides of the Board, was received sympathetically, but they were told that nothing could be done without the sanction of Parliament.

(4) Whereupon the members of

The Nottingham Chamber of Commerce,
The Lace and Net Finishers' Association,
The Homeworkers' League

took the matter up and stated a case for a One-Clause Bill to amend the Trade Board Act, to be worded as follows:—

A Bill to Amend the Trade Boards Act, 1909.

To add the following Clause to Paragraph 3 (1) of the Trade Board Act of 1909.

"The Lace Finishing Trade Board may also fix for their trade the minimum rate of

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Mr. A. H. WOOLLEY, Mr. F. W. CHRISTALL,
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[Continued.]

commission or other remuneration to be paid to middlemen and middlewomen."

Their case was stated in the form of a Petition to the Minister of Labour in which their reasons were very fully set out (see below).

In conclusion if the Clause as drawn is adopted and passed into law we would point out that nobody has any right to object because no trade other than the lace finishing trade will be affected thereby.

Annex to Document No. 4.

Copy of a letter sent to the Minister of Labour.

Sir,

The members of

The Nottingham Chamber of Commerce,
The Nottingham Lace and Net Finishers' Association, and

The Nottingham Homeworkers' League

desire to draw your attention to difficulties that have arisen in the lace finishing trade owing to the fact that no cognisance is taken of middlewomen in the "Trade Board Acts, 1909 and 1918." In consequence no remuneration for middlewomen can be fixed by the Lace Finishing Trade Board. This anomalous position of the middlewomen results in their being grossly underpaid by the bad employers, thus penalising the good employers, and inflicting hardship on the workers to whom the middlewomen distribute the work. To state the case fully, the position is as follows:—

A great part of the lace finishing is done by outworkers. In a majority of cases the work is given out to them not by the owners of warehouses, but by middlewomen, who receive work from warehouses and distribute it to the workers. In the eye of the law these middlewomen are employers, who are responsible for paying the correct Trade Board rates to the workers and also for their insurance under the National Health Insurance Act. The position of many of the women concerned is such as not to enable them to discharge adequately the duties of employers. The middlewoman is paid by a commission varying from 25 per cent. in the case of good employers to as little as 15 per cent., or even, in some instances, 10 per cent. The quantity of work given to these women is in many cases small, amounting to perhaps from £5 to £10 worth of work per week. It will thus be seen that a middlewoman who only receives 15 per cent. on such sums is herself in the position of a poorly paid worker. Consequently it is not surprising that cases occur and have been reported by inspectors, in which the middlewomen have not paid the Trade Board rates to the workers, and where the latter have not been properly insured, but there is reason to believe that the cases which are not discovered and reported are much more numerous.

We feel—and we understand that this opinion is shared by responsible officials—that the poverty of many of the middlewomen resulting from their underpayment makes it exceedingly difficult to enforce either the Trade Board Act or the National Health Insurance Act.

The Lace Finishing Trade Board has considered this question, and thinks that these evils would be to a great extent mitigated if they had the power to fix a proper commission for middlewomen.

We understand that both sides of the Lace Finishing Trade Board, and the appointed members thereon, are unanimous on this question, and have laid their views thereon before the Ministry of Labour, both by deputation and through their secretary.

We desire to associate ourselves with them as representing the opinion of both workers and employers, and to ask that special legislation should be introduced, giving the Lace Finishing Trade Board of Nottingham the power to fix the minimum commission to be paid to middlewomen.

We venture to appeal hereto a draft (see above in special statement on the position of middlemen and middlewomen) of a one-Clause Bill which would have the desired effect, and from which it will be seen that *no trade other than the lace finishing trade will be affected thereby*. This we respectfully urge should be passed by Parliament at the earliest possible moment in order to remove the anomaly, and the resulting hardships and abuses complained of.

Miss Susan Lawrence handed in the following statement on behalf of the workers' side of the Lace and Net Finishing Trade Board.

I am the secretary of the workers' side of the Lace Finishing Trade Board, and secretary of the Home Workers League, Nottingham branch.

The Home Workers League is not a trade union. Attempts were made at different times by the Lace Operatives Society, and by the National Federation of Women Workers to organise the outworkers. These attempts not having been successful, an attempt was made, with the knowledge and approval of the union concerned, to form a society with a subscription of one penny a week, in order to accustom the workers to corporate action and to assist the trade union representatives in maintaining and enforcing an adequate rate. Additional funds were furnished through the Anti-Sweating League. The experiment was successful, and immediately before the late depression in trade, the leading homeworkers concluded that it would be practicable to enrol the homeworkers on a self-supporting basis. The trade depression, however, and the consequent extreme poverty of the homeworkers, made it advisable to postpone this experiment.

The position of the middlewomen has already occupied the anxious attention of the Board. The recognised trade commission is 25 per cent. on the work given out. This agreement has been printed as a matter of information on the Trade Board notices, and is customarily observed in Nottingham.

Workers who fetch their own work are paid a 15 per cent. commission. This is legally enforceable, whereas the 25 per cent. for the middlewomen cannot be enforced. Instances have come to the notice of the workers and the Trade Boards where employers pay the middlewomen 15 per cent. only or even 10 per cent. There are a large number of persons who act as middlewomen in a very small way. The amount of lace given out varies greatly from week to week; when little lace is given out they act as outworkers, when more lace is given out they employ others. The work of the middlewomen is important and difficult. She has to measure the lace and furnish particulars to the outworkers. A glance at the piece price list fixed will show that the work is not altogether a simple matter. Further, she is responsible for the health insurance of the outworkers, and has to furnish the employer's contribution. It will be seen that a middlewoman with a small amount of work and a 15 per cent. commission is actually in a worse position than the workers she employs. She cannot well refuse to take the extra work offered her, and she would, in such a case, run the risk of being without work at all. An unscrupulous employer is therefore under a strong inducement to employ no outworkers.

If he has 30 outworkers and turns 10 of them into middlewomen, he will save 15 per cent. on the 20; he will save all expense and trouble under the Health Insurance Act, and will be rid of his duties as an employer under the Trade Board Act and the particular clauses of the Factory Acts.

From the point of view of the outworker it becomes almost impossible to enforce either the Trade Board Act or the Health Insurance; as it is idle to establish a claim for arrears against a woman who is herself in extreme poverty.

I desire to put in the following extract from the report on administration made by the officials of the Lace Finishing Board on December 31st, 1919,

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[Continued.]

and to draw particular attention to the concluding paragraphs:—

"There is a very general absence of adequate records by the middlewomen, and although the Act of 1918 makes it an offence to fail to keep such records of wages as are necessary to show that the provisions of the Act are being complied with, it is felt that a prosecution on this ground only might be subject to the risk of dismissal on the ground of its being merely technical. The dismissal of one or two such cases would seriously diminish the value of the provision in the Act in its use by officers in securing the keeping of records.

"In the absence of records, the officers are dependent for their evidence as to underpayment upon the actual workers, and frequently the outworkers are very reluctant to give evidence against their middlewomen, where this might result in loss of work and also in appearing personally as a witness in proceedings against the middlewoman.

"Sources of Complaint."

"A certain amount of information as to underpayment comes from the middlewomen themselves, by way of complaint of the rates paid to them by the warehouse. Whether or not the prosecution of a middleworker on her own complaint would be invidious, any such action would certainly stop this increasingly valuable source of information as to underpayment.

"The investigators have found of late a marked increase of confidence shown towards them by the middlewomen, and it has been felt that it would be difficult to prosecute a middlewoman who has complained generally of underpayment by the warehouse and who has gratuitously given her own case away in detail.

"Efforts were made in 1918, in the case of *Rex v. Field*, to prosecute the warehouse direct for aiding and abetting without proceeding first against the middlewoman, who had given much valuable help and information. The Court, however, definitely disallowed this procedure in the absence of a decision from the High Court.

"It has further been felt that where underpayment by a warehouse has involved a number of middlewomen in the case, an injustice may be done by prosecuting only such of these as have kept adequate records to serve as evidence.

"On the other hand, if proceedings are contemplated against a middlewoman who has failed to keep records the total evidence of the workers has to be relied upon entirely. This has repeatedly been found to be useless as the worker is prepared to swear to a general underpayment, *e.g.*, on 1 or 2 thread work, but is unable to give specific evidence as to particular pieces of work, such as is definitely in the form of a summary. It therefore devolves upon the officer to visit both worker and middlewoman with sufficient frequency to be able to give general evidence as to specification of certain items of work and the prices paid for them—in other words, to be on the spot when the work is brought back to the middleworker and paid for.

"*Conclusion.*—In these circumstances, inspection has resolved itself very largely into securing arrears of wages to workers in cases where underpayment could be discovered, and at the same time in getting arrears paid to the middleworker by the warehouse, where the latter has been actually, though not legally, responsible for the underpayment of the outworkers. The cases in which middleworkers who are paid proper rates and commission by the warehouse deliberately underpay their outworkers are comparatively rare."

The section of the Board representing the employers and middlewomen were in full agreement with the workers' side on this question, and the Board as a whole made continued applications to the

Minister both by letter and by deputation. The following letters to and from the Minister set out the position of the Board and the Minister:—

Copy of Letter dated 25th October, 1920.

"From the Secretary Office of Trade Boards,
Office of Trade Boards,

7-11, Old Bailey, E.C.

"To the Secretary, Ministry of Labour,
Montagu House,
Whitehall, S.W.1.

"Sir,

"I am directed by the Lace Finishing Trade Board to refer to the Deputation which was received at the Ministry of Labour on the 9th February last on the subject of the amendment of the Trade Board Act so as to enable the Trade Board to regulate the rates payable to middleworkers in the lace finishing trade, and to point out that, so far as the Trade Board is aware, no action has at present been taken by the Minister of Labour in this connection.

"I am to state that the Trade Board consider the matter one of extreme urgency and that steps should be taken immediately to bring middleworkers within the scope of the Trade Board Acts. If it is not possible to effect this by general legislation, owing to the incidence of such general legislation upon other trades, the Board urge that special legislation affecting only the lace finishing trade should be promoted by the Minister. In this connection I am instructed to transmit for the consideration of the Minister, a form of words which would, in the opinion of the Board, give effect to their proposals and which the Board suggest should be incorporated in a Bill to amend the Trade Boards Act, 1909, and to urge that a Bill in this form should be introduced by the Minister in the present session.

"I am to add that in consequence of the present inability of the Trade Board to fix appropriate rates to be paid by the warehouse employers to middleworkers these middleworkers are being paid at rates considerably lower than those which should obtain. In some cases they are receiving only 15 per cent. and in some cases as little as 10 per cent. above the minimum rates payable to single outworkers under the determination of the Trade Board, and as a result the insurance contributions due in respect of workers employed by such middleworkers are, in many cases, not being paid.

"I am, Sir,

(Signed) H. M. MONTGOMERIE,
for Secretary."

Copy of Letter dated 8th April, 1921, from Ministry of Labour, Montagu House, Whitehall, S.W.1.

"To the Secretary, Lace Finishing Trade Board,
5 Chancery Lane, W.C.

"Sir,

"I am directed by the Minister of Labour to refer to your letter of 25th October, 1920, on the subject of the amendment of the Trade Board Acts with a view to enabling the Lace Finishing Trade Board to fix the rates payable to middleworkers in the lace finishing trade.

"In reply I am to state that this matter has been carefully considered by the Minister, but in view of the extreme difficulty at the present time of introducing special legislation to enable the Trade Board to fix rates for the workers in question, the Minister regrets that he is unable to hold out any hope of early action in the matter.

"I am however, to state that the representations made by the Trade Board are being borne in mind, and that opportunity is being taken when investigating trades for the purpose of applying the Trade Board Acts, to enquire into the position of middleworkers if employed in such trade, so that the Department will be in a position to deal with the question amending the Act in this respect in conjunction with any other

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amendments which a longer experience of the operation of the provisions of the Act of 1918 may indicate as being desirable.

"I am, Sir,

(Signed) F. W. LEGGETT."

The attitude of the Minister, as set out in other correspondence between the Minister and the Home-workers' League, is understood to be generally favourable to the proposal made by the Lace Board; the Minister considers, however, that other trades may be in the same position, and that it would be desirable, if anything is done, that he should take powers to deal with middlewomen and men generally.

In this correspondence certain Birmingham trades—pin, hook and eye, and buttons—were mentioned.

I venture to suggest that such a course would be unwise.

In Nottingham, employers, employed and middlewomen are in agreement, and the opinion of organised labour in the locality is favourable.

In support of this I desire to quote the attached letter from the Nottingham Trades and Labour Council. In other trades, however, this is not so. In certain trades even such permissive power would be strongly resented by organised labour, and such regulation might in itself be highly undesirable.

I do not, of course, speak for such trades, but it is a matter of common knowledge that a contrary policy is advocated by them, and has been supported by the Trade Union Congress.

I may, however, claim to speak for the pin, hook and eye, and the button outworkers, both as workers' representative on these Boards and as representing the Birmingham Branch of the Home-workers' League.

It is my opinion that it would be inopportune to deal with the Birmingham middlewomen at the moment, and that the proposal to take such powers would be opposed.

I suggest, therefore, that it would be best to deal with the trades only where public opinion is strong and united, and that to introduce a clause giving general powers to the Minister would be ill-advised.*

Mrs. A. handed in the following statement:—

Before 1919 I was paid a little above the amount I had to pay in wages to the women. It is difficult to estimate how much this came to, but I believe not more than 15 per cent.

In June, 1919, a change was made, and I had a fixed commission of 20 per cent. This continued until February, 1921. The women then received a rise of 1d. in the shilling, and this 1d. in the shilling was deducted from my commission, I receiving only 12½ per cent. Recently the wages of the women have been reduced, and I have been successful in re-obtaining a commission of 15 per cent.

My husband is dependent upon my earnings, and helps me to fetch and carry the work from the warehouse. I give out the lace to the women, the numbers of whom depend upon how much work I have. I have had as many as 30 women. I have now only two or three employed. I have to part the breadths for the women, and make out their books. I have to fetch it from them and take it back to the warehouse.

I have brought my employer's book showing commission.

2295. *Chairman (to Mr. Woolley):* I think you are a member of the Lace and Net Finishing Trade Board?—(Mr. Woolley): Mr. Christall and I represent the employers on the Lace Finishing Trade Board.

* Miss Lawrence also handed in the following copy of a letter from the Secretary of the Amalgamated Society of Operative Lace Makers, Nottingham, dated 13th November, 1921:—

DEAR MISS LAWRENCE,

I am certainly of the opinion that a minimum should be fixed for middlewomen for reasons far too numerous to state in this letter. The wonder is that this class of worker was not brought under the control of the Trade Board long ago; the better class of employers would welcome such a course, I am sure.

(Sgd.) C. WARBLE, Secretary.

2296. Are you yourself an employer?—Yes, I am President of the Lace Finishers' Association, a Chairman of the Board, and also a member of the Nottingham Chamber of Commerce. We put our case very fully before you in writing, and I understand it has been circulated, so in order to save your time I should like to know how far it has been read, marked, learned and inwardly digested. We agree with Trade Boards generally; we are not coming here to oppose them, but we have some very strong objections to their present defects, which we must have remedied. We have been very specific, and I should like to know how far you have considered the points which we have raised.

2297. We have carefully read your statement, and we are making it part of your evidence.—Then would it not be best for you to cross-examine us on our statement?

2298. That is more or less what I am proposing to do—not to cross-examine you, but just to put to you a few points on the statement. First, with regard to the middlemen and middlewomen: you are very strongly in favour of the Board having power to fix rates for middlemen and middlewomen?—Yes, and I put it much more strongly than that. This is the oldest Trade Board but one that there is, and all sides of the Board are united on this question. We have also the support of the Nottingham Chamber of Commerce in what we are asking for, as well as the association of employers. We regard this matter very seriously, and we say that, as we are running the industry, and not Parliament or a bureaucracy up here, when we are all unanimous as to what is in the interests of the trade as a whole, now that we have the opportunity which we have been waiting for of getting legislation which we think has been required the whole time, we must either have it or we do not function.

2299. I do not think you need put it in that way. You come here to put your points as a reasonable man, and we want to know what your views are, not what you are going to do. Will you kindly tell me about the middlemen? You desire to have power to fix the rates for middlemen and middlewomen?—Quite so.

2300. Is that because they are now underpaid, or for some other reason?—It is because some of them are underpaid. The merit of the Trade Board is that it brings the shady employer into line, and unless we have power to fix the remuneration of middlewomen we have no power to make the worst employers pay more than they do.

2301. Are the good employers paying more?—They are paying more all the time, and they are handicapped because they have no power to make the bad employers pay the remuneration which they ought.

2302. The object is to bring the bad employer into line with the better employer, and to see that he pays his middlewomen properly?—Exactly.

2303. Is it a question of raising the percentage, or what is it?—It would probably take that form.

2304. I think they are paid by percentage?—Yes, they are paid by percentage.

2305. Do you think the percentage ought to be higher?—We do not think the percentage ought to be higher than the good employers pay, but what we have indicated as a pious wish is that the middlewoman should be brought within the scope of the Act. Up to now she has been ignored because the employers in the trade were ignored when the Bill was first drafted. If we had been consulted instead of the demagogues and cranks, this would not have happened at all.

2306. *Lord Weir:* Is there any difference between the efficiency of middlemen and middlewomen?—There is not very much, because middlewomen for the most part do not do the work themselves, they only distribute it and collect it.

2307. Even distribution and collection can be well or badly done?—Any considerations of that kind

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would find their level by a middlewoman being employed or not being employed, without entering into the question of remuneration at all.

2308. Then they would not be remunerated according to their efficiency?—They would either get more or less work, according to their efficiency.

2309. It would find its level in remuneration in that way?—Yes.

2310. *Mr. Bell*: When you say that the middlewoman merely collects and distributes work and then collects it again, is she not then an employer?—Technically she is, and that has been the whole difficulty. That is why we specifically ask for this for the lace trade only, because it stands in a unique position. The middlewoman in the lace trade occupies a position which is not analogous, I think, to that of any other trade. We want a clause for ourselves only, and we specifically ask that because we know that if you begin to lump up our case with any other we shall not have what we want. We think we are big enough and ought to have what we want, without jeopardising our claim by bracketing it with that of any other trade.

2311. Would it meet your case if the middlewoman, or any other class of woman who employed any other person doing lace work, was considered an employer under the Act?—She is an employer under the Act, and she will continue to be an employer under the Act if it is amended as we suggest. If you have our case before you you will see what we have suggested to the Ministry of Labour. We have asked them to add the following clause to paragraph 3 (3) of the Trade Board Act of 1909: "The Lace Finishing Trade Board may also fix for their trade the minimum rate of commission or other remuneration to be paid to middlemen and middlewomen." That stands by itself, and affects no one else, but we are all unanimous that it is necessary, and we ask for it, and with all due deference to my Lord the Chairman, we demand it.

2312. *Chairman*: It is no good your demanding anything of me; it is Parliament that will settle this matter.—I am speaking through you to Parliament.

2313. You have come here to put your point to us, and it is for us to make recommendations.—I say this with all respect; I only want to show that we are in deadly earnest about it.

2314. I assume that, or you would not have taken the trouble to come?—(*Mr. Cristall*): We think it is a point in our favour that the appointed members are quite unanimous on this subject, as also are the employers and the employees.

2315. The whole of your Board takes this view?—Yes, the whole of our Board.

2316. *Dame Adelaide Anderson*: Has it been raised by any other trade?—(*Mr. Woolley*): I could not tell you that, but we do not want to be concerned with it if it has, because that would complicate the issue.

2317. *Mr. Pugh*: I suppose the middlemen and middlewomen are absolutely necessary to your trade?—Yes, and that is what the framers of the Act failed to appreciate.

2318. And the workers themselves actually come under the Board?—Yes.

2319. I do not think the middlemen and middlewomen come under the Board?—The Act does not permit of it; they do not exist for the purposes of the Act.

2320. Then, for all practical purposes, it is only the first employer and the home-worker that come under it, and the middle people you cannot touch?—Their existence was purposely ignored by the people who drafted the Bill, very stupidly.

2321. *Chairman*: You are not the only trade that makes this request?—If it is kept to the lace trade, that does not arise.

2322. *Dame Adelaide Anderson*: With power to extend to other industries, as in the first Act? In the Act of 1909 the Secretary of State has power to extend the Trade Boards?—Yes. The middlewomen were not taken cognisance of.

2323. I understand that, I was only saying that the Act gives power by agreement to extend?—Miss Lawrence wants to say something with respect to the middlewomen, so as to release a Witness whom she has here. (*Miss Lawrence*): The point is, that we are all in agreement with regard to the middlewomen. I understand we are not all in agreement with regard to foreign competition, so I thought perhaps you might exhaust the question of the middlewomen first.

2324. *Chairman*: Yes, by all means we shall be glad to hear what you have to say if you want to add anything?—I represent the Home Workers' League, Leeds and Nottingham Branch; it is not a trade union, but it is a society formed under the auspices and with the knowledge of the local trade union for the purpose of forming a sort of first education in corporate action. The Board has long considered the question of middlewomen. The recognised commission is 25 per cent., and that commission is printed on the Trade Board notices proposal, although it has never been put into effect. Workers who fetch their own work are paid a 15 per cent. commission, which is legally enforceable, whereas the 25 per cent. for the middlewomen is not so enforceable. Instances have come to our knowledge where employers pay the middlewomen 15 per cent. only, or even 10 per cent. The amount of lace given out varies greatly from week to week. When little lace is given out, the middlewomen act as outworkers doing the work themselves, and when the employer gives out more than they can do themselves they act as middlewomen and give it out to other people. If the piece prices on lace are before you (and I asked that they might be) you will see that it is not at all a simple matter to fix the prices to be paid, but with regard to the middlewoman she not only has to do that, but she is responsible for the health insurance of the outworker, she is responsible for the correct rate being paid, and she is in the eye of the law an employer. The middlewoman is a very poor woman, and with 15 per cent. commission on say £5 worth of work she is worse off than the worker she employs, although she is, in the eye of the law, an employer, and responsible for those complicated duties under the particulars clauses of the Factory Act, and under the Trade Board Act, and she is also responsible under the Health Insurance Act. A bad employer has therefore a direct incentive to create more middlewomen. If he has 30 outworkers, and turns 10 of them into middlemen, he gets out of the expense and trouble under the Health Insurance Act, he is not directly responsible under the Trade Board Act, and he gets out of the particulars clauses of the Factory Acts. From the outworkers' point of view you cannot enforce the law against these people: it is no use getting an arrears award under the Health Insurance Act, because if the woman is herself very poor she cannot pay it. It is no use getting arrears under the Trade Board Act, because the position is still the same. When you have one sweated worker employing another, you have a position which is absolutely intolerable. I put in with my evidence the statement made by the responsible officials of the Board in their report to the Ministry dated 31st December, 1919. I do not want to read it, but I want to ask that it may be entered on the minutes of the evidence of this Committee. I want also to draw attention to the concluding words of that paragraph, that "the cases in which middleworkers who are paid proper rates and commission by the warehouse deliberately underpay their outworkers are comparatively rare." Those cases are rare. The middlewoman is as honest as anybody else, and if they were not driven by poverty they would rarely do it. During the whole of 1920, and nearly the whole of 1921, we have been agitating that point with the Ministry of Labour. I do not want to take up your time, so I will not read the letters, but I want to ask that the letters sent to and from the Ministry of Labour shall be entered on the minutes of evidence.

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[Continued.]

2325. They are on this statement, and we will enter the whole of your statement on the minutes?—Thank you. Then I want to say one word about the last point. The Minister intimated to us that he did not look unfavourably on this, but he had in his mind some general permissive clause giving him power to deal with middlewomen and middlemen generally in this and other trades; and I want to say from my experience of other trades that that would be fatal. In Nottingham we are all agreed. You have heard that the employers' organisation, the Home Workers' League, the Nottingham Trades Council, the Lace Operatives' Society, which has great experience in this business, are all for this change, and the four Members of Parliament for Nottingham are in favour of it; and if this matter goes forward as a Nottingham clause we think it cannot meet with any objection. I think there are certain trades in which outworkers and middlemen are employed where the opinion of organised labour is violently contrary to any such course being taken, and they have had their opinions confirmed by the Trade Union Congress, so there would be great opposition by organised labour to this being general. The Minister referred also to the similar condition in the pin, hook and eye and button trade in Birmingham. Now I represent that: to a certain extent I represent the workers' side on both those Trade Boards, and I am Secretary of the Home Workers' League there. The circumstances of Birmingham are very complicated, and extremely difficult, and, in fact, I may say it would be extremely dangerous to give these powers to the Minister enabling him to apply this to that trade. The result might well be a quarrel between the employers and workers in the pin, hook and eye and button trade. I know that we have not got the home workers into a sufficiently organised state to give us any effective support. We therefore do ask that this should be done for the trades for which we have asked it, and that the Minister should not be given powers to apply it to any trade which does not apply for it.

2326. *Sir Arthur Pease*: When both sides of a trade ask for it?—When there is practical unanimity and strong public support, then you have a case, but I do not want you to prejudice the Nottingham trades by giving the Minister power to drag in trades which do not want it, and where the application of it would only upset our case.

2327. *Chairman*: This clause would not prevent a middlewoman from being an employer, as she is now, technically: she would still be an employer for the purpose of the Insurance Act and the Factory Act?—Yes, but she would no longer be a sweated employer, and I think that would make all the difference.

2328. Supposing she has £5 worth of work, does the whole £5 go to the actual workers?—Probably a little of that would be done by the middlewoman, but we have a middlewoman here who can answer that question.

2329. It would only be done by her when she is the actual worker, I suppose. Does the middlewoman get anything above the agreed commission? If she has got £7 or £8 worth of work, it is all she can do to give it out, but if there is a slack week and she gets only £2 or £3 worth of work, she might perhaps do 15s. or 20s. worth herself. A worker

cannot very well do more than about 30s. worth a week herself.

2330. I wanted to know whether the whole agreed price, apart from the commission, goes to the actual worker, including, of course, the middlewoman if she works herself? Supposing she put out the whole of the work to other people, does she pay the actual workers the whole £5, or does some of it remain with her?—No, the amount given to the workers is fixed by the Trade Board, that is to say, they get the £5, and on top of that she gets her commission.

2331. So that the £5, or whatever sum it is, represents the actual Trade Board wages for the work?—Yes.

2332. And she only gets commission, unless she works herself?—Yes, and if she is at all slack she works herself.

2333. *Mrs. Lyttelton*: Does the middlewoman make more money in the year than the worker?—Supposing you are an outdoor worker, it might suit you to take 30s. worth of work, and do it yourself; but if your employer says: "You have to take £2 or £3 worth of work this week," you have to take it.

2334. *Mr. Bell*: Do the outworkers as a rule do this work as well as attend to their own house duties?—Yes.

2335. So you may have some outworkers who are well satisfied if they get 15s. a week, because that would represent as much time as they could devote to the work?—Yes.

2336. *Chairman*: Have you anything further to add?—We have here a middlewoman who can give evidence, which she can support by books, of really very great hardship in this connection. There is a precedent in Royal Commissions that the names of witnesses should not be published if it is likely that the giving of the evidence would cause harm to them, and it is her strong opinion that if this woman's name and the name of the employer were published in the evidence she would lose her work.

2337. We have not the least desire to ask your witness's name.—This is her summary of evidence. (*Document handed per above.*)

2338. *Mrs. Lyttelton*: I know it is very ignorant of me, but how is it possible to force more work on a person than she cares to do?—(*Mr. Woolley*): I think Miss Lawrence was under a wrong impression when she gave you that idea. It is entirely optional with the middlewoman how much she takes out. It is usually governed by the number of people who work for her, and how much there is reasonable prospect of her getting done.

2339. Then the inducement to be a middlewoman is that on the whole you make more money than if you are an ordinary outworker?—Yes. (*Miss Lawrence*): I say that is not so. The middlewoman who will give evidence will show you that she gets 12½ per cent. on the amount of work, and that she may not make 30s. a week.

2340. Then why is anybody a middlewoman?—Because you have to make your choice between taking the amount of work which it is convenient for the employer that you should take, or not getting any. (*Mr. Woolley*): With deference to Miss Lawrence, that question never arises.

Chairman: I should like to ask this lady her experience.

Mrs. A., called and examined.

2341. *Chairman*: You are a middlewoman?—Yes.

2342. And an employer gives you work to be done?—Yes.

2343. How is it given? What is the form of the order?—We get it in large numbers, perhaps 100 of 70, and we have to divide it up between so many women. The women sometimes come and fetch it, and sometimes we have to run after them, and if it is a special order we have to fetch it from them and take it to the warehouse again.

2344. What fixes the money which is paid to you for that? How do you know the price to be paid for it?—There are tickets with the price and the length on each piece that we get.

2345. What fixes the price which is on those tickets?—For scolloping the prices are from 2d. up to 8½d.

2346. Are those the Trade Board rates?—Yes.

2347. And you get simply a commission on that amount?—Yes, we pay the Trade Board rates and we get a commission on it.

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[Continued.]

2348. You take the work to the women and fetch it back again?—Yes.

2349. Does it take all your time fetching and delivering the work?—Yes, with £8 or £10 worth of work it takes all your time distributing it amongst the women.

2350. Are you a married woman?—Yes.

2351. Have you your home work to do besides?—Yes. I start work at about 5 o'clock in the morning.

2352. Is your husband at work?—No, he has not worked for 10 years. He helps me with the work when there is a lot and I could not carry it myself. It would be impossible for me to carry it.

2353. In some cases are the middlewomen women whose husbands are at work?—Yes.

2354. So that in those cases it is an addition to what the husband earns?—Yes.

2355. How much a week do you get by your commission?—It varies from £2 to 50s. if there is £10 worth of work, or we should get 30s. at 15 per cent.

2356. Do you get as much as that as a rule?—We get 12½ per cent., or 1d. in the shilling. I used to get 20 per cent., but now I only get 12½ per cent.

2357. What is it now?—Since that 1d. has been taken off they have given me 15 per cent.; before that 1d. was put on I had 20 per cent.

2358. I want to get at how much a week it brings you in on the average?—It is very difficult to say, because things have been very bad, but about £2 a week. (*Miss Lawrence*): Mrs. A. formerly got 20 per cent., but the workers had a rise of 1d. in the shilling last January, and her commission was instantly reduced by 1d. in the shilling, so that she only got 12½ per cent. Then the workers suffered a reduction in wages, and that lady was successful in getting back the 15 per cent. commission. When the outworkers' money was raised it was taken directly out of her earnings, and here is the book. (*Same handed*). (*Mr. Woolley*): It is because we as employers want to have power to deal with that class of employer that we are so insistent upon what I have been saying.

2359. (*To Miss Lawrence*): That is what you wanted to explain, was it?—(*Miss Lawrence*): Yes.

2360. *Sir Arthur Pease*: It is only an exceptional firm that takes off the 1d., is it?—The good employers dislike this as much as anybody.

2361. It was not the general practice when that 1d. was taken off to take it off the middlewoman all through the trade, was it?—No.

2362. You are only drawing out the point that there being no Trade Board there was no body to enforce that another section of the workers was not prejudiced by the decision. That is what you want to draw out, is it not?—Yes. (*Mr. Woolley*): It is because we are so furious that these things are possible that we are here demanding this in the insistent way in which we are.

2363. *Lord Weir*: Is all the lace given out to the middlewomen?—Some of the workers come and fetch it themselves, but a great deal of it is distributed through the middlewomen.

2364. A big proportion of it?—Yes.

2365. Is that proportion going up or down? Is the middlewoman increasing, or tending to decrease?—I should say it fluctuates to a large extent with the great fluctuations in the lace trade. If the lace trade is good and work is plentiful there is more work for the middlewomen, but if work is scarce there is a tendency for the workers to come and fetch it themselves, because they stand more chance of getting it than if they are dependent on the middlewomen.

2366. *Mrs. Lyttelton*: Before Trade Boards there was a good deal of exploitation by middlewomen, was there not?—There was, according to the propaganda circulated by the Anti-Sweating League, and so on. Before the Trade Board was thought of they were spoken of by the name of "Duchesses."

2367. Certainly in the boot button trade there was great exploitation by the middlewomen: I do not know about the lace trade.—I daresay.

2368. *Dame Adelaide Anderson*: The quantity of the middlewomen's work varies according to the

number of outworkers she has to supply?—(*Mrs. A.*): Yes.

2369. Is it your aim to have outworkers who can give most time to it, that is to say, to distribute a good quantity amongst a few rather than amongst a number of outworkers?—I have about 30, and when things are slack I have not so many.

2370. You take on outworkers according to how you can get the work done?—Yes.

2371. Some can give only a little time, and some can give much time?—Yes.

2372. They take away what they can carry?—Yes. 2373. *Sir Arthur Pease*: How often is this distribution made?—Every day, and sometimes twice a day.

2374. To outworkers?—Yes.

2375. May I ask why that is necessary—why you cannot distribute a day's or two or three days' work at a time?—(*Mr. Woolley*): Lace, as you probably do not know, is made on machines of 150 to 180 inches wide, and with a strip of lace 1 inch wide the web will contain 180 breadths of that, and it is all laced together as you lace your boots together. These women take this out, and it is split up into the proper widths. These webs come in from the starchers or the dressers throughout the day, and the workers usually come first thing in the morning and take the first supply away, and then they come again in the afternoon and take the second delivery.

2376. *Dame Adelaide Anderson*: There are other processes, such as scolloping?—Yes, and clipping.

2377. And snicking?—Yes.

2378. It is all done at one and the same time?—If there is clipping and scolloping required.

2379. *Mrs. Lyttelton*: In every case that is done by home workers, is it not?—As a rule, but there are some firms who do some of the work indoors. The very large proportion of it is done outdoors. The sole reason for this, and the sole reason why Nottingham ever was referred to as a sweated industry, is because we are up against the competition of Calais in France, where this kind of work is done in the homes as a cottage industry at very low money. I am coming to that later on, when Miss Lawrence has finished. It is a cottage industry in France, and therefore it has to be a cottage industry in England.

2380. What has been the increase in wages since the Trade Boards of the home-workers in this trade?—The first rate fixed by the Board was on the basis of 2½d. an hour.

2381. What had it been?—That, or more, with the best firms, and less with the worst ones.

2382. *Chairman*: This is one of the original trades scheduled to the Act?—Yes, the second. This outdoor work is only a very small proportion of the work in the lace industry. When the lace industry was scheduled as a sweated industry I came up to see the present Lord Asquith on a deputation, and he admitted the contention we put forward that it was scheduled on the Board of Trade Returns as the highest-paid industry but one in the United Kingdom, was true. It is only in respect of this outdoor work, which is competitive with analogous outdoor work done in France, that it ever began to deserve to be called a sweated industry at all. The industry on the whole is the most highly-paid in the Kingdom, and it is still only this branch of it, in which we are competing with the outdoor work in France, which comes under the Trade Board. The Calais industry is an exactly similar one, and the machines which produce the work in Calais are still built in Nottingham, and by reason of the fact that the work is done under these conditions there, and paid for at less than half our rates at the present time, which at the exchange as it stands at present means a quarter, we are severely handicapped in Nottingham. However, because the Trade Board has the redeeming virtue of requiring bad employers to come into line with good employers on a minimum wage, we have been content to put up with these disparities and to lose a good deal of work to Calais, which we ought not to have lost because the Calais

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[Continued.]

in fetching and carrying for the out-work at Calais than there is at Nottingham. I have been told that Calais, which was very badly off at one time, is unloading on London. (*Mr. Woolley*): Yes, but that is another story altogether.

2396. *Lord Weir*: The amount of labour in Calais must be distinctly limited if they do it in their spare time, because there are only a certain number of people who have spare time?—It is not only in Calais; it is distributed over a very wide area, probably over an area of 30 miles. There are middlemen and middlewomen who come in and fetch it in very large quantities, and distribute it in the agricultural districts to the wives and daughters of the agricultural workers. They take it out by train and cart.

2397. *Chairman*: Is it only in Calais that this work is done?—There is a different kind of work, but there is some which is competitive with Nottingham done in Courtrai, and in Lyons too.

2398. I have seen it all over France, but, of course, not every sort competes with Nottingham?—The work you will have seen will be largely hand-made lace.

2399. *Mrs. Lyttelton*: Pillow lace?—Yes.

2400. *Chairman*: Have you covered all your points?—I have covered the point as far as competition is concerned, and the only other point I wanted to mention was the question of prosecutions. I think that some machinery should be devised for making the prosecution of offenders more easy than it is at present, and we should like to suggest that power should be given to the Board, when the Board is unanimous and the appointed members are also agreed, enabling the Board to initiate prosecutions without having to depend upon the official heads in London. In that connection, I should like to say that we were very disappointed indeed when the Trade Boards were transferred from the Board of Trade to the Minister of Labour. No reason has ever been adduced why that change should have been made, and we think it is very deplorable that it should have been made.

2401. *Dame Adelaide Anderson*: In the old days, in the early days under the Act of 1909, you found the inspection adequate, did you not?—There were very few Boards then.

2402. But the ratio was then adequate?—I believe it was much more adequate than it is now, as far as our information goes.

2403. Whom do you suggest should bear the cost of prosecution?—That is a question which I have not gone into.

2404. It is rather an important one, in view of what you said. At the present moment I understand that the Ministry directs a prosecution because the Ministry bears the cost, but now you are asking that the power of directing prosecutions should be given to the Trade Board. Is it suggested that the Trade Board should bear the cost?—I happen to be President of our association, but I cannot speak without the mandate of my constituents. If it were thought necessary, in order to give these facilities to Trade Boards, I believe employers' organisations would most probably be willing to make themselves liable for the expense of prosecutions. (*Mr. Christall*): It has never come before us, but I think it is quite possible.

2405. What about the workers sitting on the Board? Would they wish that the whole expense should be borne by the employers?—The lace industry, at any rate so far as this work is concerned, is so slenderly organised that I do not think there is any organisation we could look to for the money. (*Miss*

Lawrence): I should not like to do away with Government prosecutions. (*Mr. Woolley*): I do not wish to do away with them, but merely to supplement them. We wish to have the initiative if we desire to take it.

2406. *Chairman*: There are two sides to the matter. (*Mr. Miss Lawrence*): You rather think the Government ought to be responsible?—(*Miss Lawrence*): We have not enough inspectors. There are a good many infractions which ought to be prevented, and it would be desirable to have a good deal more inspection and a good deal more prosecution.

2407. *Dame Adelaide Anderson*: Is it not open to any citizen to initiate proceedings in this as in any other quasi-criminal matters?—(*Mr. Woolley*): We have not any power to initiate prosecutions, have we, as it stands?

2408. *Chairman*: Anybody can prosecute in these cases, unless there are restrictions in the Act.—(*Mr. Christall*): I think there is something in the Act about it.

2409. Yes, there may be something in the Act to prevent it. I see the Act says that where it appears to the Board of Trade—that is now the Ministry of Labour—or to any officer of a Government Department which is assisting to carry the Act into effect that a sum is due by an employer to a worker, and it is not possible to recover the sum so due, and so on, that officer may prosecute; and the Trade Board may also take any such proceedings in the name of any officer appointed by the Board of Trade for the time being acting under the direction of the Trade Board in pursuance of this Act; so it could be done by their secretary or any of their officers authorised by them?—The authority has to come from London for that purpose, does it not?

2410. I have some doubt about that. The Act does not say so.—Would you not consider it in that sense?

2411. No, but I can quite understand that the Trade Board would want to be assured about the expenses of the prosecution, and they would apply to London before taking definite steps?—Quite so.

Dame Adelaide Anderson: They also have power to arrange with any other Government Department if there are suitable inspectors in another Department.

2412. *Mrs. Lyttelton*: Or if the employers choose to bear the expense they can do it without application to London?—Do you think that that would stand now?

2413. *Chairman*: It looks like it, but you might look into it.—(*Mr. Christall*): What we desired was that we should have a local inspector, but the principle of economy was so essential that we thought there was no possibility of getting one, and the suggestion which we make here is simply an alternative to that, in order to give us some chance of dealing with those employers who are infringing the law.

Chairman: I quite recognise the motive for it.

2414. *Lord Weir*: Apart from these matters, you are satisfied that the Trade Boards are good?—(*Mr. Woolley*): We think in Nottingham it has done good work, and we have no desire to abolish it. I hope, Sir, with regard to the middlewoman question, you will realise that that is absolutely essential to the proper working of our Board.

Chairman: I quite understand that. We are much obliged to you for your evidence.

(The Witness withdrew.)

(Adjourned to Wednesday next, 23rd November, at 11 a.m.)

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Mr. IVEY ROGERS.

[Continued.]

SEVENTH DAY.

Wednesday, 23rd November, 1921

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE, G.C.M.G. (Chairman).

THE RIGHT HON. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTELTON, D.B.E.

MR. W. T. LAYTON, C.H., C.B.E.

MR. E. L. POULTON, O.B.E., J.P.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (Secretary)

Mr. IVEY ROGERS, called and examined.

2415. *Chairman*: You are Chairman of the Autocrat Light Car Company?—Yes.

2416. You have come here in connection with the National Union of Manufacturers?—Yes.

2417. You have not submitted to us a proof or summary of what you are going to tell us?—I think we have submitted a summary, if you will allow me to say so.

2418. I have not one.—There was a letter giving the points upon which the members of the delegation would speak, and we regarded that as a slight summary, which we thought would be sufficient for the purpose.

2419. It would have been more convenient if you had given us a summary, because a summary assists the Committee in testing the evidence afterwards. Also, I think, such a summary lends weight to the evidence as being the considered statement of the views of the Association. I therefore regret that you have not given us one, but we must do our best without it.—It is the intention to hand you a formal statement after the evidence has been submitted.

2420. Why not let me have it now, and then I could follow what you say?—I think possibly we might be able to do that. I find there is only one copy of the evidence of each member of the delegation, and I am afraid they will want to refer to it. Will it satisfy your Lordship if it is handed to you afterwards?

2421. Very well. You were going to tell us something about the constitution of the Union?—Yes. It is not my province to give evidence, neither is it my intention to make a speech, but in acknowledging the privilege you have accorded to us of giving evidence of the working and operating of Trade Boards, and in introducing the delegation, I should like to state our credentials. We form part of a committee appointed by the National Union of Manufacturers to deal with this matter; the National Union of Manufacturers, our organisation, is composed of nearly 3,000 manufacturers, employers of labour, ranging from organisations incorporating several firms employing many thousands of work-people and millions of capital to the humbler manufacturer with his 50 hands and his hundreds of capital. The correspondence we have received from those manufacturers leads us to think that Trade Boards are not an acceptable institution to manu-
facturers.

2422. Are many of your firms or members connected with Trade Board trades?—The Union's membership embraces practically every industry in the country in which Trade Boards are in operation, and it is as representatives of this institution, with its organisation such as I have outlined, that we are here to-day. In dealing with this question our Union has received a mass of correspondence, too bulky to be dealt with in the time at our disposal. The correspondence comes from all quarters and from almost

every trade in which Trade Boards are in operation, and it is because of the nature of the complaints which we have received that the Union has devoted its energy to the consideration of this question. The 1909 Trade Boards Act cannot be said to have caused great dissatisfaction, and it is probable that manufacturers would have agreed to a greater measure of security being given to the workers in those trades in which sweating was a disgrace and a scandal. During the four or five years in which Trade Boards were in operation prior to the war, less than twelve trades were scheduled as coming under the scope of the Act; but the 1918 Act was not long in operation before the anomalies and eccentricities of the Act were discovered. In the latter end of 1919 and the beginning of 1920, correspondence began to reach the offices of the Union pointing out the inequalities of the Act, and it soon became a very serious question, so much so that a sub-committee of the Union was formed to deal with the matter. In the early part of this year a deputation was received by the Minister of Labour which laid the grievances of our members before him, and we believe that the present Committee of Inquiry is a redemption of the Minister's promise at that time, and to some extent an acceptance of the statements which were then put before him. In order to be as brief as possible, the mass of evidence which I referred to previously has been sifted, collated, and very much curtailed, and the gentlemen forming this delegation who have been selected to put the evidence before you will deal not only with the data and the information arising from those letters, but they will also deal with their own experiences, and will give you particulars from their own experiences in connection with the operation of the Trade Boards Act in the very many trades with which they are connected. Much of the information which will be given to you has no doubt been given to you before, though we cannot say exactly, of course, what information has been given to you; but if this is so, it should strengthen the proposition which we shall submit, that Trade Boards are a blight upon the industrial effort and progress of this country. We ask for the repeal of the 1918 Act. You may say we are asking too much, but our chief concern is the interest of the nation, and it seems to me somewhat stupid that, at a time when we may say that millions are out of employment, legal machinery exists to prevent a man getting his living. In saying that I mean that the Board may decide that a man must have £3 5s. a week, and so he must walk about and be unemployed for any length of time receiving his dole instead of accepting a position to help the country at £3 a week. Time was when the old maxim that half a loaf was better than no bread carried us over many similar crises, but to-day we seem to have got beyond that, and in my opinion out of all sense and reason. I am quite sure that these Boards have contributed largely to unemployment:

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Mr. IVEY ROGERS.

[Continued.]

I am equally sure that if Trade Boards were suspended even for a time, hundreds of thousands of the men who are out of work to-day and walking the streets would soon be fully employed. My union has no desire to curb the longing or yearning for better conditions amongst the working classes: the agitation against Trade Boards does not arise from a desire to curtail the wages or to cut the wages of the workpeople, but it arises from a desire to do the best in the interest of our country, and in the interest of industry, and when we are told that we are to expect almost a poverty-ridden country after the war, we look to other countries, such as even Germany, France, and Belgium, where the men are fully employed and there is far less, in fact there is negligible, unemployment. We feel that as victors in the great war we should be as fully employed as any of our Allies or our enemies, and we feel, too, that the 1918 Trade Boards Act at least has a good deal to do with the unemployment. There are in our Union some people—a few they may be—who think that the violent and extreme methods of certain extremists, coupled with the abuse of the employer on every occasion, should be met by retaliation; but the more mellow opinion of the large majority of our members is that that would probably bring about worse conditions than exist at the present time, and the spirit of conciliation and concession, and a desire to harmonise our interests with those of the workers, is ever present in the deliberations of our council. It is that spirit that actuates the delegation which appears before you to-day. With those few observations I should like to suggest, if it is agreeable to you, that the evidence to be submitted to you should be accepted

in the following order: first that Mr. Arthur E. Beck should open the proceedings, dealing generally with the subject of Trade Boards; then that Mr. Jackson should put before your Lordship and the Committee evidence of the anomalies and injustices of the operation of the Boards; then that Mr. Gordon Stammer should deal with the unemployment aspect of the case; and then that Mr. Ashley Ward should address the Committee in summing up the case. If that course meets with the approval of the Committee, perhaps you will call upon Mr. Beck.

2423. *Lord Weir*: Have you any personal experience of Trade Boards?—I might have said that personally I have no direct experience of Trade Boards. My own particular trade is under the beneficent chastisement of the trade unions, and not under a Trade Board.

Mr. Poulton: It is very difficult, of course, to follow the statements made by the Witness, and there were a lot of statements made which I should have liked to question him upon. As they may, however, arise on the evidence which is to be given, I refrain from doing so, but I must say that I wish the Witness had put his own statement into writing, because had there been a written statement I should have challenged some of the statements that he has made.

Chairman: It is unfortunate that there is not one, but what the Witness said was by way of a preliminary address.

Witness: I can only apologise for not handing in this statement.

Chairman: You have introduced the subject now, so we will get on to the other evidence.

Mr. ARTHUR E. BECK, called and examined.

2424. *Chairman*: You are a member of the National Union of Manufacturers?—Yes. I am afraid that what I have to say to you is rather in the nature of general than particular evidence; but it is in view of the fact that the general argument that I am going to submit to you will be supported by the evidence which will follow that this order has been selected.

2424a. Will you follow your own course, remembering that the subject is not a new one to us; we know a good deal about it already, and general observations do not help us very much. I think you will find that my remarks follow a specific line. I want to divide what I have to say into certain headings: I want to tell you first a little more about who we are, then what we want; and then I want to tell you the reasons why we want it. Then I shall leave to my fellow members of the Council of the National Union of Manufacturers the work of supporting the reasons which we bring forward as a body by specific evidence.

2425. What is your own position?—I am Vice-Chairman of the Midland Council of the National Union of Manufacturers; I am a Director of the Metallo Seamless Tube Company, and I am engaged in the steel tube industry.

2426. Is that at Birmingham?—Yes.

2427. *Mr. MacCallum Scott*: You are not under a Trade Board yourself, are you?—No, we are not.

2428. *Mr. Poulton*: I should like to be quite clear upon that last point. I understood you, in answer to my colleague, to say that you have no actual experience of Trade Boards?—I am not working under a Trade Board, and it is because of that that perhaps my evidence will be of value to you personally.

2429. I only wanted to be clear on the point.—Mr. Rogers has told you what our association is, that we are comprised of manufacturers, and that the association consists of a number of trades, from the manufacturer employing only 40 or 50 hands to manufacturers employing almost as many thousands; and in the lightest to the heaviest trades, from the silk and lace industry to the heavy iron and steel industry. We have also organised means of discussion in different parts of the country, and the result

of those organised means of discussion is that the opinions of all the members on this particular point, members engaged in every trade and having direct personal experience of the working of Trade Boards, has been brought together and organised in the way in which it will be put before you. We appear before you as manufacturers, but I should like to say a word or two with regard to the particular position of being manufacturers. Usually consideration of a matter of this kind is divided, as though industry were composed of two groups, into labour and capital; and I should like to submit to you that labour and capital may co-exist side by side without either of them being employed. Capital may be in the works and the banks or in the pockets of investors, and labour may be walking about in the street, but they require the presence of the manufacturer, who partakes of the nature of both, being neither *per se*, in order to employ both. Therefore in coming before you and submitting our evidence to-day we really ask you to take the view that we are occupying a midway position between labour and capital, because we as a body are associated with both. In that way perhaps our evidence may be received as being less *ex parte* than it would be if we were labour only or capital only.

2430. *Chairman*: You are all employers, I take it?—Yes, we are all employers, and being employers we have first of all to be tradesmen, and being tradesmen we employ both labour first and capital afterwards. It is because we have that particular work of seeing whether a trade can be profitable or not, and as to whether the world conditions justify our employing both labour and capital in industry, that we have had the question of Trade Boards under review. It is an important matter to us whether or not a trade can be pursued, and all the conditions, the legislative conditions, which affect an industry have to be taken into consideration by us in embarking upon an industry and in its continuance. I should like also to ask you to take our evidence as not only coming from two or three thousand firms, but as coming from a much wider area, because our meetings are attended by non-members, and our correspondence on this question has been from a larger

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Mr. ARTHUR E. BUCK.

[Continued.]

body of manufacturers altogether than those embraced in our own Association. I should like to tell you what we want. We ask that the Trade Boards Act of 1918 be repealed. Many discussions have taken place as to whether amendments to that Act would be acceptable by us, and as to whether we regarded that Act as possible to be amended in order that it might be useful to us in carrying on our business, but by an almost unanimous majority in every case, that majority being composed both of members who are in what I may refer to as free trades as well as those working in Trade Boards, it has been resolved that its repeal is necessary.

2431. Can you tell us what feature of the 1918 Act it is which leads you to ask for its repeal?—We are asking that the *status quo ante* be resumed.

2432. Can you tell me exactly why?—May I come to those reasons later? We ask that the position existing before the Act was passed be resumed. We admit the value of the 1909 Act, and we admit it because there were certain industrial diseases existing at that time, which we are hoping will some time cease to exist, which needed legislative interference. That is the sweated industries. We admit that the 1909 Act was useful as an industrial medicine, but the continuance of that medicine and the application of it to other trades as a food is something to which we object. We say that even the 1909 Act, was a temporary expedient in order to meet certain conditions of industry which we hope will not remain. We do not suggest the repeal of the 1909 Act, but that its application should only be in cases where the condition of an industry is below the normal.

2433. Do you mean its application should be confined to sweated industries?—Yes.

2434. Mr. Poulton: What would you define as a sweated industry?—A trade where the payment for labour is considerably below the normal payment for labour of a similar class in other trades. The 1909 Act contemplated that its application would be or might be only temporary, because in Section 1, Clause (3), you will find that in the event of normality being resumed—I am using my own words now—a Provisional Order may be made by which the application of that Act to that particular industry would cease. I may therefore sum up what we require as being the repeal of the 1918 and the reinstatement of the 1909 Act. The reasons why we ask for that are that first of all the 1918 Act is, in our view, unnecessary, that it is unworkable, that it is inelastic, that it forces the semi-efficient into unemployment, that it leads to confusion and disputes amongst work-people, and that it is a bar to the growth of mutual agreement. We say that it is unnecessary, because since 1909 the growth of trade unions and trade union membership has been very great indeed. In 1909 the number of trade union members was three millions. To-day it is 2½ times that number. In 1909 the number of employers' associations was small; to-day the number of employers' associations, as supplied to our Association by the Board of Trade, is 2,400. That is according to the list supplied to us by the Board of Trade; and we say that with this enormous machinery in existence there is no need for State interference, because this enormous machinery is set up for the express purpose of regulating wages.

2435. Chairman: Have you made an analysis showing how many of those unions and associations deal with the Trade Board trades?—No; the employers' associations may be taken as in all trades, and a certain proportion of them would be—

2436. You have not got it out?—No, we have not. Now there is not only an enormous growth in trade union membership, but there is a growth in the trades affected and organised; and this must not be taken as limited to the number of new trade unions, because there has been a disposition during the last few years for general unions to apply their energies to the organisation of certain trades which would otherwise be unorganised.

2437. Like the Shop Assistants' Union?—No, I was referring rather to the Workers' Union. The Workers' Union organized many trades. My own

trade, the Steel Tube Trade, is organised by the Workers' Union; and the Dockers' and General Labourers' Union has organized the Clay Trade, and other trades as well; so that the growth of organization in industry itself must not be limited in your minds to the number of Trade Unions, because there has been a tendency during the last few years for General Unions to organize specific industries, and therefore the number of trades unorganized to-day is very much less than it was in 1909. We feel that increasing the Trade Boards could only be justified if the reverse were the fact; that is, if there were, a smaller number of trade unionists and a smaller number of employers' organizations, then the 1918 Act would be justified because it would be a State supply of that which industry was not setting up for itself. Our case is, in regard to the 1918 Act, that industry has set up its own machinery and that it works better than with State interference, and that if the application of the Trade Boards Act is limited to those industries where there has been a failure of this machinery, or where there may be a failure of this machinery in the future, that would represent all the State interference which could be justified.

2438. You know, of course, that the Act is limited to cases of unorganized trades?—Well, in fact, Sir, I think you will find that the evidence which will be submitted to you will show that in effect it is not so.

2439. I am speaking of the Act, of course.—Yes; but I am speaking of the effect, and we rather have to work with the effects than with the Act. In the effect it is not. If it were limited only to sweated industries our objection practically ceases.

2440. I do not say sweated industries, but unorganized industries.—Quite.

2441. Lord Weir: In saying that the Act is unnecessary do you really mean that the Minister has been unjustified in applying the Act to certain trades where there is already sufficient organization, and that he should not have applied the Act to those trades?—I am taking it rather earlier than that. I am saying that the passing of the Act was unnecessary at the time when the Act was passed, and especially since then; the growth of the position of industry dealing with its own internal and domestic concerns has so grown that the application of this Act—if it is exceeded and if the position is that the Minister goes further than the Act—then the damage is more. But we say that even the application of the Act as it now stands is harmful.

2442. Chairman: I think you are not quite answering Lord Weir's question. May I just say how it strikes me? You told us just now that the Act does apply to trades which are not unorganized trades, in your opinion?—Yes.

2443. Well, I think Lord Weir wanted to know from you whether you mean that the Minister has applied the Act in cases where it should not have been applied, or whether you mean that some trades have become organized since the Act was passed?—I think both have occurred.

2444. And you will give your instances later?—I will give my instances later.

2445. Mr. Poulton: That is to say, you think that although you disapprove of the Act, the Minister has exceeded his powers under the Act?—Yes; we shall give you instances of that. We take the view that the Act is unnecessary to-day whatever it may have been at the time it was passed, because of the growth of the administration of the affairs of industry by industry itself, and the only possible answer to our view would be that compulsion was better than mutual agreement. I would submit to you that where there is mutual agreement there is no dissatisfaction, or very little after-dissatisfaction; but where there is compulsion there is always one side dissatisfied; and mutual agreements are in practice more easily enforceable. As a manufacturer I am obliged to say—and I am quite content to say—that the last word is with labour. When an agreement is entered into—and I have been a party to many agreements be-

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tween Labour and Capital in the particular trade which has been my calling—these agreements have always been voluntarily entered into, but with the knowledge that if they were voided labour could withdraw itself. It was sufficiently well organized to withdraw itself and to enforce the agreement upon any manufacturer who voided it. And I should like to point out that if there is a manufacturer in any particular trade who attempts to pay a rate below the ordinary standard, and so get any advantage over his fellow-manufacturers as well as to create a disadvantage to his workpeople, in an ordinary trade, an organized trade, where the employers and the workpeople have means of meeting, he receives no support from his fellow-manufacturers, and he certainly receives no support from the Trade Union. You may take it that there is an effective means in every organized trade of keeping wages up to a standard of reasonable living to workmen, and also—and this is the particular point which perhaps makes a difference between the voluntary and the compulsory system—within the limits of the possibility of the trade.

2446. *Chairman*: I follow what you say, but it applies to organized trades?—To organized trades, yes.

2447. *Mr. Poulton*: I am sorry to interrupt the Witness, Mr. Chairman, but I should like to ask, through you, whether he is aware that in the Act of 1909 and the Act of 1918 there is a great deal of difference in the authority by which the Minister of Labour acts?—Oh! yes, that is so.

2448. It says: "The Minister of Labour may make a Special Order applying the principal Act to any specified trade to which it does not at the time apply if he is of opinion that no adequate machinery exists for the effective regulation of wages throughout the trade, and that accordingly, having regard to the rates of wages prevailing in the trade, or any part of the trade, it is expedient that the principal Act should apply to that trade." That is very different wording from the 1909 Act?—Quite so, and it lies within the view of one particular official.

2449. Of course, it must necessarily be so; you must have authority somewhere?—Oh! quite; but we submit that it should not lie within the province of one particular official and that he should ask for positive evidence, and there can always be positive evidence forthcoming of a trade being abnormally low in its return to the worker, and upon that alone he should act.

2450. But, as a matter of fact, is not that so? Is there not advertisement inviting all trades to produce evidence where it is proposed to apply the Act?—As to that, I do not know. I should like you to ask the gentleman who follows me, who will give you specific information on that point.

Mr. Poulton: I should like to know, Sir, first of all, whether that is not so.

2451. *Chairman*: Probably you know this, that under the Act of 1909 the Minister had to be satisfied that the wages paid in the trade were less than the ordinary wages?—Yes.

2452. But your point is that under the Act of 1918 all he has to satisfy himself of is that the trade is not properly organized. That is your point?—That is so.

Chairman: I think that answers Mr. Poulton's question.

Mr. Poulton: I hardly think it does, Sir. I have in mind one trade where there were three thousand objections sent in.

2453. *Chairman*: Can you throw any further light on that, Mr. Beck?—I cannot. I see two totally different standards adopted in the Acts; one is where the Minister has to satisfy himself that it is an industry in which the return to the worker is too low; and the other is in the Act of 1918, which is not a question of low or high; it is a question as to whether it is organized or not.

Mr. Poulton: It is both.

2454. *Chairman*: He must have regard to the wages paid?—Yes, general regard; but specifically it is a question of organization in the 1918 Act.

2455. It is both in a sense, as Mr. Poulton says. He must have regard to the state of organization and to the wages paid; but you do not get, I think, under the 1918 Act the words in the Act of 1909 about the wages being—what are the words?

Mr. Poulton: The words in the 1909 Act are "exceptionally low," and in the 1918 Act, in the second Clause, it says "having regard to the rates of wages prevailing in the trade."

Chairman: Yes, that is the difference.

2456. *Mr. Poulton*: So that he must have regard to the wage prevailing?—In the trade, but that is only in the one particular trade.

2457. That is the trade he is enquiring into at that moment?—But in 1909 it is by comparison with other trades, so that there is a difference there. With regard to the workability of the Act, I may say that evidence will be put before you as to its unworkability, and there is a principle which is new in the payment of work which we find, and which all the members who are in Trade Boards find extremely unworkable, and it is this: that the amount paid is not always fixed by the work done; it is paid in connection with, or it is affected by, the after-use of the article upon which work is done, and therefore the same class of work in a works may, by the after-use of the article operated upon, be paid at either one rate or another, although the knowledge is not within the mind of the worker as to what application would be made of his particular work.

2458. *Chairman*: Would you just say what you mean by that?—I mean this. There are many instances where the same act may be paid according to various rates because there are operating in the same works two or three Trade Boards; and that applies particularly to Birmingham. The act which the worker is performing may be the elementary stage of either the one trade or the other, but a difference exists in the mode of payment.

2459. I think I follow. Can you give us an instance?—With your permission I would rather not trespass upon the evidence which will be submitted to you. Instances will be forthcoming of that. Then in my own trade, the steel tube trade, we found an extreme difficulty in fixing either a uniform day work rate of uniform piecework rate, and we found that difficulty for this reason. My own firm manufactures a very high class tube, and out of the same material a lower class tube may be produced under quicker conditions, but being sold for a totally different purpose. Now when we have met the tube makers and the trade union officials round the table we have tried to obtain a basis which would apply uniformly, either piecework or day work, to our trade. We have found that that was impossible without damage, and we have come to individual arrangements between the trade unions and the employers, with the agreement of all other employers, which has been satisfactory to the trade and satisfactory to the workmen, but which would have been impossible had we had a Trade Board in our trade. The trade union leaders have said that to fix a piecework rate which would apply to one particular works would mean that they should be very well paid indeed, but the workmen in our firm would not earn a living at all because of the slower production obtaining in our works for the purpose of producing higher quality tubes. At the same time, if our workmen were to be paid in the Metallic Seamless Tube Company at a certain rate per hour, that rate of wages per hour applied to the tube manufacturers at the other end of the trade, who are making the commoner and the cheaper tube, would leave him without the possibility of competing as he was doing with foreign articles, and also in the neutral markets of the world it would not permit him to export. Therefore an elastic arrangement has been made between the trade union officials and the employers which has permitted us to make the high grade tube

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and has protected the manufacturer who made under quicker systems and sold for a cheaper purpose. It has enabled him to continue his trade, and both the two firms and the two sets of employees in those firms to be mutually satisfied. Within my own experience, after an attempt with the trade union officials to apply a fixed basic rate, either a piecework or day work rate, we have realised that an arbitrary and very harsh and inflexible rate would be harmful to both the workpeople and the firms who are at the two different extremes of the trade in our case.

2460. *Lord Weir*: You mean that a Trade Board would be very unsuitable for the steel tube industry?—That is so. Then we suggest that a Trade Board is unsuitable to a falling market; that it is too slow in operation, and that it must necessarily be slow. No State interference can be so quick as the operation existing between a trade union and an employers' association. 25 years ago in my own industry I joined several other manufacturers to find the money to establish a trade union in our trade, and that was in order that there might be a ready means of fixing wages by combined barter rather than by individual barter, and we perhaps took what is an unusual step for manufacturers, and that is we found the money to start a trade union in that particular trade. But it was a line which was fully justified by its operation, because we could make and keep bargains, and we had a bargaining force—we had someone with whom to make arrangements, who could enforce those arrangements being kept on their side, and a definite arrangement could be come to.

2461. *Chairman*: You only helped it to start, I suppose?—We helped it at the start; that is all; then we disappeared. I respectfully submit that it was because we felt that the arrangements which were possible—the domestic arrangements between us as employers and labour combined and organized—would not be any hindrance to us, that we made those arrangements.

2462. Of course, that is as to your natural interest in your own trade; but we are dealing here with trades where collective bargaining of that sort is assumed to be impossible.—Then, my Lord, it is a question of degree; and what I am suggesting is that industry has increased her facilities for making her own arrangements, and therefore State interference and State regulation is less necessary than it was at the time of the passing of this Act.

2463. Does it come to this, that in trades where the improved organization is sufficient to enable the workers and the employers to bargain together, there the Trade Board may be dispensed with?—That is so. I would like to give you a little evidence which did arise in connection with my own trade, and which may be helpful to you in considering the difference between mutual arrangements and what may be called, and what I call, State regulation.

2464. We are conscious of that difference; but you see, your trade does not bear very closely on Trade Boards.—No, but it is a trade in which there is no Trade Board, and in which there is the highest degree of satisfaction; and if there be the highest degree of satisfaction in our trade, it may be possible that it exists in others, and I take it that it is a type of the organized trades.

2465. Give your evidence, if you like; but please remember that we are not dealing with organized trades on this Committee. If you think it material, by all means give it; but I want to save time.—I would like to give it, if I may, for this reason, that it might show you a difference which may be helpful in considering the question of delay. It is this: that on one occasion we fixed a rate of wages originally up to the limit of foreign competition. We realised that the home industry was underpaying at the time when we started to welcome a Trade Union and to assist in its creation, and the wages were raised up to the limit at which we could hold the market of Britain as against foreign competition. But there came a time when one particular

article was undercut very much from America, and we immediately sent to the Trade Union officials, and within 24 hours we had an arrangement with regard to that particular article, and we quoted on that, and we destroyed the competition from America. Such a procedure was no hindrance to business; the mutual arrangements made were so quick in operation that we had all the protection we wanted, and the workman had all the protection which he wanted, which I venture to suggest would be impossible had we had a Trade Board in existence.

Then I would like to submit that the effect of the Trade Board in its recent applications forces the semi-efficient into unemployment. It was purely the intention of the 1909 Act to fix a low and minimum rate of wage; but evidence will be submitted to you that the rate of wages fixed by Trade Boards recently is a standard rate of wages and not a minimum; and the effect of fixing a standard wage as against a minimum is this, that if a minimum rate of wage be fixed there are certain semi-efficient people who can live, and if it is fixed to cover the cost of living it includes those and gives them a living; but a workman who is efficient will always ask for more because of his extra efficiency, and he may have it, and he does have it, and you have to pay it. Every manufacturer has to pay it to him in order to retain him, and it permits the grades of efficiency to be all employed in a trade. But the recent operations and the recent fixtures in Trade Boards have been of a standard rather than a minimum character, and under the Act of 1918, whether it was so originally intended or not, at any rate as it is being applied, a standard rate has been fixed and very great damage has been done because the semi-efficient have been forced out of that industry and into the ranks either of the unemployed or of unskilled labour.

2466. The slow workers, as they are called?—The slow workers. There are many such, and human beings are not all alike. While there is provision in the Act for those who are physically impaired to be specially treated, there is nothing in the Act which deals with the slow worker; and it is because of that that we find in the various trades which are under the operation of the Trade Boards Act a decrease in the employable, because the number employable at the Trade Board rate must be less if the rate be fixed higher than if a minimum rate alone were fixed. The evidence which will be submitted to you by the next witness will show—I will not refer to it except briefly—the causes of confusion and delay in a factory by the application of the various rates to either the same act or the same person. In giving way to the next witness I would like to say that the tendency of the recent attitude of the Government to industry has been to release industry from State interference, and if, when you consider the question, you will consider the trend of the public view on this matter, it will be considerably helpful. We as the National Union of Manufacturers feel that there ought to be evidence submitted for the discontinuance of the 1918 Act rather than for its continuance.

2467. We expect to hear evidence of that character on both sides.—Yes, but the attitude of the State to Labour and to industry—and industry is very grateful for it—is to decrease the State interference and to decrease State control, and if, in the consideration of the question of the Trade Boards Acts, that general tendency can be taken into view, we feel that the report you make must necessarily be favoured by the appreciation of that fact, and that industry in being released from State control recovers some of the vitality which is natural to it and becomes healthier because of that.

2468. *Dame Adelaide Anderson*: I should like to know how the witness would deal with the sub-normal worker. The sub-normal worker does need protection.—Oh! quite.

2469. Does need a sufficiency of food and lodging, and so on?—Oh! yes, quite.

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2470. Supposing there were no regulation as to the minimum rate, the position would be serious for the sub-normal worker in an unorganised industry?—Quite so, and therefore the Trade Boards Act of 1909 we regard as fixing, and correctly fixing, the rate of wage at a rate higher than the necessary cost of living to the slow worker, if I may adopt your phrase.

2471. But where organization is weak, if no Trade Board were applied, what would be the position of the sub-normal worker?—It would not be good, and the Trade Boards Act of 1909 is a very valuable Act, because it protects not only the rate of a general worker, but it fixes a minimum, and will fix a minimum at which the slow worker will have enough to live upon, and a minimum wage will mean a living to those who are slow in their work and an added income to those who are efficient because of their efficiency.

2472. But the Act of 1909 is applied to the ordinary rates of wages?—Quite. Then if anyone is unable to give the amount of service which will enable a manufacturer to employ him at the minimum, then he would have to leave that industry.

2473. And possibly pass into industry where there is no adequate machinery for organization?—Or general work. There are people who are quite able to do general work but who are slow in one specific trade. The man would find he had mistaken his calling in the event of his not being able to do service which justified his receiving the minimum wage.

2474. Did your Association gather any evidence as to industries in which the adequate machinery is supposed to exist, where a Trade Board has been applied under the Act of 1918?—I hardly follow your question.

2475. This Act of 1918 applies to industries in which there is no adequate machinery for organisation?—Yes.

2476. I understood that your answer was that the Act had been applied to organised trades?—Yes, that is so.

2477. Can you indicate any particular industries?—With your kind permission I am asking the next witness to reply specifically to that, because he has that information. But there are industries which are organised to which the Trade Board Act has been applied.

2478. Mr. Poulton: You started out, I think, by saying that you wanted the Act as an Act repealed; that is to say, you did not want to save anything in it?—That is so; we were satisfied with the Act of 1909.

2479. Yes; and you finished up by repeating that, but in entirely different words; because you said you wanted to be released from State control?—Yes.

2480. Now the trades that I should think have had more State control are the trades that have not been under the Trade Boards, are not they, such as the engineering and boilermaking, and the kindred trades? I thought they were the trades which were controlled in the interests of the nation during the war?—I think you misunderstood me if you thought I referred to the cancellation of State control *in toto*. What we ask for is the State to make good where the trade itself is unable to do so; but where the trade is able to make its own domestic arrangements, we suggest that State interference then is unnecessary, is irksome, and is damaging.

2481. I cannot pursue that personally any further, Mr. Chairman, because the witness has stated to Dame Adelaide Anderson that the next witness will deal with that point. (*To the Witness*): But you follow that by saying that the Act is unnecessary, unworkable, and inelastic; they were the three phrases you used?—Yes.

2482. Now will you tell me how the Act is unworkable?—The objections which I have to the workability of the Act are these. First of all, it sets up a form of payment for wage which is unworkable in a factory, because in many works, especially in Birmingham, there are several Trade Boards operating because several trades are being pursued of an almost

kindred character, and the next witness will give you instances of where a works is working under four distinct Trade Boards.

2483. You mean under the same roof?—In the same works and rooms, and in which the different rates of pay for the same Act are applicable, because of the different Trade Boards which control the rate of pay, and the worker at the time he or she is doing the work does not know the ultimate purpose to which that work is to be applied, and does not know the specific Trade Board under which the wages which he or she may be receiving are regulated. There is a very considerable difficulty set up in the payment of workpeople, and a great deal of suspicion engendered, because the workman will always think that it is the higher rate which he ought to receive, and not the lower. (*Mr. Rogers*): May I interpolate a question here?

Chairman: Please do not. We will deal with Mr. Beck's evidence first.

2484. Mr. Poulton: I rather gather, Mr. Beck, that your idea of the unworkability is not with regard to the Act as an Act, but because there may be in a particular kind of works different industries carried on, and from the interpretation of the Act itself there may be varying rates enforced?—Yes, and that must necessarily be so.

2485. Of course we are handicapped to the extent that you have not the specific cases; but I should like to call your attention to the fact that there are 63 Boards now in existence, and which are working. —Yes. I might say this: that we have from the manufacturers who are in the trades where Trade Boards are set up almost unanimous opinions in favour of a repeal of the 1918 Act.

2486. Have you any direct evidence yourself, because I should judge by your wide terms here and the embracing character of your organisation, that you must have a considerable number of your colleagues whose business itself, as a business, is under a Trade Board, and I presume, therefore, that they themselves may be serving on some Boards?—That is so.

2487. Can you give me any specific instances which have been brought to your notice as to the harshness and the unworkability, and the confusion, because all those terms are terms you used as arising in connection with the administration of the Act?—May I say that both the gentlemen who follow me are members of Trade Boards, and therefore their evidence in that direction would be more helpful to you than mine, which is only a report of what others say. I am able to report that those who are members of our Association, who are also members of Trade Boards, are all of opinion that the Trade Boards Act is very much inferior to the mutual agreements which are commonly made in industry, and also that they constitute a bar to the increase of mutual agreements. The atmosphere of a Trade Board is that of plaintiff and defendant; there is a contentious attitude taken from the start; while mutual agreements are usually arrived at in a very much more satisfactory manner, by a Round Table conference, and the attitude of plaintiff and defendant does not come in. Those members who are members of a Trade Board and members of our Association consider that the existence of the Trade Boards Act of 1918 is a bar to the increase of mutual agreement, which is very much preferable to working under a Trade Board.

2488. It is no use pursuing this with you, because you say your colleagues will deal with it; but may I take it that you think the Act, as an Act, is altogether bad? That it is not owing to one particular clause which might be altered, or with regard to wages, or with regard to the method laid down or to its administration, or to the book-keeping which it demands from the employer, but you think that because of the general inadaptability of the Act to a trade it ought to be repealed?—We say that. We say that in except in sweated industries it is unnecessary. Our attitude is that it is unnecessary, that it is unworkable, and that it is inelastic.

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[Continued.]

2489. Despite the fact that there are 63 Trade Boards in existence?—Yes.

2490. Let me come now to that semi-efficient worker for a moment. You say that the Boards, owing to their rigidity, have been in effect throwing out a very considerable number of workers who otherwise would have been in employment?—Yes.

2491. Does that mean, following it up to its logical conclusion, that those trades are therefore short of workers? Are they requiring hands at the present time and unable to get them?—I think you might carry it further than that, and say that the fixing of a rate higher than the trade can pay decreases the volume of trade in that trade, and that there are therefore two things operating at the same time, a decrease in the volume of trade and a decrease in the number of people employed.

2492. You would not go so far as to say that there is actually a shortage of efficient workers?—No, I have not suggested that.

2493. The last point you raise is a very difficult one, having regard to the fact that the highest skilled trades in the country have the highest number of men out of employment at the present time. Those trades have never been under a Trade Board, so obviously, looked at economically, that cannot apply?—I can barely see the force of that argument for this reason, that in the event of Trade Boards affecting one particular trade, a reactionary effect upon other trades must necessarily exist, and if you have 63 trades, and a diminution of trade because of an inelastic operation of some regulating force, that must have its effect upon other industries.

2494. You have amongst your trades the boot and shoe repairing trade, have you not?—We have.

2495. And you may take it that the statements which you have made on behalf of the organisation are entirely at variance with the position arrived at by the Boot and Shoe Repairing Board.—I have read the evidence of my colleague who is following me, and the boot and shoe industry will be specifically referred to by him. That question will be fully replied to in his evidence.

2496. You would prefer to leave the question unanswered?—Yes.

2497. *Mr. Layton:* You make the metallic seamless tubes in the Birmingham area, do you not?—Yes.

2498. And your trade has its wages fixed by agreement?—Yes.

2499. In that area there is a number of Trade Boards?—There is.

2500. One of them being the Stamped or Pressed Metal Wares Trade Board. Can you tell us what is the relation of the wages fixed by those Boards in the various branches of the metal trades to the wages that are being fixed by your association?—A comparison of the rates of wages fixed by the Trade Boards and our own?

2501. Yes. You told us that the wages fixed are standard rates and not minima. In other words, what I want to know is, what are the current rates paid in those other trades?—Yes; you wish to know whether the wages fixed by agreement are higher or lower?

2502. Yes, whether there is any substantial difference?—I do not think there is any substantial difference. I have looked at the list of the Stamped or Pressed Metal Wares Board, and I find that in certain ages the rates differ from our own, but if you take the rate of an adult the wages we pay in the tube trade will be somewhat similar, and vary very slightly from those fixed in the stamped metal trade.

2503. You have also said that Trade Boards machinery was inadaptable in time of slump—that it was not elastic?—That is so.

2504. Is it the fact that the wages paid under agreements in your own industry, where negotiation takes place, have varied more and have adapted themselves to the falling market more readily than the wages paid in the stamped metal industry in the locality?—Very much. We have a monthly meeting, and we can call a meeting at three days' notice, though generally it is seven. In one week we can

make an adaptation of wages which applies to the whole trade.

2505. Is it the fact that at the present moment unskilled labour in your trade has dropped below the unskilled rate in the branches of the metal industry in Birmingham, which are covered by the Trade Boards?—I can tell you what the unskilled rate of wages is in the tube trade; it is 53s.

2506. In both?—In the tube trade; so that if you have the other you can make a comparison.

2507. I want to try to get at this point. You said that the Trade Board method was inelastic, and what I was trying to get at was whether you had any evidence showing that there was greater elasticity in your own industry than in a Trade Board trade?—The inelasticity of the Trade Board is shown in the construction of the Act.

2508. Yes, but I want to get at the figures. I will put the question from another angle: Have you had substantial reductions in wages in the last six months?—Yes, we have.

2509. Have you ever had the Trade Board wages quoted against you by trade unions?—Yes, in the negotiations and discussions there have been references to kindred trades, and the wages paid in the district, including those where the Trade Boards are operating.

2510. You would not claim that the inelasticity of the Trade Board had prejudiced you in adapting your own wages, would you?—I rather think that I should, because we have frequently used the argument that the wages quoted against us in discussion from a trade regulated under a Trade Board have been maintained at a higher rate than was current, and that that particular industry was being held up, and we did not want to be held up in the tube trade. In many cases we have been able to cite instances where a trade had been affected disadvantageously by a higher rate being fixed by a Trade Board than the market would allow, and therefore we, in the tube trade, wanted more elasticity, because we did not want to be held up; and it was considered by the labour representatives that the employment of the people in the continuation of the trade did justify some adjustment of wage, which, had we been under a Trade Board, we could not have affected so readily. The quotation in argument of the rates paid by a Trade Board was always qualified by the fact that they were inelastic, and were causing loss of trade because of their inelasticity, while we wanted to preserve our trade and continue the employment of our people.

2511. *Chairman:* I see the lowest Trade Board rate for metal workers works out at 58s., while yours is 53s.—Yes, by local adjustment.

2512. *Mr. Poulton:* How recently is that?—A month ago.

2513. *Mr. Layton:* I was not wanting to put an argument into your mouth: I was only wanting to see whether, in your view, the inelasticity of the Trade Board system had any reaction on the trades using some other method?—It must necessarily have, but it has less reaction than it would have if it were successful in continuing that trade. When a trade under the operation of a Trade Board standard rate, called a minimum rate, has a decrease in employment and a decrease in the volume of trade in that particular industry, then we can cite against the argument that a higher rate of wage is paid in that trade than in ours the fact of its not being so successful in its operation, and in that way the argument, initially being to our detriment, has nevertheless been discounted by the fact of the high standard of trade. The very fact that we have obtained a 53s. rate as against a 58s. rate in works adjacent, shows that the representatives of the work-people themselves consider that the 58s. is higher than is justified.

2514. In fact you are able to use it as an object lesson in favour of a rapid adjustment of wages?—That is so.

2515. *Chairman:* I ought to say that the 58s. was fixed only from 14th October 1921; until then the rate was 8s. higher.—Is it in operation now?

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[Continued.]

2516. Yes, I am told so?—Then it must have been fixed some time ago.

2517. It was fixed to come into operation from the 14th October?—Must it not have been fixed four months ago?

2518. It was proposed some time before.—There is the whole answer to the question. The fixture four months ago in our own works was higher than 53s. very considerably, but to fix a rate of wages on a changing market, a rate which comes into operation in four months' time, is, in my view, and I submit that the view is correct from our standpoint, unworkable. The position is very difficult. If you have fixed a rising wage to come into operation in four months' time, the workman immediately says: "If I am worth £3 a week in four months' time, why am I not worth that now?" and the natural effect upon his mind and upon his work must be very considerable and detrimental. On the other hand, if there is going to be a fall of wages in four months' time, is a manufacturer going to put work into stock? He is going to decrease the quantity of work on stock until the operation of that new rate of wages. That is what is going to happen with a slow operation; therefore the fixing to-day of any rate which comes into operation only in four months' time, or in any considerable period, must have a deleterious effect either upon the workman, or upon the manufacturer, which reacts upon the workman, while a ready adjustment is free from that disadvantage. When you mentioned that this came into operation on 14th October, that shows that it must have been fixed four months previously.

2519. Not necessarily four months, but some time previously?—Yes, and that should supply an object lesson in my favour.

2520. I did not put it against you.—No, but I submit that that is an argument in my favour that our rate of wage at the time when that was fixed would be something like 53s.

2521. Mr. Poulton: But you do not suggest, do you, that by mutual agreement organisations of employers and employed are not constantly adopting these methods—that is to say they adopt agreements which will come into operation four months'

hence?—I have not experienced that: I have found this, that where there are any material differences they are almost immediate. I have submitted it to labour representatives where we have a contract fixed at such and such a price for a certain term, and I have always had consideration at the hands of the labour representatives so that there should not be any material loss upon that particular contract; but it has only been one particular contract, and evidence has had to be given that that contract is in existence, and that it is not a general postponement of a settlement. I have never met that.

2522. You have the advantage of strong labour organisation in your business, because you can make an agreement which will be carried out?—I respectfully submit that the trend of an industrial body is towards the strengthening of the labour organisation, and towards the respecting of the agreements which are made. The voiding of agreements I have found to be almost negligible.

2523. Dame Adelaide Anderson: Is it just possible that the increase of organisation in these industries under Trade Boards which you spoke of earlier in your evidence, may be in part due to the work of the Trade Boards?—I am afraid not. I should not be able to admit that. I should think that it is retarded by the existence of a Trade Board, because if a Trade Board exists it is the means, and the only practical means, by which the rate of wage can be fixed. It is unworkable and unthinkable that there should be a secondary voluntary agreement if their voluntary agreement would be ineffective, because of the existence of a Trade Board.

2524. Mr. Poulton: I take it, then, that you yourself favour a strong organisation on both sides?—I do.

2525. So that you do not quite subscribe, or at any rate not fully, to the statement of your colleague—"under the beneficent chastisement of a Trade Union"?—If it is beneficent I agree with it, and if it is chastisement, I sometimes agree with it. I have known the time when I have myself suggested chastisement to a Trade Union.

Chairman: We are very much obliged to you for your evidence.

(The Witness withdrew.)

MR. H. D. JACKSON, called and examined.

2526. Chairman: You are a member of the Stamped or Pressed Metal Wares Trade Board?—Yes.

2527. What is your own business?—My business is a general business, comprising some Trade Board articles and some not. I come under the Trade Boards for the manufacture of brace and suspender fittings, and also buckles under certain sections: the remainder of my output does not come under Trade Boards at all, but my wages are regulated by an agreement between the Employers' Federation and a Trade Union, which comprises 90 per cent. of those employed in that trade, to which I am federated on both sides.

2528. What do you call yourself generally?—A buckle manufacturer. In the first place I should like to draw attention to the definition in the 1909 Act, which says: "If the Board of Trade was satisfied that the rate of wages prevailing in any branch of the trade is exceptionally low, as compared with that in other employments, and that the other circumstances of the trade are such as to render the application of this Act to the trade expedient" and so on. That was instituted at a time when there was a great outcry against sweating in certain trades, and it was with the object of fixing a wage that would prevent sweating. During the time that that Act was in operation, there were nine trades out of the number of trades in the country selected, which were found to be paid a rate which was below the wages of surrounding trades, and that seems to me an infinitely small number compared with the numerous trades in the country, when you can only find nine which com-

plied with that specification. It therefore seems to me evident that sweating was not very prevalent.

2529. There were four scheduled to the Act, and there were 13 Boards relating, as you say, to the nine trades?—Yes. When that Act was put into operation it naturally tended to make employers set up a standard of efficiency if a standard wage was going to be asked for, and it really meant that the worker who claimed to be sweated in many cases did not get employment, because he did not reach that standard of efficiency. That, of course, will always be controlled by the economic law of supply and demand. At times when there is a demand for labour, and labour is not sufficient, labour will always claim a high wage, while, on the other hand, when the reverse operates, there will always be labour available at a low rate of wages. But there was that tendency to set up in all these trades a standard of efficiency in the employer's mind which he expected his operatives to comply with. In the 1918 Act the definition is entirely different. It has already been referred to, but perhaps I might read it: "If the Minister of Labour is of opinion that no adequate machinery exists for the effective regulation of wages throughout the trade, and that accordingly, having regard to the rates of wages prevailing in the trade or any part of the trade, it is expedient that the principal Act should apply to that trade," and so on. The procedure for this is also an important point. I do not know that it is necessary to read the parts of the Act, but at any rate it was a Provisional Order under the 1909 Act, which had to come before Parliament for confirmation, while to-

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day it is a Special Order, which has effect without the confirmation of Parliament, which really means that it is left in the hands of the Minister of Labour to decide the degree of organisation in a trade that is necessary. That degree of organisation can be anything that the Minister himself may decide. I know there is a chance of a statutory objection, but you must remember that it is trying to deal with unorganised trades, and do you think it is possible in a trade which is unorganised to raise sufficient money and get a sufficient number of people to agree to put up a statutory objection, which is a lengthy and expensive process? Trade Boards at the present time, in my experience, are not acting in accordance with the original intention of the 1909 Act, which was to fix a minimum rate. They are now fixing wages for all classes of workers, and the rates, as you will see, are many and various. It therefore seems to me that the Boards are becoming, instead of a body for fixing a minimum wage, practically an arbitration board of a compulsory nature. I should like at this point just to illustrate this by the fact that the unorganised trades which were mentioned are very often influenced, and their wages are practically regulated, by other trades which are organised in the district, and which employ a similar class of labour. We have in our own district many trades which are very small, and they are affected and regulated practically by the agreements come to in larger trades.

2530. I do not understand that. Do you mean apart from the Trade Boards?—I mean generally what are called the unorganised trades, which are very often small, are affected by the larger trades in the district fixing wages for the same class of labour and for the same operations.

2531. Apart from their being under a Trade Board?—Yes. It is only natural that they should be affected by the larger trades which use the same labour, and very often the same process. It seems to me that if you are going to set up a degree of organisation, it is a difficult matter for you to find sufficient members on the employers' side, who can approach the thing nationally and fix a wage that does not apply only to their local area which they know, but which will apply to the whole of the country. You are asking them to form an organisation out of an unorganised trade with people who have not sufficient experience to judge of its effect, or the effect of their decisions all over the country, and it seems to me that a Trade Board should only be set up, if it is to be set up at all, in a trade which is organised, where you have sufficient people who have been used to discussing wage negotiations for the whole of the country, and who are able to judge their effect upon a different part of the country from that in which they are situated.

2532. In those trades you do not require it?—I am going to claim later that it is unnecessary, but that is one of the arguments to show that it is bad in its effect: it sets up a Board which has not sufficient knowledge to cover the whole area that it is supposed to cover. Again, I claim that it is inapplicable, for the simple reason that it has probably to fix a wage by the manufacture of a particular article, rather than by the occupation exercised by the worker. This has a very serious effect upon trade from that point of view. It means to say that as the Minister of Labour has interpreted the word "trade," the effect is that the workers in a particular trade are regulated by the people who are acquainted with that trade only, although those workers are capable of moving about to various trades, and are equally employed in different trades, as he calls them. We disagree with him when he says that they are different trades. If you take the metal industry at Birmingham, for instance, it is so closely allied in its various sections that I claim that you cannot divide it up into five trades, as the Minister of Labour has done; and that applies to most other trades.

2533. Which are your five trades?—I made a mistake in saying five, it should be four. You have

your stamped and pressed metal wares, buttons, pins, hooks and eyes, and coffin furniture.

2534. Do perambulators come into that?—They might be included in the metal trades, but that trade is hardly so closely allied as those other four trades that I have mentioned.

2535. That is probably the fifth that you had in your head, but those other four you say are the most important?—Those four trades are almost indivisible, and in many places they are carried on in the same establishments by the same workpeople on the same machines at different times in the same day. When you get to that state of affairs, you can realise that it is almost impossible to work if you are going to have four Boards controlling the wages of those operatives, and I consider that the method which has been adopted since the old days of the Guild of paying the labourer by his work, and not by the article that he produces, would be much more suitable to the trade than trying to fix it by the articles that he makes. I should like to give you an illustration of this by the samples that I have brought from the works in Birmingham. We have here four different sizes of cupped blank made from brass by means of a power press, and drawn up to that shape. You have four different sizes there, and in a large works where these are made they are made and stocked before it is settled what their final form will be. In this case when it is in this form, made into an umbrella ferrule, it comes under the Stamped or Pressed Metal Wares Trade Boards while on the other hand, if it is made in this form into an umbrella cap, it does not come under the Trade Board. Now the position arises that you cannot tell what the wages of that operative are to be when that article is being made, because you cannot say to-day whether it is going to be made into a ferrule or an umbrella cap.

2536. By "cap" do you mean the top of an umbrella?—Yes. Now the same thing applies to this article. You have part of an incandescent burner which comes under the Pressed Metalwares Trade Board, while you have a toe-cap which does not. The same position applies, and you can imagine that these articles go through in thousands of cases, and you cannot fix the wages of the worker, and no inspector and nobody else can come along and say whether these come under the Trade Board or not at that operation. Here again you have the same position. You have articles here which come under the Trade Board. Here is a dentifrice perfume case which does not come under the Trade Board, and here is an oil bottle, and here is part of an incandescent burner. There are three articles into which that blank can be made, and at the stage of this blank you cannot tell which it is going to be made into. This is a little case for holding a battery, which comes under the Trade Board, and this is a shaving-stick soap box which does not come under the Trade Board.

2537. How do you manage in practice?—Of course what happens is that we as manufacturers realise that if we get more than one Trade Board applying to our works we have no option but to pay the higher rate for the same class of work, and the consequence is, as I will illustrate later on, that that has a severe effect as regards competition. I just wanted to illustrate the point that I have made, that by the setting up of Trade Boards for the manufacture of articles you create a confusion which would not occur if you went by the work performed. Suppose you were to say that Trade Boards were necessary, although we say they are not, if you were to say that the press worker who makes a blank should get such and such a wage, you would not cause such a deleterious effect on the operative's mind as you do by saying that the wage is to be fixed according to the operations performed on it. That is one of the chief grounds on which I claim that Trade Boards as a whole are not applicable to industry in their present form.

2538. To follow that out, I see the lowest general rate of wages in the stamped or pressed metalware

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trade is 1s. 2½d. an hour; is that right?—I think it is right, but the point of illustration I was dealing with was to show that the method of defining what comes under the operation of a Trade Board is quite wrong, and that it should be by process.

2539. I just want to get down to your point. You say if it is for one purpose you pay one rate of wages, and if for another you pay another?—No, the position is that articles are made from that that do not come under a Trade Board.

2540. That is another point?—Therefore they could if they chose pay any rate they liked for it, because neither an inspector nor anybody else could say what that work was for. You have to decide what the article is for before you can settle what the rate of wages is, and as an illustration of that, in the stamped metalwares trade I may say that there has been a decision given in the past that a man carrying work from one department of the works to another, assuming that the work in question comes under the Trade Board, such as the making of suspender fittings, for instance, gets the Trade Board rate, but in the case of another man carrying work about which did not come under the Trade Board he would not come under the Trade Board rate.

2541. *Lord Weir*: What do you call that piece of metal before it is one thing or another?—It is what they call a cupped blank. It is made in the form of a cup. Then we come to the question of the rates in these trades, and, as I will show, they are actually identical trades. For instance, these cups and stamped parts are made from either sheet steel or sheet brass, and the manufacture of a button is done by exactly the same process as the manufacture of the stamped part of a safety-pin; the manufacture of what comes under stamped and pressed metalwares is by exactly the same process. It may be by hand press or by a power press—it is immaterial which it is—it is exactly the same process. At this point I may say incidentally that none of us in the trade know exactly what the stamped or pressed metalwares trade is. If it is to be called a trade, the new definition which is proposed comprises 38 sections, and I should say if it were to be put on its proper basis it would comprise a matter of 30 trades.

2542. It is a good long definition.—As the Minister defines a trade and manufacture of a particular article, such as he does with buttons, you could divide it into at least 20 trades, but if you are going to claim to regulate wages the whole lot are only one industry. It is an industry which manufactures articles from sheet metal by a process called stamping and piercing, and all those articles, buttons and everything else, are manufactured in the same way; yet we have four Boards. Those Boards all started to operate in 1920, and at various dates in the early part of 1920 they fixed various rates. First, I should like to read you the rates with regard to coffin furniture, which were fixed on the 26th May, 1920. They fixed the rates of male workers of 21 years of age and over with less than one year's experience at 47s. for a 47-hour week, with more than one and less than five years' experience 45s., and with more than five years' experience 60s. The Pin, Hook and Eye Board on the 31st July, 1920, which is almost at the same time, fixed a rate of wages at 21 years of age and over, with no experience at all, at 1s. 3½d., while the Button Board fixed a rate of 1s. 3½d. on the 26th March, 1920, and the Stamped or Pressed Metalwares Board on the 15th April, 1920, fixed 1s. 4½d. There you get a very great divergence of rates; you get the question of years of experience, and you are dealing with the lowest class of labour, not skilled labour, but the lowest minimum rate, and if there is a question of degree of skill it shows a very great difference of opinion when one Board fixes three rates on account of degree of skill, while the other says, "No, we will fix one rate." I will take the highest rate of the Coffin Furniture Board, which is 60s. That works out at about 1s. 3d., while the other two are 1s. 3½d., and the stamped or pressed metalwares rate is

1s. 4½d. Just to give an illustration of this, a labourer may be carrying steel in a works where these four Boards apply (and I know one where they do), and he does not know what is going to be made from it except by inquiring. You could not tell by inspection of the material what it is going to be made into, because very often the same size of metal and the same gauge are used for different purposes, yet that man's rate depends on the article that the metal is going to be made into, and not on the actual work that is done. These rates go on for workers of 20 years and less than 21, with less than one year's experience, under the Coffin Furniture Board 40s. a week, with more than one year's experience 47s., so that 1s. an hour is the highest. The other three Boards all fixed 1s. 2d. an hour for workers of 20 years and less than 21 with less than one year's experience. For workers of 19 and less than 20 with less than one year's experience, the Coffin Furniture Board fixed 34s. a week, and with more than one year's experience 40s. The Pin Hook and Eye Board fixed 11½d. an hour, the Button Board fixed 1s. 1d. an hour, and the Stamped and Pressed Metalwares Board fixed 11½d. an hour, so you have there a variation of over 1½d. an hour, which is over 10 per cent.; and the Coffin Furniture Board is still lower, the difference being the difference between 40s. and 50s., the minimum and the maximum. Taking workers of 18 years of age and less than 19 years, the Coffin Furniture Board fixed 34s. a week, the Pin, Hook and Eye Board 9d. an hour, the Button Board 1s. an hour, and the Stamped or Pressed Metalwares Board 9d. an hour. For workers of 17 years of age and less than 18, the Coffin Furniture Board fixed 33s., the Pin, Hook and Eye Board 8d., the Button 8½d., and the Stamped and Pressed Metalwares 8d. There they come very much nearer each other, but the confusion of rates is very great, and it causes you to say that in your works you will only have one rate, so naturally you have to pay the highest in existence. Between the ages of 15 and 16 years the Coffin Furniture Board fixed 23s. 6d., which is 6d. an hour, the Pin, Hook and Eye Board fixed 6d. an hour, the Button Board is now lowest at 5d., and the Stamped or Pressed Metalwares fixed 6d. Under 15 years of age the Coffin Furniture Board fixed 16s. 6d., the Pin, Hook and Eye Board fixed 4½d., the Button Board fixed 4d., and the Stamped or Pressed Metalwares Board fixed 4½d. Then when we come to the female rates, I see that the Pin, Hook and Eye, the Button, and the Stamped or Pressed Metalwares Boards consider the adult age as being 18, while the Coffin Furniture Board consider the adult age as being 21, so there is a great difference of opinion there. Workers of 21 years of age and over, with less than two years' experience, under the Coffin Furniture Board got 27s. 6d., with more than two and less than three years' experience 30s., and with more than three years' experience 32s. 6d. The same difference of opinion occurs as to the question of the degree of skill between that Board and the other three Boards. Workers of 19 years of age and less than 21 years, with less than two years' experience, were rated at 25s. 6d., with more than two years' and less than three years' experience they were rated at 28s., and with more than three years' experience they were rated at 31s. Workers of 18 and less than 19 with less than two years' experience were rated at 23s. 6d., with more than two years' experience and less than three years' experience at 26s., and with more than three years' experience at 27s. 6d. The one rate fixed for the age of 18 years and over for the hook and eye trade was 9d., for the button trade 8½d., and for the stamped or pressed metalwares trade 9d.

2543. *Chairman*: You are speaking of an earlier rate, are you?—These are the rates fixed in 1920, the first rates that were fixed. What I have said shows that the rates compare as follows: 27s. 6d. for coffin furniture, 35s. 3d. for pins, hooks and eyes, 33s. 3d.

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for buttons, and 35s. 3d. for stamped or pressed metalwares, showing that one rate was 7s. or 8s. below the others, although fixed at the same time, the same type of labour being employed on the same processes.

2544. *Lord Weir*: What is the extreme variation?—Between 27s. 6d. and 35s. 3d. It is about 20 per cent. or 25 per cent. on the top rate, and it is higher on the lower rate. It is practically 30 per cent. on the lower rate. Workers of 17 years of age and less than 18 were rated at 21s. in the coffin furniture trade, and 7½d. in the other three trades; workers of 16 years and less than 17 in the coffin furniture trade were rated at 18s., in the pins, hooks and eyes trade at 6½d., by the Button Board at 6d., and by the Stamped or Pressed Metalwares Board at 6½d. Between the next ages there is a divergence of opinion again. The Pin, Hook and Eye Board are of opinion that the wages should be altered every six months, while the others are of the opinion that they should only be altered every twelve months, so that between 15½ and 16 years of age the Pin, Hook and Eye Board fixed a rate of 5½d., while no other Board fixes a rate between those two ages. Then between the ages of 15 and 16 the Coffin Furniture Trade fixes a rate of 16s. 6d., the Pin, Hook and Eye Board fixes a rate of 5d. between 15 and 15½, the Button Board fixes 5d. between 15 and 16 years of age, and the Stamped or Pressed Metalwares Trade fixes a rate of 5½d. between 15 and 16.

2545. *Chairman*: Have you a table comparing those rates?—Yes, I have it here.

2546. Perhaps you will hand that in presently; it will be easier to follow than these extracts you are reading from it.—Certainly.* I do not know that I need quote the other rates between the ages of 14 and 15. The same thing applies, and you will see this afterwards. This, as I illustrated, shows that people performing exactly the same work are being paid different rates of pay according to the article which is going to be produced from the material that they are handling. The result is that if you have a manual labourer of between 17 and 18 years of age under the Coffin Furniture Board, he will get 8½d. an hour, while in the pin, hook and eye trade he will get 8d., in the button trade he will get 8½d., and in the stamped or pressed metalwares trade he will get 8d. That only shows a variation of ½d. an hour between two of the Boards and the other two. Between the ages of 18 and 19 he will get 8½d. in the coffin furniture trade, 9d. in the pin, hook and eye trade, 1s. in the button trade, and 9d. in the stamped or pressed metalwares trade. If you will just compare those figures, that shows between those two ages there is a difference between the rate paid in the coffin furniture trade and the button trade of 3½d. an hour, which has naturally created a much more serious discrepancy than there is in the previous age. Then between the ages of 19 and 20 you have a rate of 40s. in coffin furniture as the highest rate, while in the pin, hook and eye trade you have 11½d. an hour, in the button trade you have 1s. 1d. an hour, and in the stamped or pressed metalwares trade you have 11½d. an hour. When we get to 21 years of age and over with one year's experience the rate in the coffin furniture trade is 47s. a week, which is 1s. an hour, the pin, hook and eye rate is 1s. 3½d., the button rate is 1s. 3½d., and the stamped or pressed metalwares rate is 1s. 4½d. Then again in the coffin furniture trade the question of experience entered into it. There is not such a serious divergence of rates there as there is in the previous age, but that shows the amount of confusion that arises in trying to apply the Trade Boards Acts to the manufacture of particular articles instead of to the allied trades which employ the same class of labour on practically the same operations. That is a trade which I know, but you have a similar thing arising under the Rope, Net and Twine Board. On the 1st April, 1920, they

fixed varying rates for females at varying ages, and in the Flax and Hemp Board they fixed them on the 30th July, 1920, approximately the same period. These were the rates fixed: for the workers under 15 years of age in the rope, net and twine trade, 4d. an hour; in the flax and hemp trade, 4½d.; and in the jute trade they did not consider it necessary, I take it, to fix a wage for that age at all. For workers of 15 years of age and under 16 in the rope, twine and net trade they fixed 4½d.; in the flax and hemp trade they fixed 5½d.; and in the jute trade 5½d. For workers of 16 and under 16½ in the rope, twine and net trade they fixed 5d. an hour; in the flax and hemp trade they fixed the rates between 16 and 17 at 6d., and in the jute trade they considered it was only necessary to fix the rates between the ages of 16 and 18, and they fixed them at 7d. So there you get a great divergence of opinion in those kindred, allied trades. They are using the same material, and very often making rope out of jute, hemp and flax at varying times on the same machine. From 16½ to 17 years of age the rate in the rope, twine and net trade is 5½, and then when we get to 18 and upwards—they all fix the adult rates at 18—they get 8½d. in the rope, twine and net trade, 8d. in the flax and hemp trade, and 8d. in the jute trade; so they were more agreed there.

2547. I do not think you need go through all these details if you are going to hand in those tables.—This shows the great divergence of opinion, and the serious difference which there is, because 25 per cent. is a serious difference in a man's wage.

2548. We quite follow your point.—Then the rates for males vary in the same way. There are rates for the same work of 8½d., 9½d., and 11½d. practically at the same time, which is a difference of 2½d. or 11d., or 25 per cent.; in other words, 33½d. per cent. increase on the lower rate, or 25 per cent. less than the highest rate. As I say, it is no uncommon thing for operatives to be working on flax, hemp, jute or cotton (which does not come under a Trade Board at all) on the same machine by the same process, and yet the rate of pay would vary in each case. Take, for instance, the last scale. Operatives supplying a weaving loom with raw material, if between 16 and 17 years of age, get different rates according to whether they are carrying flax and hemp or jute. If carrying flax or hemp, the rate would be 6d., and if carrying jute the rate would be 7d. If you take a male between 18 and 19 years of age, the rate would be 9½d. in the first case and 11½d. in the second. Again, take a girl wrapping up goods coming under the three Boards. Her wages would be as follows: if between 16 and 16½ years of age in the rope, twine and net trade 5d., in the flax and hemp trade 6d., in the jute trade 7d.; if between 17 and 17½ years of age in the rope, twine and net trade her wage would be 6½d., in the flax and hemp trade 7d., and in the jute trade 7d.; if over 18 years of age, in the rope, twine and net trade her wages would be 8½d. an hour, in the flax and hemp trade 8d., and in the jute trade 8d.

2549. For wrapping up?—Yes. It is practically the same article made in the same works, whether it is wrapping up jute or hemp. They would not know the difference unless they had some experience. They could tell cotton, but not the others. I have a great quantity of evidence here, but I do not think it is necessary to go right through it, because I have illustrated my point. I should, however, just like to take the case of handkerchief making. Under the Linen and Cotton Handkerchief and Linen Piece Goods Trade Board, for cotton hemming the rate is 29s. a week, while under the Shirt-making Trade Board, for sewing shirts, aprons, etc., she would get 11s. a week. Now the same girl might well be hemming towels and dusters in the forenoon, and in the afternoon sewing aprons and shirts; so what wage ought she to receive? That illustrates the point that I wanted to make, that if a girl is using a sewing machine for one operation or another it surely makes very little difference whether she is sewing one article or another if it is plain, straightforward sewing; while

* Tables and letters subsequently handed in—not printed.

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for hemming, as I pointed out, they get two different rates for hemming two different articles. You will realise, I think, that it would be impossible in a factory to work under these conditions, because a girl might be doing a certain number of these articles which would occupy her for two hours, and then change on to some other article of a similar character, and she will have to remember, and you will have to have some recording machinery for recording that her wages have altered every two hours, which I think is a practical impossibility.

2550. It is right that responsibility should be put on the right shoulders, and no doubt you know that when these Metal Boards were formed they all clamoured for separate Boards—pin, hook and eye, button, and coffin furniture; they all wanted to have separate Boards. You probably also know that an attempt was made not long ago to get those Boards to amalgamate, but opposition came from some of the Boards, though not, I think from yours?—Ours was in favour, but the others opposed, and in some cases the labour representatives also opposed amalgamation.

2551. If there is blame you would not put it on the shoulders of the Minister of Labour?—I am not doing so, I am putting it on the Act itself, because it can only be applied to a trade, and the Minister has interpreted that in the distributive trades as meaning that you cannot treat the distributive trade as a trade, but it must be divided up into grocery and other distributive trades, so that you have the other point that he has himself said that you cannot apply it to a collective trade.

2552. That is also true, is it not, with regard to the Rope, Flax and Jute Trade Boards: there is also a joint committee?—I agree there is a Joint Industrial Council in some cases sitting at the same time as the Trade Boards, and there is in the hollow-ware trade. I am trying to illustrate the fact that getting a co-ordinating committee does not solve the problem.

2553. I daresay not, but it is as well that the Committee should know those facts?—There is no co-ordinating committee in the stamped or pressed metalwares trade. There you have the position operating, and there is one works, as I know, in which four Boards operate. They do not pay the different rates because they cannot.

2554. Are they paying the highest rate?—Yes. Other Trade Board rates become inoperative, and it puts that manufacturer in a serious difficulty when he is competing with other people who do not come under the four Trade Boards. I do not think I need go on with these illustrations any further, because I think I have fully put before you the difficulties. The other objection we have now is that they are not in all cases representative. There are some cases, at any rate, where representation has been applied for and refused. The Boards in many cases are not representative of the workmen for whom they are supposed to adjudicate. As an instance of that I can quote the Brush and Broom Trade Board, in which the Walsall manufacturers of saddlery brushes, who make 75 per cent., or claim to make 75 per cent., of the total output of the country are not represented on the Board, and though they have applied for representation, it has been refused. I should like to read a letter on that point. This is an objection raised by a firm of manufacturers which I happen to know personally. They are large manufacturers of brushes of various descriptions, and very large manufacturers of these particular saddlery brushes. "Our first objection, in common with other manufacturers, was that 75 per cent. of the saddlery brushes in this country are made in the Walsall district, and not a single Walsall manufacturer was asked to sit on the Board, and when we applied for permission to be heard it was ignored." That is the statement of the firm themselves.

2555. *Mr. Layton*: What proportion of those brushes are made in the whole brush trade?—I cannot tell you, because it is a very complicated trade, and, as you know, there are a number of brushes of various brands. I am only saying that there is a special section of the trade which cannot get representation, although they applied for it.

2556. *Chairman*: Are they affiliated to the British Brush Manufacturers' Association?—I cannot tell you.

2557. *Mr. Poulton*: To whom is that letter addressed?—It is addressed to our Secretary.

2558. I suppose you have not any letter addressed to the Ministry of Labour protesting against their exclusion?—No, I have not.

2559. *Chairman*: I think they say that they wrote to the Ministry of Labour?—The words they use are that they applied for permission to be heard, and it was ignored.

2560. I see that most of the employers were suggested or nominated by the British Brush Manufacturers' Association, and it may be that the firm you mention are members of that Association?—That may be so.

2561. That Association is connected with your Union, is it not?—The Association used to be affiliated.

2562. Are they members of the Union?—(*Mr. Cheesman*: Individually they are, but the Association is no longer affiliated. *Mr. Jackson*: Again, in the case of the wire rope manufacturers their wages are regulated by the Rope, Twine and Net Board, although there is not a single representative of the wire rope trade on the Board. I have here a letter which I received from one of the wire rope manufacturers who also manufactures cotton rope. "In this connection I should like to say that although we are really wire rope manufacturers our wages are regulated by the Rope, Twine and Net Trade Board, which does not include a single wire rope manufacturer. We can only say that we know of wire rope manufacturers who when the Trade Board rates came into operation carefully scrutinised their wage sheets and dispensed with numerous people whose earning capacity was not sufficient to show a reasonable profit." That point I can illustrate later on.

2563. *Chairman*: Just to get it clear, I have got the definition here, which excludes the making of wire rope unless made in the same factory or workshop as hemp or similar rope or cord?—There you have the same instance.

2564. It is just as well to have the facts clear.—The effect is that in a factory where you make cotton rope, because you are making another article in the same factory, you have your wire rope-making wages regulated by that.

2565. The statement there is made quite generally that all wire rope manufacturers are under the Board, and that is not so?—I simply read the letter as it was written to me; I thought that was the right thing to do.

2566. It is not a correct statement?—No, but it simply means that the wire rope manufacturers' wages where another trade is existing in the same factory are regulated, and where there is no other trade existing in the same factory they are not regulated. It is an illustration of the fact that they are regulated, not by the work done, but by the article made.

2567. *Mr. Poulton*: Do you seriously suggest that the Trade Board rate is the rate which obtains in the factory, whether it be higher or lower?—I do.

2568. It does not obtain in my trade, I assure you?—I am talking about this trade, and there is the statement that it does apply, and in the statement of the Pressed Metalwares Trade it does apply, too.

2569. *Chairman*: Are you going on to another subject?—Yes.

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[Continued.]

Chairman: Then I think we had better adjourn at this point until 2.30, when we shall have to interpose another witness who has been waiting for some time, so we shall not want you again until a quarter past three.

Mr. Rogers: As I have been requested to attend at the Liquidation and Disposals Commission this afternoon, I shall be glad if you will excuse me from further attendance.

Chairman: Certainly.

(Adjourned for a short time.)

Mr. WILLIAM COOLING LAWRENCE and Mr. C. CORELLI, on behalf of the Association of London Master Tailors, called and examined.

The Witnesses handed in the following statement:—

1. The Association of London Master Tailors would have had no objection to the Trade Board if it had confined itself to fixing equitable minimum rates and fair conditions under which the wage could be earned in areas where the cost of living is normal with a minus rate for villages and rural districts. Whereas the workers demanded, and were successful in obtaining higher rates on the plea that their bespoke tailoring trade was a skilled and seasonal trade.

The alleged difficulty of differentiating for villages and rural areas can be surmounted as it was by the Food Controller during the war by collecting prices of staple articles of food.

2. The methods of the wholesale Board on which the spokesmen of the workers had served were applied to the retail bespoke tailoring trade. These methods are too cumbersome for a trade which numbers over 50,000 employers. They necessitate an interminable amount of correspondence and detail and an enormous cost to the country without accomplishing adequate results.

3. The Board has not prevented strikes from occurring all over the country. This year there was a disastrous strike in London which ruined the London Season at a critical time of trade depression.

4. The Trade Board by its constitution and atmosphere is useless as an Arbitration Court in the settlement of disputes.

After two years it has not yet been able to fix piece-rates, the system on which the journeyman tailor has been paid wages from time immemorial.

5. The Conciliation Board on which the employers and workers were represented has been in existence for thirty years and has operated satisfactorily at no cost to the country. Its atmosphere is one of goodwill and mutual respect. Its members have intimate knowledge of all the conditions of the trade, its awards have never been questioned, and they have automatically been accepted in the United Kingdom.

As however Conciliation Boards have no compulsory powers, the employers and workers made a joint application to the Minister of Labour to make the awards binding on the whole trade. He referred the matter to the Trade Board, which has been powerless to arrive at a decision.

The Conciliation Board provides for payment for different degrees of skilled work, whereas the Trade Board has absurdly based its rates on the age of the workers and the number of years he has been at work.

6. In conclusion, we are of opinion that the work of the Trade Boards could be done more easily, more promptly and infinitely more economically by:

A National Minimum Wage;

Conciliation Boards; and

A Tribunal to give legal sanction to the awards of the Conciliation Boards in the interests of the community of consumers.

2570. *Chairman:* Mr. Lawrence, you are the President of the Association of London Master Tailors?—(Mr. Lawrence): Yes.

2571. What have you to say to us about Trade Boards?—I want to put before you the length of time that has been devoted to trying to arrive at a decision of what we should pay in London, and I thought, in order to impress you with that, it would be necessary to bring you the papers and put them in front of you. We have now been at work for two

years, and as the London Master Tailors work by a log, we have not come to any agreement at what rate this log should be paid. We have only fixed a minimum time-rate by the clock hour. I think it is my duty to call your attention to the fact that in fixing this minimum rate, which is to be a universal one, the workers have gauged the minimum rate by the wages that were paid in London at the time these negotiations commenced.

2572. Of which Board are you speaking?—The Retail Bespoke Tailoring Trade. I will just draw your attention to the first minute. (*Printed document handed to the Chairman.*) These are the minutes of the first meeting held, and those are the rates that were suggested by the workers.

2573. Yes; that is: male workers in the first-class firms, 2s. an hour; those employed by second-class firms, 1s. 10d.; and those employed by third-class firms, 1s. 9d.; and the number of hours to be 48?—Yes. What I wanted to draw your attention to was that those were the rates prevailing at the time in London, and they were arrived at in this way—

2574. Are not you going into rather ancient history? Those were not adopted, were they?—Oh, yes, they were the prevailing rates.

2575. But they were not adopted by the Board?—They were not adopted by the Board, *no*. We shall lead up to something else which I think will give you the reason of this correspondence which was received objecting to the rates which were ultimately arrived at. The minimum rate for the Provinces, in the rural areas, as you will see, was decided somewhat on the standard prevailing in London, and the consequence was that we were sent all these letters of objection. (*Indicating large bundle.*) There are some, but very few, from the trade unions, all of a stereotyped nature. I do not know whether you intend to investigate these letters, but there they are at your disposal.

2576. I think not. Your Board made a proposal for rates, and those are the objections to the proposal?—Yes.

2577. Then was the proposal ultimately adopted or set aside?—The proposals were adopted by the vote of the Appointed Members. I am sorry to say that at that time it was touch and go whether the masters would attend these meetings any further, but we were prevailed upon to continue, and we did under protest; so practically and morally the masters are not responsible for these minimum rates which now prevail, and they have tried to enforce them in the Provinces, with this result. The masters are not in any way responsible.

2578. *Lord Weir:* Are those letters received by the Trade Board or by your association?—I am a member of the Trade Board, both as a member of the Trade Board, as a member of the Administrative Committee, and of the Log Committee, so I have pretty extensive knowledge of its operation. These were received by me as a member of the Trade Board.

2579. *Chairman:* That big bundle about 9 inches thick?—Yes, and weighing about 9 or 10 lbs.

2580. *Mr. Poulton:* What do they refer to?—That if the rates were put in operation which have been decided by the Trade Boards, it would be attended with disastrous results to the masters concerned, that they would have to close down or discharge their workmen who are working on the piece-rate, and sell ready-made garments—deal in factory-made garments. But there are some also from the trade unions, which I should mention; I think there are 70 or 80 letters from trade union organisations, all

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of a stereotyped character, all written pretty well in the same strain, and they are comprised in that bundle.

2581. You say they are stereotyped. If the others object and say it will bring disaster, are not they also stereotyped?—No, they are not. They are all written in different composition entirely.

2582. They may be in different composition, but if the result is that it will bring disaster?—Do you know exactly what I am alluding to? I mean if I instruct a man to write a letter, that is stereotyped, but if I write a letter which emanates from my own brain I call that my letter. To show you what I mean by the word "stereotyped" I give you that example.

2583. *Chairman*: You mean they show signs of a common origin; is that it?—Yes, my Lord, a common origin. Then as far as the London Master Tailors are concerned, I must mention to you that when it was suggested that we should be included in this new Act of 1918, a deputation of our association consisting of Mr. Cundey the principal of Poole's, Mr. Moore of Soudons, Mr. Johnstone of J. B. Johnstone of Sackville Street, myself, and Mr. White, of Hawkes and Co. of Savile Row, attended at Montagu House and begged that we should be exempted from the Wholesale Board but there is no doubt that in the archives of this House there is a record of what took place at that meeting. It is now so remote that I have forgotten the details, but there was one remark that was very much impressed upon my memory, and that was that as our Association numerically was so small, politically we were of no importance. I mean to say that is the idea that was conveyed to me from the interview, that our numbers were too insignificant to be of any importance or to be of any weight in the scale. Why I state that is this, that we are not inconsistent in our attitude. From the very beginning we have felt that there was no necessity for us to be included in this, and when the 1909 Bill was in Parliament we were told that we should not be. Also, to give an example of our independence of this Act, in 1920 the workers made a demand—we were then paying 1s. per log hour—of 1s. 6d. an hour on account of the increased cost of living. On the fact that all other industries had made an increase we compromised by granting them 1s. 3d. per log hour. We pay by the log; we do not pay by the clock hour. But at the commencement of this year the falling off in the trade was so appalling that economic necessities compelled us to suggest to our men that the cost of production must be reduced in order to entice custom. We suggested that the ordinary garments in daily wear should be reduced from 1s. 3d. to 1s. 1d. per log hour, and that the dress garments, the dress garments mentioned in the minutes of the Trade Board which you have there, should remain as they were; that is to say, we acted according to the principle that had been laid down by the workers themselves at the Trade Board. But we were told that it was contrary to the interests and opinion of trade unionism to differentiate, and they would not allow us to pay the workers making the garments as specified by the Trade Board at 1s. 3d., but they compromised through the intercession of Miss Sloan, a member of Montagu House, at 1s. 1½d. for all garments by the log hour. As a member of the Trade Board the workers vote for one principle at the Trade Board, but do not act up to that principle in practice. With regard to overtime, we have suggested that in our section it is inapplicable.

2584. I dare say you understand that this Committee is not going into details of rates fixed by the Trade Board. We only want to hear you upon the working of the Trade Board system in connection with your trade. We cannot go into the rates which have been fixed or not fixed.—With regard to the working of this, our men in their last strike, in March of this year, were not influenced by the edicts of the Trade Board. I should like to impress that upon you.

2585. What do you mean by that?—I mean to say this, that the Trade Board have differentiated in garments, and the workmen will not differentiate; all garments must be paid for at the same rate per log hour, although it is specified by the Trade Board that by the clock hour they are to pay 1s. 8½d. for ordinary garments and 1s. 10½d. for dress garments.

2586. I dare say you know that the Trade Board only fixes the lowest rates, which must be paid for certain kinds of work. It does not prevent the employers paying more, or the workmen from asking for more?—No, but if we suggest different rates on garments we are turned down by the union.

2587. That is a complaint against the union, not against the Trade Board?—I only mean to say this, that I assume that the workers' side at the Trade Board represents the opinions of the union. If they do not, well, what is the object of the Trade Board? If the unions will not obey the behests of the Trade Board, it shows they are not in sympathy. This point struck me—I do not want to bore you—but as a member of the Trade Board it seems to me, if we vote for certain things there, and they are not carried out by those who wish them (and, of course, we do not wish them), the whole thing is useless. I should like you to go into the origins of these Trade Boards, and who got us included. It was not the masters who wished to be put there, and I personally do not see the necessity why we should be, because we are not in any way affected by the Trade Board.

2588. *Lord Weir*: I should like to get one thing a little more clearly. You say on the Trade Board you have fixed two different rates for two classes of garment?—Yes.

2589. And in practice in your workshop you are unable to adopt these rates?—Yes.

2590. Why?—The workmen will not have them; they will not have differentiation.

2591. *Chairman*: They want the high rate for both, I suppose?—Yes.

2592. *Lord Weir*: And did you have a strike over that?—Yes, we had a strike lasting two months this year.

2593. What was the result of it?—The result was we got 10 per cent. reduction.

2594. How do you mean, 10 per cent. reduction? You wanted to impose the Trade Board rates—the differential rates?—No, not the Trade Board rates. We wanted to impose a differential rate, but not the Trade Board rate. We pay a higher rate. We came to an agreement with the trade union to pay a higher rate. All the members of our association pay a higher rate. We are not influenced by the Trade Board; we have always paid a higher rate.

2595. So that the London Master Tailors are outside the Trade Board—you make your agreements apart altogether from the Trade Board?—Yes, quite outside.

Chairman: I suggest to you that this has nothing to do with the inquiry we are conducting.

Lord Weir: How can it?

Mr. Poulton: I cannot follow it at all.

2596. *Chairman*: I mean you can always pay more than the Trade Board ratio?—(Mr. Corelli): I think Mr. Lawrence means to say that in consequence of the differentiation allowed by the Trade Board we thought we should meet the men's wishes by making certain proposals, and when they were put to their meeting they were howled down, because of the differentiation; and once they go on strike it is very difficult to get them back again.

2597. Still, they are rates higher than the Trade Board rates?—Yes; ours have always been. (Mr. Lawrence): Now, with regard to the apprenticeship scheme. Of course we had our apprenticeship scheme in operation long before the Trade Board, and I am sorry to tell you that as far as apprentices are concerned if that end of the channel is closed, namely rural areas whence are obtained our sartorial recruits, it will create great difficulty. How it happens in London as regards the apprenticeship scheme is this, that if anyone wishes to apprentice

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a boy to the craft, and a guardian or parent comes to me for that purpose, I introduce the workman to that parent, and the premium and remuneration is an arrangement between the two. I do not in any way interfere with that. All I do in order to encourage the apprenticeship is to give the space in my premises, and the worker, if there is any profit in the matter, he takes it, and if there is any loss he bears it. He makes his own arrangement. I have been asked since this scheme has been in operation whether I could take an apprentice. I went to one of my workmen, and his reply was, "The rates are too high for us," and you see how the channels at both ends of our trade are stopped. We cannot get them from the rural areas because they cannot cope with these rates, and the workmen at our end, with whom we do not interfere at all—we allow them to get all the advantages accruing from the apprenticeship scheme—say the rates are too high.

2598. You mean the rates fixed for learners?—I am speaking of apprentices. You may call them learners; it is really one and the same thing, but we call them apprentices.

2599. Do not the rates fixed for learners apply to apprentices?—Yes, about the same. There is a slight difference, but not much.

2600. Mr. Poulton: Do you mean that the workman in your establishment says that the amount of wage that he has to pay the apprentice is too much?—Yes.

2601. Therefore he will not take him?—Yes.

2602. Has that been communicated to the proper authority in connection with the men's union?—No, I have not discussed it with the men's union.

2603. You have not attempted to try and meet the situation?—No. It never struck me that after having consulted my workman on my own premises, which was a private matter between myself and himself, it would be correct to bring that matter before the trade union.

2604. Mr. MacCollum Scott: Is it the other workman who pays the learner?—Yes, it is the workman. He would take the premium and pay the learner. We do not interfere at all; we let them make the arrangement themselves. If there is any advantage accruing from the deal the workman gets it. He gets his premium. We of course are at a loss, because we supply the implements, and we supply the space to the boy.

2605. Lord Weir: Is that general all over the country, or is it confined to London?—No, it applies more particularly to London, the high-class houses.

2606. Dame Adelaide Anderson: The rates for learners are not the same as the other rates you have been speaking of; they are higher proportionately?—I do not think there is very much difference.

2607. From what you said a little while ago the rates you were paying were higher than the minimum?—From memory, the rates were about the same; the apprentices and learners are about the same.

2608. Chairman: They begin at 10s. in each case. I think they are about the same?—Yes.

Chairman: They advance rather more quickly with learners than they do with apprentices.

2609. Dame Adelaide Anderson: I was not comparing apprentices with learners. I was on the point that you were paying higher rates generally than the minima prescribed by the Trade Board. Is not that so as regards the learners?—No; we do not employ learners; it is not the custom. In fact we do not employ assistants. If a tailor employs an assistant tailoress he pays the prescribed rate as agreed by the Trade Board or the trade union, and if he makes a profit by the arrangement he gets the profit. Then in the event of that assistant taking work direct and taking the full responsibility for that work, she receives the same payment as the men. For instance, the women waistcoat makers in our employ are paid on the same standard as the men, so they are exactly in the same position. The woman who takes a garment and makes it completely is put in exactly the same position in our trade as

the men; but as long as she works as an assistant and does not take full responsibility, she makes her terms with the workman, and of course he is governed by the trade union agreements or the Trade Board rates. In London they pay higher than the Trade Board rates; I think that is the understood thing.

2610. For adults you pay higher?—Adults and the women too—for the assistant tailoresses, yes. They are paid higher, and the tailoresses, those who make garments on their own responsibility, are paid at the same rate as the men.

2611. Lord Weir: So far as your particular branch of tailoring is concerned, if there were no Trade Board in existence it would not make the slightest difference?—It would not make the slightest difference. (Mr. Corelli): We have a Conciliation Board, and have had for 30 years. (Mr. Lawrence): We discussed that. I have been operating with the Amalgamated Tailors since 1891, when there was a strike.

2612. Lord Weir: You claim that you were perfectly adequately organised for regulating your own wages?—Quite so, and we would save the country an enormous expense.

2613. But not as regards learners and apprentices?—Well, it is not the custom of the members of our Association to employ learners and assistants. It would be quite the exception that proves the rule.

2614. Chairman: Your men do?—Our men may do so.

2615. You say they find a difficulty because of the rates fixed for apprentices and learners; is that so?—Oh no; the men make no complaint about the learners or the assistant tailoresses. The only thing they make complaint about is the question of apprenticeship. The apprenticeship rates are too high, and therefore they will not take them. Consequently English boys will not get the opportunity of learning our craft, and we shall employ foreigners instead.

2616. Is that the only point where the Trade Board affects your trade in London?—Yes, I should think that would be so.

2617. Mr. Poulton: Have you any idea of the difference between the Trade Board rate and the rate of your employees—I mean they become in turn employers in the case of these apprentices?—Yes. Some of my partners were in my employ 30 or 40 years ago as workmen.

2618. Can you tell us what is the difference in the rate that they have been in the habit of paying these apprentices and the rates which are now prescribed for you to pay?—I should have to inquire as to that; I have never interfered. But as a citizen I am anxious to encourage apprenticeship, and I may tell you now it is most disastrous. What is going to happen a generation hence I do not know.

2619. Dame Adelaide Anderson: Are these workers who are employing apprentices represented on the Trade Board, or have they made any appeal for representation on the Trade Board?—I cannot answer that question at all.

2620. Chairman: What is your next point?—I want that to be well thought of—the rural areas. I believe that Mr. Nicholson, who is of course one of the members of Montagu House and also of the Labour Ministry, attended our last meeting, and told us that the results of the application of these minimum rates to the rural areas has been disastrous. I think that comprises all I have to say. The only thing I should like to finish with is that, of course, as a commercial man—it may be a digression and uncalled for—I have chafed very much for the last two years at the Trade Board meetings at the enormous expenditure incurred there, with the little result obtained. As far as we are concerned the only point that we are really interested in—that is, the minimum log rate—has not been decided. That is all I have to say.

2621. Have you anything to add, Mr. Corelli?—(Mr. Corelli): If I may, I should like to add a few words.

2622. What is your position?—I am the secretary of the Association of London Master Tailors. What

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I should like to say is that if these trade boards are to stay there should be some reconstruction of the work. First of all, piece-rates, by which 95 per cent. of the men are paid, should have been considered in the very beginning. We have been at work for two years, and that has never been decided yet. If we had a general piece-rate I am certain that all these troubles which we have had about overtime and out-workers and a great many other things that have cropped up, on which we have had discussions day after day, would never have been needed. For instance, the question of differentiation in villages: if you have a piece rate it is quite easy to have an agreement with a trade union that in such-and-such a district a piece-rate at the rate of 11d. instead of 1s., or 10d. instead of 11d., should obtain, and that would settle the whole difficulty of differentiation. Mr. Lawrence has laid great emphasis on the rural districts, because these trades are valuable; they are an asset to the country. The employer teaches his son; sometimes the trade descends from father to son for three or four generations, and it is from there that we get all our recruits, and a good many boys who have learned their trade in a village are now partners in great firms in London—some of the very greatest. Then there is also the facility with which higher rates could be fixed by conciliation boards if once you had a normal rate for what I should call normal districts—that is, second- or third-class towns. That would not include Manchester or Liverpool, or even fashionable places like Bath; and then London would become the top. It would be quite easy to do that when once you had a fixed minimum piece-rate. Our troubles would be gone as far as our association is concerned. Then I should like also to say, although it is a very small matter and probably other people know much more about it than I do, that the administration of the board is very cumbersome. There is a tremendous lot of correspondence, as Mr. Lawrence has said.

2623. Are you on the Board?—I am on the Board, yes, and all these notices have been sent out. I should think between a quarter and half a million notices have been sent out, and yet we know many firms have not received them. I think it would be quite as easy to advertise them at the Post Office, or in some other way which would be easier, and so that everybody could have a chance of knowing what they were going to be asked to pay.

2624. What way would you suggest? There is an objection, I am told, to the post offices being used, because they do not want to have more notices, as they have only a limited space.—During the war, of course, we used the post offices for all sorts of things.

2625. That is true.—Would not there be some other way of doing it?

2626. Would an advertisement in the ordinary daily papers be useful, or in the trade papers?—It might be said it is cheaper to send these notices out; if the postage costs nothing, it may be cheaper.

2627. It takes time?—But, of course, the post costs the same thing to the country.

2628. It takes time, of course, to reach all the employers?—Yes, and some of them are never reached. Even when they get these notices, there are many firms—I called on a firm quite recently where there was not a spot where you could put one of these notices. All the partitions, all the walls, were either shelves with cloth upon them or partitions with glass, so as to bring the light into the trying-on rooms. You could not have put up the notices anywhere. I suggested that they should put them in the passage and paste one on the top of the other loose, so that anyone could lift them up and look at the ones underneath. But there are very few tailors' establishments where there is any wall space on which they can put these notices. Of course, it is a very small matter, but we are kept at the Trade Board for two days sometimes, and nothing is done. Speeches are made; you hear a trade union official come and make a speech which he has already made

at a meeting in Scotland—he speaks in broad Scotch in a room where you cannot hear anything else for the noise going on in the streets, and this very same speech has been made already to the employers. He has been shown that he was wrong, and yet, in order to play to the gallery or to influence the appointed members, he goes on repeating the same thing, and speaks for a quarter of an hour, and then afterwards, when we have something important to say, the Chairman says, "Well, would you mind leaving it as it is; time is pressing," and so on. There is too much talking about it altogether, as I think Mr. Lawrence will agree.

2629. That is incidental to a great many assemblies. We cannot very well go into that?—Perhaps I am a sinner now, my Lord. If you will allow me, I should like to make a suggestion—I daresay you have had a lot of suggestions—about a remedy for all this. I say that a national minimum rate, as has often been suggested here, a national minimum rate for the United Kingdom, could easily be fixed for normal districts. There are great facilities with the rural district councils, with the food committees that were established during the war, for finding out the average price of staple articles in villages, and I think that a lower scale, what I call a minus scale, for villages could easily be fixed once you have got a minimum rate for what I should call normal towns—second- or third-class towns. We have a Conciliation Board, and I should like to hand you the rules of that Conciliation Board. (Copy handed.) It was not called originally a Conciliation Board; it was called the Reference Committee; but some time before the Conciliation Act was passed we called it a Conciliation Board. The rules were submitted to Sir George Askwith, as he then was, and it has been in perfect working order the whole time. We settle everything without any trouble. We meet in a room with mutual respect, and listen to one another as people who know one another's business, whereas at a trade board the atmosphere is something—well, I do not like to qualify the atmosphere there is there. It is one of hatred and accusation and name-calling, and it is something dreadful.

2630. What proportion of the employers belong to the associations?—The Association of London Master Tailors and the Amalgamated Society of Tailors were the first. Then the Minister of Labour induced us in 1912, in order to give the Board a more national aspect, to admit the National Federation of Merchant Tailors, of which Mr. Adams was the representative here last week.

2631. That was not the question I was putting to you. What proportion of employers and workers belong to unions or federations? I want to know how well organised your trade is?—It is not sufficiently organised for us to claim exemption from the Trade Boards; that I admit. But when Mr. Wilson took the chair at a conference at the Ministry to induce us to extend our Conciliation Board, we had hopes that we should become strong enough to ask the Minister to exercise the power which he had during the war of making our decisions binding on the whole trade.

2632. When you say "our decisions," you mean those of the Conciliation Board?—Yes, of the Conciliation Board.

2633. Mr. Layton: I understand that you are dealing with London only?—With the London association and branches of the National Federation. Our decisions are always followed everywhere. If we go up 1d. or come down 1d., even in Ireland the rate goes up or down with ours, so that the Conciliation Board has been really doing all the work which the Trade Board is doing now.

2634. When you said just now the trade was not sufficiently organised to claim exemption from the Act, would that be true of London as well as of other parts of the country?—The Conciliation Board or the Trade Board?

2635. You said that the trade was not sufficiently organised to claim exemption from the Trade Board?—No, it is not sufficiently organised.

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[Continued.]

2636. Does that apply to London as well as to the rest of the Kingdom?—Yes.

2637. It is not even sufficiently well organised in London?—No, not anywhere. There are 50,000 tailors, and it would be quite impossible for a voluntary body to organise, say, 40,000 or 45,000 employers; it would be quite impossible. But at the same time, we think that by a stroke of the pen the Minister could inquire into our decisions, and if they met the approval of the Department, I think you could get power to make those conditions acceptable locally, whether in Manchester, Liverpool, or London. It would save all this trouble.

2638. Mr. Poulton: So that your objection is not to a Trade Board as such, but only to the way in which, for the moment, it is administered. You get along too slowly?—Yes, and the spirit is not quite right.

2639. The spirit there is not the same as at your own Conciliation Board?—That is so. At our Conciliation Board we meet as friends, and it always ends up with a cordial vote of thanks, either to Mr. Cuney or to Mr. Lawrence.

2640. Chairman: What is the moral you draw from that?—I draw from that that everything in trade that is interfered with by Governments—well, I will not say any more.

2641. Mr. MacCallum Scott: It was stated that in the London trade, or, at least, certain sections of it, wages were agreed on which were considerably in excess of the Trade Board figures?—(Mr. Lawrence): Were in excess.

2642. Appreciably in excess?—In excess; I should not use any qualification.

2643. Very well. Does that apply to the whole trade?—(Mr. Corelli): No.

2644. To what section does it apply?—(Mr. Lawrence): The Association of London Master Tailors, the members of our association. There may be others outside.

2645. Do they cover a large proportion of the London trade?—No. (Mr. Corelli): We limit the membership to those who bind themselves to pay certain rates. (Mr. Lawrence): The problem we have to consider is this. In the event of a strike, whom have we to protect; those who pay high rates or those who pay low rates? Therefore, we subscribe to a certain code, and those who subscribe to that code we naturally band together to protect. (Mr. Corelli): May I add that right through we have had—I do not say to educate, but to initiate a lot of Departments into the mysteries of our trade, and there has been a good deal of overlapping. It took us a long time to get, say, the Board of Trade to understand our trade. At last, I think, Sir George Askwith understood it almost as well as I did. Then we had also the Home Office to deal with, the inspectors under the Factory Act. The Chief Inspector came to several conferences at our Conciliation Board with his assessors, and he made certain agreements, because he admitted that the Factory and Workshops Act was impossible to administer in our trade, exactly the same as these decisions of the Trade Board Act are—very few of them can be administered. Now, the Chief Inspector admitted that, and he made, for instance, the arrangement that instead of having to give the full particulars to the workman—it shows we were getting on quite well without the Trade Boards interfering with our trade at all.

2646. Mr. Layton: You propose that there should be a Conciliation Board with a provision to make its decision binding?—Yes.

2647. If you were to give legal sanction to the agreements which you make between the employers and employed, would not the resulting rates be open to the same objections as the rates now fixed by

the Trade Board, namely, lack of flexibility?—No, the Conciliation Board have three rates for London. There is a rate for the firms who choose to classify themselves as first-class, and accept first-class labour. There is the lower class—we do not call them third-class, but they choose to classify themselves to pay the lower rate; and then there is the middle rate. There are, at this moment, only two rates, because it was not convenient to alter all three, but that leaves enough elasticity in London to meet the requirement of the whole trade.

2648. You are speaking now of the rates fixed by the Conciliation Board?—Yes.

2649. They fixed three grades?—Yes.

2650. Three grades for the workpeople?—No, for the employers.

2651. Who grades the employers?—(Mr. Lawrence): A mutual agreement between the two trade unions involved—the masters and workers' associations.

2652. That grading is not possible under the Trade Board—a similar grading. Is that what you are saying, that grading of that kind is not possible under the Trade Board?—That is what the appointed members said. The line of demarcation is impossible to draw. That is why they turned down the rural areas and would not have differential rates. They said the line of demarcation was impossible to fix.

2653. Your point, then, is that the Conciliation Board machinery permits of more variable arrangements than the Trade Board?—Yes, and a more local arrangement too.

2654. But supposing you were to ask the State to intervene, and make that arrangement legal, would not the same difficulty of demarcation then arise? You arrange that firm A should be in such and such a group, and firm B in another group, by a bargain between the two sides? Could you make that a legally binding arrangement without at once introducing the element of inflexibility?—Well, Sir, could not it be met as it was by the old Trade Boards Act of 1909, which says: "The Trade Board may establish district trade committees consisting partly of members of the Trade Board and partly of persons not being members of the Trade Board, but representing employers or workers engaged in the trade and constituted in accordance with regulations made for the purpose by the Board of Trade, and acting for such area as the Trade Board may determine." At present London acts for the whole of the United Kingdom.

2655. Yes, but that is not exactly the point I am putting. You suggest conciliation machinery and then that the State should step in and make the decisions arrived at by that conciliation machinery legally binding?—Yes.

2656. I am asking you whether you do not consider that the intervention of the State after such an arrangement is arrived at, making it legally binding, would not introduce many of the elements of difficulty that you now see in the Trade Board system?—Of course it is a very difficult thing to say, but the trade unions have always shown great aptitude in regulating affairs of that description, and it would be principally at their dictation that certain individuals should come under a particular grade, and if it were approved of, probably the individual referred to would have an opportunity of appeal on this Committee, to show why he was not paying the rates of others in the district. It could be gone into locally, and according to the views of the Committee after that interview he would have to submit or put up with the consequences. (Mr. Corelli): What we say is that 50 men meeting from all parts of the country are not a fit and proper tribunal to judge what the London employers and workpeople agree to pay. It is not a proper tribunal for the purpose.

(The Witnesses withdrew.)

Mr. H. D. JACKSON, recalled and further examined.

2657. Chairman: You were dealing, I think, with the question of variable rates for similar work?—Yes. The next point I should like to deal with is

the question of Government interference in trade. It has not proved very successful during the war, and practically the whole control of trade has been

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released by the Government in nearly every industry that it affected during the war. More particularly I should like to call your attention to the fact that the attempt to regulate agricultural wages has been abandoned, and it seems to me some evidence is afforded of that by the fact that the Government realise that in attempting to control the industry, they have taken on a subject which requires the most intimate knowledge of the industry itself, before it can be dealt with satisfactorily. It seems to me that this is only another method of trying to put on to industry something that it is not capable of bearing, by persons who have not sufficient knowledge to be able to form an opinion that they are trying to enforce. The old method of allowing manufacturers to deal direct with their employees, and to deal with them also collectively in a collective bargain, seems to me to be much preferable to a Government endeavour to introduce members outside the trade who do not know anything about it, to adjudicate on matters of this description.

2658. Would you extend that to cases where there is often what is called sweating—an undue exploitation of labour?—Well, I hardly think there is a condition of sweating to-day, and even if it were sweating, I should prefer for the Government to say: "You must alter this, but settle it yourselves and we will see that it is carried out."

2659. There would need to be some machinery for that purpose?—Yes, there would need to be some machinery.

2660. Have you any criticism on the machinery set up by the Act of 1909 for that purpose?—I have no particular criticism of the Act of 1909, because that simply dealt with that problem of sweating, which is a thing that should be dealt with, and I think compulsorily. Unless free scope is given to manufacturers of negotiating directly with their employees, enterprise is killed and, consequently, industry does not flourish, and nobody can regulate wages in any industry who is not very intimate with the conditions prevailing in that industry, and therefore the presence of appointed members not only leads, through want of knowledge, to rates being fixed that the industry cannot bear, but is a bar to mutual agreement, as each side is aware that in case of disagreement the casting votes rest with the appointed members, and therefore trust to the fact that they are more capable of presenting their case before such members. In one case an appointed member was invited to a factory to see an operation about which there was a dispute, but he had to admit that he knew nothing about the trade. Now it seems to me that that is a point which it is very difficult for a manufacturer to concede, and that is that he shall allow an outsider to come into a trade and to fix a rate of wages, when he has not knowledge about the economic conditions of that trade, the conditions of working, the work to be performed, and various other things of that description which have a great value in fixing the remuneration for that work. It really comes to this, that you have an equal side of workers and employers, and you have three or more representatives appointed by the Minister of Labour who have really no knowledge of the trade for which they are adjudicating. There are here extracts from two letters which I think illustrate the subject, and I should like to read them if I may. This is just an expression of opinion, as I quite realise, but I am going to deal with the matter more fully later. "With 20 years of business experience I strongly resent a person who has no knowledge of a business concern, and very little, if any, sympathies with the difficulties which present themselves to those in the management of a factory, being sent from an office in London to tell me how my affairs must be managed." That is one letter, and these are just representative of the ideas that run through the various letters which I have here; but the main point, I consider, is this, that it is a new departure to bring somebody into a business to settle a vital factor in that business, who has not sufficient knowledge to be able to tell what the result of that settlement will be

on the business itself. I think nobody can settle wages of this description but those who are fully acquainted with the trade.

2661. Of course you would distinguish a case where where an arbitrator is appointed by agreement between both sides?—Yes, but that does not very often arise—at any rate, not on wages questions.

2662. Not so very often as it did, I think, at one time?—No, because they have not found, even in the past, in those voluntary arbitrations that they have derived the satisfaction which they expected. One side always goes away dissatisfied, and there is always dissatisfaction, it does not matter on which side, and that dissatisfaction continues as long as that rate is in existence; whereas if you come to mutual agreement you both go away satisfied with the fact that you have come to a mutual agreement, and that it has not been decided for you by a third party. "The chief grievances against the existing system are the length of time necessary to carry out a proposed alteration in rates and the fact that the appointed members in arbitrating between the two sides have been reluctant to face the facts of the present industrial crisis, and act in accordance with the general and inevitable trend towards reduction of labour costs."

2663. That is a quotation?—Yes. I did not want to burden you with a lot of letters, but I have many more containing other evidence which I want to use. The Acts place the appointed members in the position by their votes of settling wages for hundreds of thousands of workers, and yet it is impossible for them to know sufficient of the details of the trade to be able to form a fair and proper opinion. In Australia, where Trade Boards have been in operation for a considerable time, it has been found from experience that this is the greatest source of unrest, as the arbitrators fix such divergent prices for exactly the same labour that it is only natural that those coming under the lower rates feel that an injustice is being done to them, and this has been a prolific source of strikes. It seems obviously futile to place in the hands of persons who have so little knowledge of the trade the right to determine such a fundamental factor as this in case of disagreement between the two sides, and this is the only occasion when their services are required, and the only reason for their appointment, because if the two sides agree the appointed members have no necessity to vote, and in fact do not vote. That means that the only that they come into operation is when there is disagreement, and when there is disagreement it must be on fundamental facts, and it is, as a rule. Therefore it seems to me that you have to have a knowledge of the trade before you can decide the fundamental facts of the case. The presence of appointed members on the boards actually tends to disagreement between the two sides, as each one knows that in case of disagreement it is a question of persuading the appointed members to their point of view, and each relies on putting forward their case better than the other, and in practice, especially in the unorganised trades, the workers' representatives are better able to present their case owing to the trade union representatives' experience in this direction. That often happens in an unorganised trade, very largely because the employers have had no experience of wage negotiations on a combined basis, and their negotiations have generally taken place in their own works, whereas the trade union representatives on the other side are generally those representatives who have handled these negotiations before, and are probably in a better position to put forward their evidence than the other side. That is why I say, and I said earlier, that in my opinion, if it is to be applied at all, it should be applied to an organised rather than an unorganised trade. It is a common thing for the workers' side to put forward proposals which any members with experience of the trade would at once reject. Such proposals are put forward relying upon the ignorance and sympathy of the Appointed Members. For instance, at one of the Boards recently there was proposed an increase in the wages

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of female pan hands from 9d. to 1s. 1½d., but I feel sure that would never have been brought before a Board acquainted with the trade, and it is probably because it is commonly stated that workers have come to recognise that the appointed members nearly always split the difference, and therefore if an extravagant demand is put forward they will obtain at least one-third or one-half of their demands. One would have thought that the presence of appointed members, seeing that they are the same persons on other Boards, would have led to co-ordination in the rates fixed for similar labour, but this is far from the case, as the instances I have given earlier in my evidence will show. Many of those Boards that I mentioned before have the same appointed members, and yet you get no co-ordination in rates for the same work. I must say at this point that it may happen largely from the fact that they have not had to exercise their vote, and therefore they have not had control over the rates which were fixed, but still they were there in an advisory capacity, and one would have thought that the rates would have been made uniform.

2664. You mean they have been agreed rates?—I cannot tell that; they may have been agreed rates.

2665. You are only on one Board yourself?—I am only on one Board myself.

2666. *Lord Weir*: Does that experience you have described to us reflect your own personal experience?—Yes. I was going to give the personal experience on the Stamped or Pressed Metalwares Trade Board. The first rate that we endeavoured to fix was the female adult rate, and the first point that was agreed was the age, and that was 18. Now I call attention to the fact that the Coffin Furniture Board had then passed their rates. They were in a practically identical trade, and they considered the adult age was 21. This point was all brought out, but we still considered that we were right in the fact that the adult age was 18, because it had been the common practice in our trade to make that age 18. Then came the question of rates, and we were at very great variance. We first of all started with a 7d. rate on the employers' side and 1½d. on the workers' side. I do not know that I need give you the details of the history of the negotiations, because they took place and we had various interviews with the appointed members, and finally, after all the points had been put forward, after three days' discussion, the position was put to us by the appointed members in this way: "The Coffin Furniture Board and the other Boards, three months ago or two months ago"—I forget which—"fixed 8½d. as the minimum rate. The cost of living has gone up, and therefore I shall not vote for you unless you come to 9d." Now, surely that is not the way to fix wages in a trade. It does not take into account the fact of whether the trade can stand it. In that particular case it happened to be an allied trade; but the very fact of using that argument of fixing wages in one trade by comparing them with another trade is a fallacy altogether, because there may be a different degree of skill required; there may be all sorts of things comprised. Surely you could not for one moment suggest the idea that a trade, say the sugar and confectionery trade, did not require more skill than a girl sorting rings. I mean there is that basis of the fact, that you have got a different class of operative, and it seems futile to me, at any rate as a business man, to try and fix wages on a scale because somebody else did it. You have to know the conditions of the trade.

2667. *Chairman*: I think you told us that to some extent the work done in the two trades was alike?—In those two particular instances, yes. But I mean the very argument is unsound. I referred to the coffin furniture trade because I happened to think of it, but other Boards were mentioned. It was said that two months ago a Board fixed a rate at 8½d. There were four mentioned, but I forget their names. They fixed 8½d., and the cost of living has gone up, therefore it was considered that we ought to make it 9d., and it was decided on the votes of the appointed

members. That is the actual conclusion; it was not decided on the facts of the case; it was decided on the votes of the appointed members.

2668. *Lord Weir*: I should like to ask one question about that. You have told us about these inconsistencies in the different trades. Before the Trade Boards Acts, did those inconsistencies not also exist?—As far as those trades that had any organisation were concerned, no; because these negotiations usually took place with trade unions whose membership covered the whole of those trades, and does to-day, and the consequence was, if you made an agreement with a trade union it applied to every trade.

2669. So that these are new inconsistencies?—These are new inconsistencies.

2670. *Chairman*: I am not sure whether you would say that, because these are unorganised trades; they were always unorganised trades?—I do not agree that they are unorganised. They may be as regards making particular articles, but that is a different question to an unorganised trade. There may be a body of employers from composite trades who may negotiate with a trade union where there is an organisation, but that organisation cannot be said to consist of the trade as defined by the Trade Boards Acts or as interpreted by the Minister of Labour.

2671. *Mrs. Lyttelton*: But their decisions are copied, you mean? You said before that the rate that obtained in one portion of a trade was very nearly always taken by another portion?—Yes, that is so.

2672. That is your argument, is it not, that the organised part of the trade sets the pace for the unorganised part?—Yes, in the stamped or pressed metal wares trades, as I told you, the part for the making of our work—that is the brace and suspender fittings—the bulk are covered under another union—the Harness Workers' Union—but we represent 90 per cent. of the workers and employers, and it is a section of a trade. It is an actual trade, as a matter of fact, under the definition of the Minister.

2673. *Chairman*: What I wanted to get at, and I think Lord Weir also was asking, had regard to the traditional differences in the different trades. You mentioned just now that 18 was the age for the adult in one trade and 21 in another?—No, that was the opinion of those members who were on Trade Boards.

2674. Was it right or wrong? I thought you said it was right that 18 was the proper age?—Yes, because the practice since the war and before the war has been to regard 18 as the adult age. If I may say so, it has been an advance. In the old days it was 21, but I consider that in the semi-skilled trades, such as ours is, a girl is quite adult as far as work is concerned at 18.

2675. You were saying how one trade differs from another.—Peculiarly enough, I believe that one representative on the Coffin Furniture Board who agreed to fix 21 two months earlier, is also on the Stamped or Pressed Metal Wares Trade Board. When our arguments were put before him that 18 was the age he agreed; so that you see his opinion had changed.

2676. *Lord Weir*: Conceivably in the coffin furniture trade this age had been recognised as 21, and in this other branch as 18?—It had not been recognised, because most of the coffin furniture people were on war work, and they had to recognise 18 as the age.

2677. *Chairman*: Then you mean there are really none of these traditional differences between one trade and another?—There are certainly traditional differences between trades.

2678. That is the whole point that is being put to you.—I beg your pardon; I thought you meant in these particular four trades. There are traditional differences between trades, certainly.

2679. *Lord Weir*: You have called these things anomalies and inconsistencies; you have pointed out the fixing of rates for people who do the same work varying by 25 per cent.?—Yes.

2680. Is it not the case that, to a certain extent, that existed long before Trade Boards?—Not in the particular industry that I know.

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2681. You have spoken of several industries, you know?—I mean to say I did not reckon to prepare evidence on the practice years ago.

2682. You have given us figures; you have quoted definite rates varying by 25 per cent. You say that has been caused by the Trade Boards. Did that not exist before the Trade Boards?—I say, in the trade that I know, no. I have answered that question to the best of my knowledge. I say, no.

2683. Mr. MacCallum Scott: Did you include the coffin furniture?—I do. I can include those four Boards.

2684. Lord Weir: So the action of the Trade Boards has produced inconsistent remuneration for practically the same work up to the extent of 25 per cent.—inconsistencies which did not exist before?—Yes, I dealt before with the question of the pressure that it brings to bear on employers to level up wages in their works, regardless of what their competitors have to pay. I mentioned before, of course, the existence of more Trade Boards than one. It also has the effect where no Trade Board exists, where one Trade Board exists and the other part of the trade is not covered by a Trade Board of a similar character—the fixing of wages by the present method very often means that the fixing of rates for the particular article in question forces the employers to pay the same rates to other workers engaged on similar operations, although his competitors do not pay the higher rate. For instance, in one firm, of whose products 10 per cent. come under the Sugar Confectionery Board, they had to apply Trade Board rates to all their employees, as they found it impracticable to pay different rates to workers engaged on the same work. In another case, workers engaged on the same bench are brazing stamped chain and wire chain, and the fact that the rate for brazing stamped chain is fixed by the Stamped or Pressed Metalwares Trade Board necessitates the payment of the same rates for the wire chain, although the output of stamped chain is only 10 per cent. to 15 per cent. of the total output, whereas the firm's competitors make the same class of articles and do not have to pay this rate. That means to say this, that you have workers on the same bench and they are brazing chains. There is no difference between brazing a stamped chain made from pressed metals and a wire chain, and you cannot, naturally, pay those two workers a different rate. The price for brazing stamped chain comes under the Trade Board; the price for brazing wire chain does not. The consequence is that the manufacturer who is controlled in any proportion of his output by a Trade Board has, in order to keep peace and quietness and in justice to his employees, to pay that rate to those making wire chain, whereas his competitors can pay anything they like.

2685. Chairman: His competitor who is making only wire chain alone?—Who is making only wire chain alone; he can pay anything he likes.

2686. Mr. Layton: Do you mean that the whole of the wages in your factory are in fact covered by the Trade Board?—In my own factory, yes.

2687. Is it so?—I cannot avoid that possibility. It stands to reason. I have a shop with 20 or 30 power presses in, all running side by side.

2688. What percentage of your workpeople are under the Trade Board?—I could not say exactly what there are. In my case there would probably be if it were gone into in detail—it is difficult to say for the reason that the definition of our Trade Board is very difficult; we hardly know what comes under it and what does not—I can only say there is something between 50 and 60 per cent. who come under the Trade Board, and the rest do not.

2689. Mrs. Lyttelton: Do you complain because the rate is too high that it is fixed in the same way, or simply of the possibility of someone competing who is not under a Trade Board?—I am dealing with both, but at present I am complaining of the fact that I have at present to pay more than my competitors in certain classes of my goods because I have a

Trade Board telling me what rate I must pay, and my competitors have an agreement made between representative employers and employed, representing 90 per cent. of the trade.

2690. Lord Weir: I suppose you could conceive of a Trade Board fixing a rate which helped you as against your competitors?—I could conceive of it, yes.

2691. Dame Adelaide Anderson: And does to a certain extent help you when its influence takes effect, that the rate has to go up in another factory?—It does not have to go up.

2692. I understood you to say that by example and by demand of the worker he is obliged to pay it?—No, because I am controlled by the Trade Board, but in my competitor's house it does not apply.

2693. But you speak of employers paying anything they like?—Yes.

2694. Is that in another unorganised trade?—I used that expression perhaps inadvisedly. I mean they do not have to pay the fixed rate; there is no legal liability on them to pay any particular rate. I did not perhaps put it in the right form.

2695. Mrs. Lyttelton: And do they in fact pay a great deal less?—Yes, I can give you the figures.

2696. Mr. Layton: Are the people in your factory not under the Trade Board covered by a trade union? Are there unions whose agreements cover the balance of 40 per cent. of workpeople in your factory who are not under the Trade Board?—Not all of them.

2697. But there are collective agreements?—Oh, yes.

2698. And you are in fact paying more than the collective agreement rate for particular classes of workmen?—Yes.

2699. Mr. Poulton: That is to say you are paying more than the minimum which the Trade Board lays down, because you know that you follow that up by a statement that no employer is prevented from paying higher rates of wages. That is a minimum; we must not forget that.—I do not quite understand your question in relation to this.

2700. I understood you to say that you were paying more in some instances than under the Trade Boards—

Mr. Layton: No, it was the other way round.

2701. Mr. Poulton: I mean under Trade Board rates than employers under private rates?—Yes.

2702. I say there is nothing in the Trade Board rates, even though they are higher, to prevent you paying more; it only says you must pay up to at least those rates.—Yes. We are paying to some of our operatives a higher rate than the Trade Board rates; but if the operative was specially skilled there is no reason why we should not pay more. My complaint is that I am bound to pay more for the minimum labour than I am bound to pay under the agreement with the trade unions. That is my point. We all know that there are operatives in a factory who always get better paid because they have higher skill, and that would always follow. The man in business who does not recognise that is not very successful as a rule.

2703. Mr. Layton: Will you tell us, either now or later, what has happened during recent months in connection with the trade depression? Have the trade union rates fallen more rapidly—has the margin widened?—I will give you that later on in the stamped or pressed metalwares trade. Then I deal with the question that arose before lunch, and that is the question of the Trade Board being confined to a trade. The Trade Board is confined to a trade as defined in the making of an article. It would have been far better for the regulation of wages, in my mind, if it had not been confined to a trade but had been confined to what I might call an industry or an allied trade. But the Minister has distinctly laid down—I only want to bring this system in evidence—that in the distributive trades he could not make a Board covering all the distributive trades, and we must admit there that there cannot be any difference between a salesman or a carter

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[Continued.]

in the distributive trade, whether they are delivering one class of goods or whether another.

2704. That was a decision founded on the Act itself?—Yes. That was one of the defects in the Act to which I want to call your particular attention. I consider it is one of the worst features in it, and one that creates the most trouble and confusion in industry. We claim also that this Act does not altogether prevent sweating. It means that you cannot pay lower than a certain wage, but what becomes of those people who are not economically profitable in a factory at the wages that you are paying? They go out of the trade, and logically in the long run I claim that if you were to establish a Trade Board in every trade in the country you would leave a certain number of people who were unemployable, not unemployed, because they were not economically profitable. After all is said and done, business is done for a profit; if a worker shows a loss on the work that he does, in the long run he is bound to get out of employment, and eventually, if you are forced to pay a certain rate, he becomes unemployable, or else the manufacturer goes out of business. The essential object of the 1909 Act, to prevent sweating, cannot be shown to have been achieved. The actual result has been that employers have chosen their employees more carefully, and the old cry of the survival of the fittest has operated, and the workers who claim to have been sweated have been thrown out of employment. The Secretary for Labour in Australia, in a book he has written on Trade Boards, confirms this in a statement he makes, and in his opinion a minimum leads employers to set up a standard of efficiency, and those below that standard are unemployed.

2705. *Chairman:* That was Mr. Murphy. I think?—Yes; the Australians have had much wider experience than we have of Trade Boards. I will now deal with the question that I have been asked several times, and that is the fixing of the wage itself, which is altogether distinct from the other portions of the Acts.

2706. I think Mr. Murphy is Secretary to the Department of Labour for Victoria, is he not?—I am not quite sure; I think he is.

2707. I have his book here. He calls himself "Secretary, Department of Labour at Melbourne." I rather doubt whether he is Secretary for the whole of Australia?—I am not quite certain about that. It is Mr. Murphy that I mean.

2708. I will verify that.—Then comes the question which has been raised several times, and has been raised outside very prominently. That is the question of the minimum rate. There is no definition of the word "minimum," but as I understand it it is a rate that can be paid in the least well-appointed factory and in the least well-placed area, because if you are going to take a rate and say that it is going to be based on the best-organised factory in the country you are going to prevent the young man from starting business. He cannot drop into a well-equipped factory; he cannot at once put in an organisation; and the consequence is you must allow a certain amount of latitude in your minimum, and allow for the fact that he must be able to start business, because a large proportion of our success is founded on the fact of young men going into business with enterprise and brains and developing it to the benefit of themselves and the benefit of the country as a whole. If you do prevent them, it is going to be very detrimental to the country, and therefore I claim that a minimum wage cannot be based upon the best-equipped factory. It is the wage that can be paid in the least well-appointed factory in the least well-placed area. You would have thought that on a Trade Board if it could be shown that any portion of that trade paid a rate that was agreed upon by 90 per cent. of the employers and employed in that particular section of the trade it would at any rate have formed a basis, if nothing else, of the minimum wage. But that is not the case. On the Stamped or Pressed Metalwares Trade Board, by a casting vote of the appointed members, a

rate varying as much as 25 per cent. above the rate agreed by employers and employed was fixed, and I will give you the particulars. That is a printed list of the rates to which I am going to refer. (*List handed to the Chairman.*) On the 15th April, 1920, the Stamped or Pressed Metalwares Trade Board passed the following minimum rates—which of course came into operation later under the arrangements under the Act: Female workers of 18 years of age and over, 9d. per hour; 17 years and under 18 years, 7½d. per hour; 16 years and under 17 years, 6½d. per hour; 15 years and under 16 years, 5½d. per hour; those under 15 years of age, 4d. per hour. At this time there was an agreement between the Harness Furniture Employers' Association and the Harness and Saddlery Trades Union, which comprised 90 per cent. of the employers and employees in the Walsall trade, which employed the same employees as those who would come under the Trade Boards, and many of whom did subsequently come under it, because it was applied to certain sections of the trades which were operated by those firms. In fact, all the operatives in Walsall making brace and suspender fittings were controlled by this agreement. This agreement provided for the following rates of wages. There are various classifications:—(1) Forewomen, order clerks and despatch clerks, responsible for the production of orders only. Naturally you would not employ anybody on that work of a very young age, and therefore the first age was fixed at 17, 4½d. per hour, and at 18 years of age, 5½d. per hour. The second was warehouse hands, storekeepers, huckle tonguers, rollerers and plating shop assistants, 2½d. per hour at 15 years of age, 3½d. at 16, 3½d. at 17, and 4½d. at 18 years and over. No. 3 is sorters, wires-up and shacklers, who got 2d. per hour at 15 years of age, 2½d. at 16, and 3½d. at 17. Here I would like to call your attention to the absence of a rate at 18, because in the negotiations that took place both sides agreed that this was so unskilled that it ought not to keep those people of an ordinary, average efficiency in it after the age of 17, and the employers contended that it was not profitable to pay more than that rate. The trade union representatives agreed that it was, as I say, a section of the trade which ought not to have people in it over 17 years of age, because if they were of average efficiency they ought to get into one of the other sections. That was an important point, because it set up a principle there; so they agreed, at any rate, those that had knowledge of the trade agreed, that the inefficient worker, the slow worker, might remain in that section at the rate of wages that was payable at 17, and they did remain, in practice, in that section long after that age, and got what was a reasonable wage. Then we get filers, chippers, edgers and braziers, 3d. an hour at 15 years of age, 3½d. at 16, 4d. at 17, and 5d. at 18 years of age and over. Then there are hobbors, moppers, grinders, japanners, blackers and stampers, 3d. at 15 years of age, 4d. at 16, 4½d. at 17, and 5d. at 18 years of age and over. Press workers—that is, the bulk of the trade—capstan lathe operators, drillers and screwers get 3d. at 15 years of age, 3½d. at 16, 4½d. at 17, and 5d. an hour at 18 years and over. Acetylene welders, who do not come under the Board, electric welders, who do not come under the Board, come next, and then braziers, brazed chainmakers and chain burnisher makers get 3d. an hour at 15 years of age, 3½d. at 16, 4d. at 17, and 5d. at 18 years of age and over. These rates were then subject to 45 per cent. advance, which was increased on the 8th May, 1920, very shortly afterwards, to 50 per cent., and on the 9th July to 55 per cent.

2709. Which year?—1920. Below is a comparison of these rates, and the Trade Board rates, applicable at various ages. I would point out here that the trade, who understand their business, have separated these people that come under minimum rates, or all those people that come under minimum rates, into separate sections, because they maintained that the work is different and the rate of pay should be different. The two chief ones are sorters and press workers; they both come under the minimum rate at

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the present time under the Trade Board, and also the warehouse hands. With regard to the warehouse hands and storekeepers, if you take the agreement rate first and the Trade Board rate afterwards, you will see the comparison. I am taking the highest rate in July, 1920, under this agreement, that is the 55 per cent. advance. The warehouse hand was 3½d.—that is as near as I can get it in fractions—and the Trade Board rate was 5½d. That is between the ages of 15 and 16. Between the ages of 16 and 17 the rates are 6d. and 6½d. per hour respectively, between 17 and 18, 5½d. and 7½d., and 18 years of age and over, 7d. and 9d. This is where the employers' request for a 7d. rate was obtained from, and these particulars were put before the appointed members.

When we come to the sorters, the rates are slightly lower in the case of the mutual agreement. Sorters between 15 and 16 years of age get 3½d., and by the Trade Board rate they get 5½d.; between 16 and 17 years of age they get 4½d., and under the Trade Board, 6½d.; at 17 years of age and over they get 5½d., against 7½d. under the Trade Board, and at 18 years of age they get 9d.; so that, as a matter of actual fact, a girl of 18 will receive under the Trade Board 9d., as against the 5½d. which she would receive under the agreement.

2710. *Lord Weir*: At the moment?—You get 75 per cent. advance in wages in that particular case. Those were operating at the time. They were in the agreement, and they are contained in a printed list signed by both parties. Taking press workers, the rate between 15 and 16 years of age was 4½d., while the Trade Board rate was 5½d., so you will see the discrepancy is not so great there because the Board was acquainted with the trade and thought that the press worker was entitled to more wages than the other people. Between 16 and 17 years of age the agreement rate was 5½d., and the Trade Board rate 6½d.; between 17 and 18 years of age the agreement rate was 6½d., and the Trade Board rate, 7½d.; while for 18 years of age and over the rates were respectively 7½d. and 9d. an hour. I am dealing now with the minimum rates. It has always been thought that the Trade Boards would fix a minimum rate based on the lowest rate in the trade fixed by responsible associations of employers and recognised trade unions, whereas the above facts prove that this is not the case, and, in fact, a rate of as much as 30 per cent. above an agreed rate was in some cases fixed, and in the case of the female rates, this rate was only fixed by the vote of the appointed members.

2711. *Mr. Layton*: You refer to these rates as being the minimum rates both under the Trade Board fixing and also under the trade union agreement. When you speak of them as minimum rates under the trade union agreement, 'are we to understand that they were not by any means in fact the actual wages paid?—They were the actual rate paid.

2712. Those rates that you call the minimum rates were in fact the current standard rates where a Trade Board did not apply?—There is a misunderstanding on this question of whether these are the rates paid, because it stands to reason that if you have a minimum rate fixed, that is the rate you pay to any worker who goes into your factory and applies for work, but then, when she has gone on for a little bit, if the worker shows special ability, you will pay her a higher rate. But the fact is that she has to show special ability in order to get more, and therefore I maintain that it is the standard rate.

2713. I gather that the whole of this class of labour is paid time-rates?—No, I did not say that.

2714. You are giving the minimum time-rates?—It is rather difficult to compare piecework rates, because they are based on so many technicalities in the operations. That makes it almost impossible to compare them.

2715. I am only trying to get clear whether these rates quoted to us represent in fact the actual wages paid to the majority of the workers?—Those are the

actual wages paid to the majority of my workpeople.

On the alteration of the female rates in June last, again by the vote of the appointed members, the new rates were fixed, well above the rates ruling between the two bodies mentioned, and they then compared as follows. That is the rate that Lord Cave referred to this morning when he said it came into operation on 14th October, 1921. That is pretty recent. Sorters of 17 years of age and over, by the agreement with the trade union, were to get 4½d., and by the Trade Board rate, from 17 to 18 years of age they would get 7d., and for 18 and over they would get 8d. Here, again, you are paying 3½d. more, at the age of 18, than other people who are competitors, but are outside the Trade Board. As regards press-workers, capstan lathe operators, drillers and screwers, from 15 to 16 the present rate is 4½d., the Trade Board rate has come down to 4½d.; from 16 to 17 the present rate is 5½d. and the Trade Board rate is 5½d.; from 17 to 18 the present rate is 6½d. and the Trade Board rate is 7d.; and for 18 years of age and over the rates are 7½d. and 8d. respectively. Here, again, a rate supposed to be a minimum rate has been fixed 10 per cent. or more above an agreed rate in some cases. On the question of the mutual rates you may ask me why I do not call it a mutual rate although by agreement; I will deal with that later. They do not cater for unskilled male labour in that union; the male labourers' rates are governed, more or less, by the agreement which was entered into years ago after the great Midland strike, in which the labourers' rates for the Midlands, by what was then the Midland Employers' Federation, were fixed at 22s. and rose later to 23s. That agreement has, more or less, governed the ordinary average labourer in the district. I do not say it has absolutely governed his rate to the extent that is meant by the word "governed," but it has regulated the wages for the district of the average labourer if he is in a works.

2716. *Chairman*: That has risen, I suppose, with the cost of living?—This was pre-war. I am just saying that that had regulated the wages.

2717. *Mr. Layton*: That is the reason why they are out of the union agreement?—Yes. I merely state that they only dealt with the skilled workers, the same as the Brassworkers' Union in Birmingham do. Under the agreement arrived at after the great Midland strike some years ago the labourers' rate for the district immediately prior to the war was 23s. per week, and the average for the country was 20s. 6d., and yet although the hours of work have been shortened the rates fixed by boards operating in the Midland area vary from 60s. to 64s. 7½d., or an increase of from 160 per cent. to 180 per cent., thus increasing the cost of production out of all proportion. You have not only the factor that you have increased the rate by from 160 to 180 per cent., but you have also the factor to take into consideration in costing that the hours that they work have been reduced. In the same way female wages in that area have been increased out of all proportion—I am now talking about outside this particular section that I mentioned—as by an agreement between the Birmingham Engineering Employers' Association and the Workers' Union of October 17th, 1913, the following rates were fixed:—I call attention to the fact that these are not for trades but for women workers, the ordinary woman worker who takes up unskilled work: 18 to 19 years of age, 9s. per week; 19 to 20 years of age, 10s. per week; 20 to 21 years of age, 11s. per week; and 21 years of age and over, 12s. per week; and by an agreement between the same parties of November 23rd, 1915—that is, a year after the war was started—the rates were: from 18 to 19 years of age, 13s. per week; from 19 to 21 years of age, 15s. per week; for 21 years of age and over, 16s. per week. In this latter agreement there is a clause which provides as follows: "The terms of this agreement shall be put into operation forthwith and shall remain in force unaltered during the period

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what tallies with the figures which I gave to your Lordship on the question of the stamped or pressed metal work. There was a big advance.

2724. In that particular case of males under 21 on piecework, was there a piecework basis time-rate in operation before the war?—They never had such a thing as a piecework basis time-rate.

2725. Then what is the comparison with?—I cannot tell you, because I do not know what was in operation in those works at the time. I can only tell you what it meant to the manufacturer.

2726. Is that a percentage increase in earnings, or what is it?—It is a percentage in earnings.

2727. Lord Weir: You just said that there was nothing to compare it with?—I said I did not know. I did not say there was nothing, but I would not profess to attempt to carry all the piecework rates in my head.

2728. Chairman: Then the 126 per cent. you cannot verify: it is the 32 per cent. that you stick to?—It is 32 per cent. over the whole. I take the manufacturers' figures which are given to me.

2729. Mr. Poulton: It is a very important point whether it is a difference in earnings or in rates?—If it is in day work can it be anything else but rates?

2730. It makes a great difference if a man is a pieceworker whether his piecework is regulated by a day work method?—I gave you the day rates, and there is an increase of so much, and it can be nothing else but the earnings. If you give a day rate it can only be the earnings per hour.

2731. I do not agree, because the iron trade works differently. I cannot agree to something which I know my own trade does not do.—If you can explain to me how you can have a rate of so much per hour and yet claim that it is not the earnings of the person per hour, I shall better understand your point.

2732. What I want to know is whether they are earnings or whether it is in a fixed rate?—I am afraid I do not understand that.

2733. A pieceworker might earn a rate?—We are talking about day workers at the moment. I say that the rates have been made up in that way for day workers, and they are made up for pieceworkers also on actual earnings. A man does not go and take the whole list of rates and make them up with a differentiation between different people.

2734. Chairman: Can we rely on the 126 per cent.?—That is only in that one particular case in that particular section, but it is 32 per cent. over the whole lot. I can give an illustration in my own case: The piecework basis time rate was fixed 10 per cent., or practically 10 per cent.—i.e. an hour—above the day work rate. Of course, we are all endeavouring to work on piecework, and strangely enough in my own case, although I was affected by the day work rates, I was not affected by the piecework basis time-rate. My pieceworkers were earning as much money under the old conditions as they were under the Trade Board. But that did not apply to every manufacturer, although perhaps their piecework rates were the same as mine, because their methods of operation were not as good as mine, and although they paid the same rates as I did, the operatives got more for their labour with me, because I had better facilities for them to produce their work.

2735. Mrs. Lyttelton: You were better organised?—Yes, I had better tools, and other things which conduce to a larger output at the same price. There is the answer, I think, to Mr. Poulton's question. It does not follow that in one particular works a pieceworker will earn the same as in another works at the same price.

2736. Mr. Poulton: Of course, it does not.—Therefore I can only give you the relative percentage of increase in that particular works on piecework.

2737. Mrs. Lyttelton: I do not quite understand what point is being made.—The point is this, that the Trade Board has fixed a rate which is above the agreed rate in the district.

2738. Dame Adelaide Anderson: If you have an agreed rate it is all to the good that efficiency of organisation should produce better results?—No, it

is not. It does actually produce better results, I admit.

2739. Is not that an incentive to have better methods?—Yes, undoubtedly the better methods you can produce on and the greater output from the area of the factory, the higher your chance is of selling your goods at a better rate of profit or at a lower price than your competitors, and thus getting the trade.

2740. Chairman: I think you have illustrated that point, that in some cases Trade Board rates are higher than the agreed rate.—Yes, and very often in fixing piecework rates, as some Trade Boards have endeavoured to do. In the Brush and Broom Trade Board they have a very numerous list. Here I will refer to one matter which I referred to before, and that is dandy brushes. The pre-war price was 10s. per 1,000 knots, and at the time the Trade Board was instituted it was 1s. 6d. per 1,000 knots, at which rate the manufacturers say the minimum-rate could be earned. The Trade Board, however, fixed a rate of 2s. 11d., which has made it hopeless to compete with foreign manufacturers. That is an important instance of where a want of knowledge comes in, because that saddlery section which is making that brush is not satisfactorily represented on the Trade Board, and therefore I maintain the Trade Board was not in a position to alter that piecework price and say that it should be 2s. 11d. There should have been on the Trade Board some representative of that section who understood the manufacture of dandy brushes. That is where it is desirable that there should be somebody who knows the trade on the Trade Board rather than that these rates should be fixed by somebody outside the trade. Here is an extract from a letter. "The minimum time rates compare hopelessly with the piece rates fixed. In fact, in most instances, we were paying considerably more than the time rate when the Trade Boards came into force; but the piece rates are fixed altogether out of proportion to the time rates, and in some instances workpeople, both women and men, could earn three to four times as much on the piece rates as on the time rates. Take, for instance, the price for drawing dandy brushes; the pre-war price for drawing dandy brushes was 10s. per 1,000 knots, and when the Trade Board came into force we were paying 1s. 6d., at which price they could earn the minimum time rate wage."

2741. Mr. Layton: Does he quote the time rate there?—No.

2742. Lord Weir: It says price, not rates.—I am telling you that the Brush and Broom Trade Board have fixed a whole list of piecework prices.

2743. You used the word "rate," but you meant "prices," no doubt?—I beg your pardon. They say, "Our present Trade Board piece-rate for this class of work is 2s. 11d. per 1,000, at which price it would have been absolutely hopeless to compete with foreign manufacturers."

2744. Mr. Poulton: When was it settled?—I cannot tell you.

2745. I am speaking of those rates you are now quoting?—I cannot tell you the date.

2746. Has there been any reduction since then?—Probably they have reduced the prices since then. There has probably been some reduction in prices since that time, but at the time when the 1s. 6d. rate ruled they raised it to 2s. 11d.

2747. Mr. Layton: Would that be what you call a general minimum piece-rate?—No, it is a definite piecework price for a definite operation.

2748. Under what heading of the Act would it come?—Under the Trade Boards Acts there is an obligation to fix a minimum time rate and a minimum piecework basis time rate. After that you may fix other rates, but it is not obligatory. Many Boards have adopted the principle of only fixing one rate, a general minimum time rate, while others have gone to the extent of fixing skilled day work rates. Some Boards have gone even beyond that and have fixed piecework rates for the actual operations; and in this case it is a piecework rate for an actual operation.

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Mr. Poulton: As Mr. Jackson cannot tell me the date of that, can your secretary tell me, because it is important? I do not know whether it was fixed when the cost of living was at its apex.

Witness: I am not complaining about the rate for the work, but I am complaining that the Trade Boards increased the price to nearly double the piecework price which was in existence.

Chairman: The notice setting out particulars of the rate is not here, but the date shall be found out.

2749. *Lord Weir:* In fixing these piecework prices do they lay down the method or process? Surely if a manufacturer can change his methods and processes he is allowed to reduce the piecework prices.—What you usually do is to approach the Trade Union and say: "I have a new method," and so on, and then you generally get some satisfaction from them and an immediate alteration of the rate. That is if you want a reduction; but as a rule manufacturers are satisfied—personally I am satisfied with the fact that although I pay a higher actual wage to my operatives, or did at that time, I was getting more work for it, therefore my productive capacity was higher and my expenses contingent upon that were reduced in proportion, the consequence being that I was in a better position. I was therefore satisfied with that without asking for any reduction in the workers' wages.

2750. *Chairman:* Do not let us get too much into detail.—No. The fixing of these high minimum rates inevitably tends to the dismissal of workers who cannot come up to the average, and those who, owing to age, are not so active, as well as deterring manufacturers from putting on adult women or men to learn the trade. It also creates discontent among the older and more experienced workers, who object to receiving the same rate as inexperienced workers. With regard to this matter I should like to read some of the letters dealing with different sections of the trade after I have made a few more remarks on the subject. If you do not fix a rate which will cover the slow and inefficient worker as a minimum rate which you must pay on an article, it means that if they cannot come up to the standard of efficiency they have to go. As a matter of fact, that has happened, and in the stress of times that have occurred during the last 12 months, I, unfortunately, have had to resort to the same process myself, because I cannot possibly employ labour which is not economically profitable. Therefore, if I find from my experience that a worker is not earning sufficient, at any rate, to pay her way, I must dispense with her services and get someone who can. I can only take the average worker, and I do not take the best. Even last week there was a difference in production between two pieceworkers operating on the same article of as much as 15 per cent.

2751. I suppose if time rates are fixed at all they must be fixed for the ordinary worker: you can hardly fix time rates for slow workers?—I think that is what operates. For instance, I will take as one illustration the engineering trade and the rate for a toolmaker. In fixing the rate for a toolmaker it has to be the less-skilled toolmaker who gets, I forget what rate, but it is about 1s. 7½d. Now if you get a really good toolmaker you cannot give him 1s. 7½d., so what is the position? That is the minimum rate for the less-skilled man.

2752. But not for the slow worker, as we call him, that is the man who is under the normal?—When we come to a question of production it is the slow worker who is in the same position as the less-skilled worker. If you have a pieceworker, for instance, who is slower than another, he gets less wages, and if you fix a minimum sufficient for that slow worker, who has to live, the other worker, who can earn the average, will earn a great deal more, and you cannot afford to be forced to pay that wage.

2753. I was using the word "slow worker" as meaning a man who is abnormally slow. You mean a less-skilled worker?—I do not mean an absolutely abnormal worker, but there are a good many workers

who are 10 per cent. slower than the others, and if you fix a rate you fix it on the average worker, and the average is between the best and the worst. The tendency, of course, is to employ all the best and cut out those below the average, and so get an average works. That is a hardship on the worker who is somewhat slower than the others, and therefore your minimum rates should be such minimum rates that they will cover that slow worker profitably. Here is a letter from a man in the cotton waste trade, who says: "In every town or district after the mills and workshops 'whose labour comes under some trade union' have had the pick of the labour market, there is a residue of labour neither as good physically or mentally as that already employed. This labour we could at one time make use of, and we bought goods to sort and to employ this class of labour; no skill is required, and we now employ children new from school who ought to be learning a better trade, and the older women are out of work. The work in question is picking rubbish out of waste which comes from cotton mills. The stocks of the lowest price waste are very heavy and can be bought for less than pre-war price. No one can afford to pay Trade Board rates to deal with it. A lot of women we used to employ were married, and had husbands working, and simply came for a few days a week, and are quite satisfied with wages as they were before fixed rates came into operation." That is an instance of what is happening in many cases. They were not physically incapacitated, or anything of that sort, but they were not capable of doing as much work as others, and they got into this trade where they could earn a certain amount, very often sufficient for them to live upon when they could not earn the fixed rate. Now you cannot employ them unless you pay them the fixed rate. Then in the Sugar and Confectionery Trade, I have a letter here in which the writer says: "Having regard to the Trade Board wages which we have to pay, we naturally have to select as far as possible employees skilled and experienced in our own particular trade, the effect being that employees who do not possess a knowledge of our trade are apt to become unemployed." Putting that in other words, if they do not reach a certain degree of efficiency they are eliminated from the trade. I have a good many other letters of that sort, but I do not think it is necessary to read them all. The other point is, of course, more a question of administration. There is such an inordinate delay in the fixing of these rates that it is almost a universal objection, in fact I think you may say it is a universal objection to all Trade Boards that there is great delay in the settlement of rates. It is a very serious objection, because the minimum time that can elapse is four months before rates become operative, and in the experience of those who have had to do with them it is nearer six to nine months before any notice of alteration becomes operative; and whichever way the alteration is made, up or down, it is not satisfactory. That application made for an alteration in wage which came into operation on October 14 in the Stamped or Pressed Metalwares Trade was made somewhere about March, so that was six or seven months. Whether it is made up or down it is not satisfactory, as if the wage is up the worker says, "If I am worth this rate in four months' time, I am worth it now"; and, according to human nature, not being satisfied, does not give the best results. On the other hand, if the change is down, the employers will make nothing for stock, knowing that costs will fall in four months. Beside this, by the time the wage becomes operative, conditions have in most instances changed so that it is not the correct wage at that time. That is a very serious objection, that in four months' time the conditions have altogether changed; and there are Boards who have not fixed rates for eighteen months, because every time they come up for confirmation of the rates there has been such a change in conditions that they are not confirmed. The Grocery and Provisions Board have not fixed rates up to now, though they have

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been at it for a long time. That delay is so serious that it very often causes a great deal of dissatisfaction in the trade, in which men are working side by side on practically the same work at different rates. Take the Stamped or Pressed Metal-ware Trades and the allied trades which we cater for. In the skilled section of the polishers there was an application to the Brass and Metal Mechanics' Union for a reduction in the skilled rate early in 1921 by the Brass Employers' Federation. They were working on an article which, if finished in one way, would be paid for at the rate of 1s. 6d. an hour, and if finished in another way, would be paid for at 1s. 8½d. an hour, simply by reason of the operation of the Trade Boards Act. There was no objection to the reduction on the part of the workers' representatives, but it took such a long time to get through that meanwhile here was a reduction of 2½d. It took four months to get it through. I will now leave that question of delay, because I think you have had plenty of evidence about that. The next question is a very important one, too, and that is, not the obligatory powers of Trade Boards, but the fact that they can, if they choose, fix skilled rates. It takes a very great deal of knowledge of a trade to fix skilled rates, and it is not possible to have trade unions present, as they do now, and fix skilled rates very easily, because you have to have a knowledge of the trade itself. If you were to go into a particular section and say that a polisher was to get a rate of so much, I agree that could be done, and has been done, and that rate is one that should be controlled outside the Trade Board and by people who know their own business. I will give you an instance. In our trade, we, as employers, opposed the fixing of skilled rates altogether, and we opposed it on the ground that the trades under the Stamped or Pressed Metal-ware Boards were so numerous that it was impossible for any Trade Board to have sufficient knowledge of all those trades to enable them to fix rates which would be suitable. That argument did not hold water with the appointed members, and we were beaten on the vote of the appointed members, so we set about making up rates with a committee of four from each side. The position arose that there were so many trades in it, and so many different parts in the trade that were very similar but not exactly alike, that when we had made our own definition with our own knowledge, we found that other trades of which we had no knowledge were seriously affected by the unskilled section of their trade being brought into a skilled section. A definition which we intended to be right did not cover it exactly, because our knowledge did not extend to the whole of the trade. The one instance I can give you at the moment is of a hand brush lacquerer. When we had the question before us we had in our minds the girl who does particularly nice work in colours, and so on, and when the definition went out we found that it included all the people who did just the common lacquering, that is to say, just brushing it right over without any skill being required at all. We had failed in a matter that the Trade Boards and the appointed members are asked to do, that is to say, to fix skilled rates in that particular case, and we were not able even to do our own job, because of our own want of knowledge of a trade with such wide ramifications. It is not just one trade which composes the stamped or pressed metal-ware trade, but we claim it is no trade at all. The only other point I have to deal with is the question of strikes. It has been stated many times that no strikes have taken place since Trade Boards were instituted. In the first place, I should like to point out that most Trade Boards have been operating until recently on a rising cost of living, and it is not often that strikes take place in that case provided that the workpeople get advances, and in nearly all cases advances have been granted. Nevertheless, there has been one strike of 14 weeks' duration in the Liverpool rope trade because a trade union advised its members not to accept the Trade Board rates. The only other one I know of is where

a Board has not yet fixed its rates because they have been referred back to the Minister several times. That happened in the Made-up Textile Trade Board; I believe the trade union threatened to bring out its members on strike if the proposed rates were put into force. The Boards which were instituted under the 1909 Act fixed what I think was much nearer a minimum wage than the others, because, in the first place, the Chain Board, for instance, in their first rate that they fixed, fixed 5d. an hour for adult males and 2½d. an hour for adult females. I think, if you will compare that with the wages surrounding, that was lower than the wage which was actually being paid in several trades surrounding them at the time, but they fixed it with the idea that it should be a minimum and apply to all workers, whether they were absolutely the most efficient or the least efficient. In Australia, however, the experience of Trade Boards is longer, and peculiarly enough we find that Australia holds the world's record for strikes. Therefore if it is an industrial panacea for strikes, why is it that Australia, with the longest experience of Trade Boards, holds the record for strikes?

2754. *Lord Weir*: Do you suggest that the 1918 Act should be repealed; is that your view?—It is.

2755. And that the 1909 Act worked satisfactorily, and should be retained?—With amendments of some of its provisions. It would require some amendment. The principal amendment I claim is this, that if you are going to operate Trade Boards at all they must apply to the work done, and not to the article made. That is an amendment of the 1909 Act that I should claim. The definition of a trade in its present form is absolutely arbitrary, and is of very little use. Then there is the question of inelasticity, and I should like to read at this stage some letters, because the question has been raised whether I had the official letter of the people who made the statement. Here I have a case which is probably known to you; it is the case of Richards, Limited, of Aberdeen. They sent a petition to Dr. Macnamara, another was sent by the whole of the trade of Scotland to Dr. Macnamara, a petition was sent by their employees to Dr. Macnamara, and a petition was sent by their employees to the Prime Minister. I do not know that I need read these to you, but it is the fact that there are these four documents in connection with a firm which employs a large number of workpeople. The facts of the case are that trade became slack, and they wanted to make a reduction in wages; they got their own workpeople together, and at that time they were employing 760, and they agreed mutually that a reduction should be made of 10 per cent. in the wages of the males and 20 per cent. in the wages of the females. That would have enabled them to keep their works running, and in order to try to get that agreed to they wrote to the Minister of Labour asking him to allow these rates to be put into operation. I think I should like to read that letter: "I am taking this opportunity, Sir, of saying a few words to you about the Trade Boards Act as it affects the industry I happen to be deeply interested in, namely, that of flax spinning and linen manufacturing. I do not mean to occupy much of your time for the reason that I am in the midst of preparing, with the co-operation of the other flax spinners and linen manufacturers of Scotland (and England, if I think, will join) a manifesto which will be presented to you at no distant date, praying that the industry may be freed entirely from the dominance of the Flax and Hemp Trade Board which was foisted upon us almost without our knowledge and certainly without any sort of consultation. With this in view it would, I think, be inconsiderate of me to occupy much of your time now. Our industry has, unhappily, fallen on evil days, and the collapse is more complete and disastrous than in the most experienced amongst us ever looked for. In the most experienced amongst us have never seen anything all my long experience I have never seen anything to approach it. There is absolutely no business doing. Quite a number of mills in the country are already silent, and more are likely to follow, and the others

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are running very short time, mostly three days a week, and more than half of the machinery silent. Thousands, mostly females, I am pained to say, are reduced to the verge of starvation in mid-winter. To-day I am not going to dwell upon the causes of the crash, although this is a point on which I could say a good deal, and I certainly would not forget to give Government interference its fair share. No, I will confine myself to giving my views in a very few words as to what, in my humble opinion, should be done to save our industry from ruin. The first and indispensable necessity is that we, the flax spinners and linen manufacturers of Scotland, get our freedom. Would that our Government would leave the business of the country to those who are actively engaged and have their capital in commerce! No other plan can ever succeed. It cannot be too often repeated that individuality must have free scope, and given free scope it will in time succeed. Freedom is essential to enterprise, and without enterprise no industry can flourish. No manufacturer has any heart to launch out, indeed, he cannot launch out, if he is in any way overshadowed or subject to bureaucratic control or interference. To be brutally frank, if our trade is ever to be resuscitated it must, in the first place, be freed from the dominance of a Trade Board. These Trade Boards are, in my opinion, the most perfect instruments that possibly could have been invented for driving trade away from our country. Given our freedom, you will naturally ask me what will be our next move. The next move, Sir, must, I think, be obvious to you. If we are going to compete successfully with Japan, with Germany, with Austria, and with our Allies the French and the Belgians, the cost of our production must come down, and this can only be accomplished by lowering wages and putting our mills on to full time as soon as practicable, and my managers at Bradford Mills inform me that our employees as a whole are quite alive to this fact, and they also inform me that our people have never thought well of Trade Boards, and I may say I am not without hope that the employees of the trade will take action themselves in this matter and join the employers in desiring to be freed from the outside interference referred to." There is a great deal more of that letter, but I do not think it is necessary to read it all. It simply means that the firm wrote. Here also is a copy of the appeal by the Flax Spinners and Linen Manufacturers of Scotland to Dr. Macnamara, on the 10th February, 1921, that the flax and hemp trades be withdrawn from the operation of the Trade Board Acts. It follows along the same lines as the other.

2756. *Chairman*: They are coming to see us.—Then there is a letter from the employees themselves to Dr. Macnamara, to which they got a reply that nothing could be done; and they followed that up by sending a letter to Mr. Lloyd George, but the rate was not altered and Richards closed down.

2757. Do you know what became of the employees?—I could not tell you that, but they were unemployed. If you mean what became of them so far as the works were concerned, they were simply dismissed.

2758. I wondered whether you had heard what became of them?—No, I could not tell you that.

2759. *Mr. Poulton*: You started out by saying that it was difficult to settle a rate nationally?—No, I did not say that; I said it was difficult in an unorganised trade to select people who had a sufficient acquaintance with wage negotiations to settle a wage nationally.

2760. Do you say that a national rate would not be a good thing?—I do not know about that at all; I do not think we are concerned quite with that.

2761. I put it down immediately so that I should not depend upon my memory; but if you say you did not say it of course I accept your statement. You said, at any rate, that a rate by the Board had been set too high very often?—Yes.

2762. I take it that as an employer you also know the opposite side, that we hear constantly that if

we pulled the other people up who were paying too little, employers would not object to the rate?—Yes.

2763. Therefore, to that extent, a Trade Board might be advantageous?—I do not agree there, because I do not agree that a Trade Board would assist. There is a difference between instituting a Trade Board as you have them at present and enforcing the decision of a voluntary board. Those are two different things.

2764. Surely the obligation of an agreement, whether enforceable by law or not, is morally just as strong on me or you to see that fair rates are paid?—Yes, so far as it is possible to do so. Only last week I was asked by the chairman of my association to speak to a firm, and I wrote to them on the subject, because the trade union approached me, saying that they had approached their employees with a view to reducing the rate on certain work. I wrote to them, and they said, No, they had said to their employees that they would have to close down because they could not pay the rate—they could not, economically.

2765. You said there was a difference in the rates in the same factories under the Trade Board regulations, but as a matter of fact was not that obtaining many, many years before Trade Boards came into existence?—Not in that way. We know there are different rates in the same factory, I agree, but not for exactly the same operations.

2766. Was there not, and is there not now, known to the manufacturer such a thing as the difficult subject of demarcation, as to which trade an operation belongs to?—I gave you instances.

2767. You were giving us instances more particularly from the standpoint of your own argument about the Trade Boards doing that, and I was asking you whether that was not in existence before Trade Boards were?—I can give you another instance: that is, the question of whether a handle being made is being made for a coffin or for a large cabinet.

2768. That does not alter the fact that it is a question of demarcation. The question of demarcation of work in a factory was just as difficult in many places before Trade Boards were in existence, was it not?—I do not agree.

2769. I must accept your answer. At any rate, there were difficulties known, were there not, in determining to what particular trade a particular operation belonged or what particular rate of wage was applicable?—That is not a question of demarcation.

2770. I am not going to stand upon a narrow point like that so long as you agree upon the principle of the thing.—Oh that I want to say that I maintain that the different rates are for the same operation, and are brought about by the actual final use of the article.

2771. If you put it in that way I might just as well put it the other way; it would then depend what particular union you had to send that work to?—I can give you the instance of the handle. If it is used on a coffin it is one rate under the Coffin Furniture Board, and if it is used on a cabinet it is another rate, because it comes under the Pressed Metalwares Board, though it is the same handle put into stock until it is used.

2772. The same thing would happen if it belonged to one particular union as against another. I have heard employers complain that they had half a dozen rates in their own factories?—You do not get two unions controlling the manufacture of the same article.

2773. It is no use for you and me to bandy words about that; that is my experience.—It is not mine.

2774. You went on to say that if the wages were regulated by one Board instead of four Boards—is not that due to the fact, possibly, I do not say altogether, because I know it is not, but is it not due to the fact that both sides want a different number of Boards?—I cannot say that both sides want a different number of Boards.

2775. I do not say that exact number of Boards, but the Boards themselves are new, are they not,

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largely?—They all began to operate at about the same time.

2776. They are comparatively new, therefore I suppose they are subject to these mistakes, which even your voluntary organisations sometimes suffer from, and they will get out of those anomalies, which you put very honestly and very clearly. Do you not think with a little experience these Boards will be able to surmount those difficulties by good will being shown on both sides?—I think that would be an expression of opinion which it would be rather difficult to give at present, but I think it would be possible for a better voluntary organisation to be formed by those who know a trade than an organisation such as these, with members on them who are not acquainted with the trade.

2777. Now I come to the point about the saddlery brushes; I was very interested in your statement about that. I am not on a Trade Board, but I understand that each side was consulted as to this; that is to say, the employers were consulted, though I do not mean every individual?—I do not say some employers are not consulted; some would be, I quite agree.

2778. And their organisations are consulted?—Yes.

2779. Did it not come about for this reason, that they themselves largely selected their men?—The point is this: I gave an instance of their asking for representation and being refused.

2780. Did they ask for representation after the numbers were filled up?—Excuse me, but I do not think a Board is ever filled up; I think it is always possible to increase it by another member on each side.

2781. You mean it could be enlarged?—Yes.

2782. I suppose that depends upon what they agree upon, but I am now talking about the inception?—If it was at the inception, they found that they were left out and applied for representation, and could not get it. They do not say at what stage; they simply say they applied for representation and could not get it.

2783. There is another point you made against the appointed members, and that was their lack of practical knowledge and about their not knowing the intricacies of the trade, but being invited to a factory to see an operation. I should have thought that was a point in their favour, that before they decided things they should go and visit a factory and see the operation performed, ascertaining the length of time that it took to do that particular operation?—It would not help anybody to go into a factory to ascertain the period of time that it took to do an operation unless they came in with the knowledge. If you put somebody special on to take the time of an operation—for instance, if you put somebody on to watch the work—I do not think the work would be done satisfactorily. I could not do it if I had anybody looking over my shoulder to see how fast I was working. It is not a reasonable way of fixing a rate.

2784. Very likely not, but it is a thing which is very often done?—I did not complain of the appointed member going there, but I said he admitted that he knew nothing about the trade; that was my point.

2785. You made a point of his having to go to a factory to see the operation because he did not know anything about the trade?—No, I have it typewritten here, if you would like me to read it again. I do not think it had that meaning at all, but I think you have given it a meaning that I never intended it to bear.

2786. *Chairman*: At any rate, what you say now is that you do not complain of his going there?—Not at all; I think he is a wise man. I have had our appointed members round our own factories.

2787. The point, I gather, is that when he was there he admitted that he knew nothing about the place?—That is my point.

2788. *Mr. Poulton*: You complained also about the length of time taken in settling or re-arranging matters. Was there any complaint of this made when there was a rising market?—As far as I am

concerned, I am in the stamped or pressed metal-ware trade, and we have complained from the first. When you come to consider that a Government Department appoints what is supposed to be a representative body to speak for a trade, and then says in effect that that representative body is not capable of deciding for the trade, therefore there shall be a period given for everybody to send in objections, it does not seem to me to be quite a businesslike plan. It is like saying, "We are negotiating with a trade union now, and we will give two months for all your members and ours to send in all sorts of objections to this proposal before we put it into force."

2789. Do you object, then, to the period of time allowed to either side to send in their statement of objection?—If you want it in detail, I object in this way: first of all I object to the fact that there is no time fixed in which a matter shall be considered. When it is brought up there may be all sorts of delays offered of one sort or another. If you have a voluntary agreement with a trade union that comes to you with a request for a rise in wages, or when you have gone to them for a reduction, they would not expect you to wait for six weeks and to say, "No, we shall not start to discuss it for six weeks, or it may be two months or more." That is one objection I have. In my opinion, if anything of this sort is necessary I say there should be an obligatory period in which it should be compulsory for that Board to consider the question.

2790. It is not a question of principle, but of re-arranging details. I should think it is largely a question of administration?—I admitted that when I started.

2791. It is not a question of principle at all, but of details. Now let us get to these uneconomic, unemployable people. You said it did not prevent sweating: is there not any arrangement by which those particular people can be dealt with without throwing them absolutely out in the street?—Not unless they are physically disabled. If they have a physical infirmity, yes.

2792. If the rates were elastic enough, your objection would disappear?—If we framed a new Act I might alter my view.

2793. Both sides are here to try to do their best, after all, for the country.—If we are going to frame a new Act, that is a different thing, but I am objecting to the present Act.

2794. That does allow you, under certain conditions, to pay these people less?—Only if they are infirm.

2795. That is a fairly wide term?—No, we were talking about it with regard to slow workers. Infirm people can be dealt with specially, but I am talking about a slow worker who is not slow on account of being lazy, but, for instance, is naturally slow, a worker whose mental capacity does not allow him to work as actively as other workers.

2796. If on a time-rate you could not bring that person into the infirmity clause, you would have to put him on piecework if there is piecework in the trade?—Yes, and if there is piecework that person's infirmity will show itself in her earning less than the other people.

2797. With regard to the appointed members, I rather gathered from your statement, several times repeated, that you thought the appointed members had a temperamental influence, in this way, that neither side seemed to want to settle the matter in the same way as they would if a voluntary agreement was being made without a third party coming in. Is there not just another side to that question, that both sides rather shrink from doing what personally I think they ought to do, that is to say I consider they ought always to waive certain objections, and settle matters if possible without sending the case to a third party? I have found by experience that when there is a third party there people rather run to him. Is not that rather one of the reasons—that both sides shrink from settling—I am accepting the position of the other side members too—and they say: "If we accept that, there will be a

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row; let us fall back on the appointed members"?—I can only say that immediately we have found difficulty in the full Board itself, these matters have generally been settled by a committee of four of each side, who have met alone on most occasions.

2798. The only point I want to emphasise is that I do not think it is so much the appointed members as both sides feeling that if a third party is there to fall back upon, rather as an umpire, they use him as an umpire?—That is practically the same thing, is it not?

2799. Is not that what they are rather inclined to do? I do not think it is any reflection on the appointed members?—I am not making any reflection upon the appointed members, because I have great esteem for the appointed members on our Board, whom I have got to know personally since I have been on the Board; but it is the principle of the appointed member being there that I am objecting to, not to the man himself.

2800. *Chairman*: Are there four members of the Trade Board on each side?—Yes.

2801. And they settle matters before the Board meets?—Yes. Very often it is a formal matter, and it gets through in a short time when it gets to the Board. Of course, both sides naturally during these negotiations consult their own side by themselves, and come back and settle the matter.

2802. *Mr. Poulton*: Those wages that you read out seemed to be rather high: were they agreed wages between the unions and the employers?—I gave you the name of the union.

2803. The rates that the union fixed were so much lower than the rates fixed by the Trade Board that the Trade Board rates came out at 126 per cent. higher?—No, not those particular rates that I gave you. I have a maximum rate there which is about 75 per cent. higher than the existing rate.

2804. You think there is no hope of carrying on under the Trade Boards?—I do not think there is any hope of carrying on under the Trade Boards. We are representing a large body of people, and, as you know, if you were to ask them all to agree upon a right method they would have some difficulty in doing so; therefore I cannot get any alternative put forward to you that would at all be acceptable to the bulk; each one would probably have some different suggestion to make. We cannot therefore give you an alternative; we can only say that the alternative must be worked out, if there is to be an alternative, in consultation with the people who will be affected.

2805. *Dame Adelaide Anderson*: It was suggested, was it not, that one of the great difficulties arose from defining by articles produced rather than by processes; would not the difficulties be very much greater if you tried to deal with that from the other side?—May I answer that question in this way? We have had this question over with the Ministry of Labour, and sat three days on the question of scope, and a whole day was spent in arguing that question of definition of process. We claimed that the difficulty would not be insuperable of applying our suggestion, but the Ministry claimed that they would be insuperable, so there is just that difference between the Ministry and ourselves.

2806. *Mr. Poulton*: Some of the organisations in your federation are in favour of continuing the Boards, are they not?—Not to my knowledge. A number of brush people resigned for that reason.

2807. A boot and shoe firm?—No, they are not federated to us.

2808. It is in your list that you read out this morning?—No.

2809. *Dame Adelaide Anderson*: Did I understand you rightly to say that a minimum wage must be based on the ability of the least well-placed factory to pay such a rate?—Yes.

2810. Would not that operate against competitive capacity in organising an industry?—I do not think so. It is this way. Suppose you have a factory in a district where the railway facilities are not as good as they are in other districts, or you are using an

export article and you have got a long railway journey to make. As a rule the factor of wages is taken into consideration, and you take one of the biggest unions in the country and the biggest manufacturers' federation—that is the Engineering Federation. They have had for years and years district rates. Why? They have their own knowledge of their own trade, and they must be satisfied with those district rates. There has been a necessity for a different rate in a different district, or they would not have instituted it.

2811. But you would need to have added to that, of course, something like a subsistence level. You could not make wages depend solely on the capacity of the industry to carry on, because you might get parasitic industries propped up?—Well, to come to the essential point, is this Act to fix a minimum wage based on a subsistence level or is it not? That is the difficult point that we have to decide. It appears to my own judgment that the original Act was for that purpose. The Amending Act brought the scope very much wider, and I should like to point out that that second Act was brought into force at a time when no employer in this country had any time to attend to anything of that sort. 1918 was the rush year of the whole war, and we were asked to consider and think about an Act of this description at a time when nobody had any time to do so.

2812. *Mr. Layton*: I asked you some little while back whether wages moved more freely in that section of your trade which is governed by collective bargaining than in the Trade Board section? I do not think you gave us any information on that point. You showed that the wages in some cases were 75 per cent. higher under the Trade Board than the wages fixed under voluntary agreements?—Yes.

2813. But during the six months period have you any evidence showing that the wages under the collective bargaining moved more freely?—I will tell you this as perhaps a good illustration, that in the two organisations that I mentioned, voluntary organisations, an application for a reduction in wages was made at the same time as it was made to the Trade Board, and we got it settled in less than two months and in operation. I say in less than two months because I have not the particulars to enable me to say five weeks or four weeks, or whatever it was; and it took us six months to do on the Trade Board. That operation was one and was made in this way, that we had sufficient knowledge in the trade to show that we thought that, at existing levels of prices, those rates that were in existence at that time that we arranged to come in immediately would be satisfactory. If there was a fall in the cost of living it probably would tend to reduce prices, and therefore we did propose, somewhat against many of our opinions—but it had become such a common practice to fix falls or rises on the cost of living—we had a cost of living clause and have had it ever since then. I may say at the same time in our notice we tried to introduce that into the Trade Board and the Minister turned round and said, "It cannot be done." We had to abandon the idea because it was not within the power of the Act. Afterwards, I admit, he said it was within the scope of the Act. Of course it was done then.

2814. There is one other general question. You said, I think, that you want to abolish the Act of 1918 and fall back on the Act of 1909?—With amendment.

2815. Yes, the amendment being that you should define your Board by occupation or process, rather than by trade. I take that not to be a general principle. You are only now talking of the definition of a special trade. You would not, for example, say that you would have a Trade Board for all machinists throughout the country; you are merely talking of the definition of a trade?—No, I mean to say not to cut up what you might consider an industry. The word "trade" is a very narrow word; it is a very difficult word to define.

2816. It is a difficult point, but the trades should be defined by process rather than product?—Yes.

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2817. Assuming that either by amendment or in some other way the function of the Trade Board was limited to fixing what you call a minimum, that it did not go in for fixing the wages of more highly skilled people and so on, and in other respects met your views, would you then object to the extension of the 1909 Act so interpreted to the large field which is at present contemplated by the 1918 Act; that is to say, covering all industries where there is insufficient organisation?—Not under the procedure of the 1909 Act or the 1918 Act, because I object to the presence in these negotiations of any outsiders who do not understand the trade.

2818. Assuming that the Department interprets correctly the words regarding insufficient organisation, do you still think that there should be no Trade Board?—I do not think there should be a Trade Board as at present constituted.

2819. No, but assuming that the Trade Board was altered to the 1909 position. Do you, as a body, object to Trade Boards covering the whole field of unorganised labour?—If you will appoint representatives from the trades, who will settle their own matters without any interference by outsiders, then I say yes. It is practically what was suggested, and that is, the Industrial Council.

2820. But you would impose some machinery of negotiation or organisation from outside, because the assumption is in the Act that there is insufficient organisation that there is lack of organisation?—We do not agree there. I do not think you will find that there is a great want of organisation in this country.

2821. But that is a matter of interpretation. Assuming that the Act was defined as being applicable to those trades where there was inadequate organisation, then what should be done? Should they be covered by Trade Boards, or should they be encouraged to organise?—May I give an illustration? It is rather difficult for me to answer that question. I should like to give an illustration to show what I mean. The brace and suspender fitting trade, of which I suppose I am the largest member at any rate, is a small trade confined to a few people. It would not be worth the expense of an organisation to run that trade. What happens? We join with another trade that operates in the town. Another trade has sufficient members and is of a sufficient size to have an employers' organisation. We both employ the same labour and in some cases we do exactly the same work and produce the same product; but in the suspender fitting trade which is our chief trade and not the other people's chief trade there is not sufficient, as I say, to work up an organisation. Therefore we join with them, and although you cannot say there is any organisation in the brace and suspender trade, it is still in an organised condition because it joins with other trades. There is the position. A lot of these small trades are not organised as trades, but they are in other organisations. Perhaps one member is in this organisation, another in the National Employers' Federation, and another in another association. If you took them individually you would find they are under an organisation, but, as a trade, they are not under an organisation. ●

2822. We have many cases before us of trades when there is perhaps 20 or 30 per cent. or 33 per cent. organised?—But I say the Ministry do not get the degree of organisation by the means by which they go for it.

2823. Mr. Poulton: The method is not the right one?—These firms are not organised as trades. They

are too small to organise amongst themselves and the individual members join large bodies of other employers such as the National Employers' Federation and other sections. Now in the stamped or pressed metal-ware trade I suppose there is at least 30 per cent. of the employers in the trade that are not in a trade organisation, but belong to the National Employers' Federation. When the National Employers' Federation negotiate wages in that district their members are naturally controlled by that agreement, and although you cannot go and say they are an organised trade, they still come under a wage agreement.

2824. I accept your view that organisation is much more widespread than is accepted by the Ministry or otherwise, but you have not really got my point. Assuming that we can ascertain the degree of organisation, do you object to organisation being made the test of the field to be covered by Trade Boards?—I do, because I do not agree with Trade Boards at all at present. You see, you are tying me down to a Trade Board.

2825. Yes; I was assuming the Trade Boards were altered on the lines of the 1909 Act, the scope of such an Act being defined by the degree of organisation.—I should object to the whole Trade Board Act as long as there was the presence of the appointed members, for one thing.

2826. Mr. MacCallum Scott: Even in trades which were not organised at all?—Yes, I claim that there is no unorganised trade. Here is another case. There is a manufacturer of umbrellas. I do not suppose there are three firms in the country, and they are spread about, and the consequence is they could not have an organisation all that distance apart. One of the biggest is in Sheffield, and the other is in Birmingham; there are not many of them. Now the Birmingham firm join the National Employers' Federation. Their wages are controlled by a voluntary arrangement. The other firm join an organisation in Sheffield, where there is an organisation in existence, and their wages are controlled by voluntary arrangement and agreement; but the Ministry say they are not organised people.

2827. Mr. Poulton: They may get control by that method, not as umbrella manufacturers, but by belonging to an organisation, and they fall in with the arrangements which they make themselves?—Yes, that is it.

2828. Lord Weir: I judge from your answers to Mr. Layton that you believe that the only thing that wants protecting against, in a legislative sense, is exceptionally low wages?—Yes, and if you ask my personal opinion, I should say that any decision of a voluntary organisation should be binding on all employers in the trade.

2829. Mr. Poulton: Mr. Chairman, there is one quotation I should like to make, as apparently I was assumed to have made a terrible blunder. "The most important groups of members apart from the above are engaged in the following trades: boot and shoe making." That is why I put the question?—You said boot and shoe repairing.

2830. Excuse me, in the Trade Board it is the same. You know that they include the boot and shoe making?—But you said the boot and shoe making trade, and I do not think a boot and shoe repairer is a boot and shoe maker. They do not do the same thing. Most of the boot and shoe repairers are small men.

Chairman: I am obliged, Mr. Jackson, for the pains you have taken with your evidence.

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[Continued.]

EIGHTH DAY.

Thursday, 24th November, 1921.

PRESENT:

The RIGHT HON. THE VISCOUNT CAVE, G.C.M.G. (*Chairman*).

DAME ADELAIDE M. ANDERSON, D.B.E.

Mr. E. L. POULTON, O.B.E., J.P.

The Hon. Mrs. ALFRED LYTTELTON, D.B.E.

Mr. A. MACCALLUM SCOTT, M.P.

Mr. W. T. LAYTON, C.H., C.B.E.

Mr. H. D. HANCOCK (*Secretary*).

Mr. GORDON T. H. STAMPER, called and examined.

2831. *Chairman*: I think you are a manager of the firm of J. Lyons and Co.?—Yes, but I want it to be distinctly understood that in the evidence that I give I am not representing necessarily the views of Lyons; I am speaking on behalf of the National Union of Manufacturers.

2832. But you are a member also of the Grocery and Provisions Trade Board?—That is so.

2833. You have something to tell us about Trade Boards and unemployment?—Yes. I might say that I have been asked by my colleagues to deal with the operation of the Acts in so far as they affect unemployment, and I thought perhaps it would be as well if at the commencement of my evidence I dealt with one or two preliminary matters which have their influence on the main part of my evidence. So far as the National Union of Manufacturers are concerned we have no grave objections to the operation of the 1909 Act—that is quite definite as far as we are concerned—and I think, my Lord, that any evidence that you have received from the employers' side in favour of the Trade Boards can be traced as emanating from gentlemen whose trades are covered by Orders made by the 1909 Act. Generally it is common ground that the 1909 Act was introduced to deal with industries where it was agreed that sweating was taking place, and in that connection I should like to say now—because I have not seen that it has been brought to your notice before—that that sweating was not invariably, shall I say, caused by the type of people who are alluded to sometimes as capitalists, but more particularly by a form of outworker or person who controlled an outworker. I allude more particularly, say, to the tailoring industry, where you have certain people whom we will call wholesalers who had work to put out. Then it was customary in those days—it is not so now, because the Trade Boards Acts have eliminated that—for a group of people to come and say: "We will take that work off your hands." They would farm the work out to certain people who would do it in their own homes, and it was those men who were guilty undoubtedly of getting the labour of the people that way, working in their own homes for a remuneration that was undoubtedly not sufficient.

2834. You would probably agree that there was also sweating taking place in small workshops?—In the industries that were scheduled under that Act.

2835. Or referred to in the Reports?—Yes. I thought I would just call attention to that particular form of work. The provisions of this Act provide that proper enquiry should be made before a Board could be set up in any particular trade, and of course there were a certain number scheduled, and five more I think were added by special provision. The 1918 Act transferred powers that had previously been in the hands of Parliament to the Minister of Labour, and in our opinion, my Lord, in a great many cases on very slender evidence, he began to apply this Act—I do not mean to say Dr. Macnamara personally, but the occupier of the office—to all sorts and conditions of trades. At the moment there is in operation something like 60 Trade Boards, two of

which are distributive trades. Upon making careful enquiry amongst our members—of course we had considerable correspondence with the majority of our members on this subject; in fact I think our secretary has received something like a thousand letters on the different subjects connected with the evidence that has been placed before you—we find that the principal grounds for complaint in connection with the setting up of these Boards are these: That very often the employers have never been consulted as a body as to the advisability of such a course being taken, although I understand it has been their practice to consult the workers. I think, my Lord, I could give you one instance in particular—that of the Grocery Board. The employers on the Grocery Board were never consulted as to the advisability of setting up a Trade Board.

2836. You mean that some employers were not consulted. Of course a good many were—at least I understand so?—Not the recognised organisations of employers. I do not think there is any evidence of that.

2837. You may be mistaken about that?—I think the only thing the Ministry have ever said in that connection is this, that the Grocers' Federation offered no objection. You can hardly call that consultation.

2838. That conveys to me that they were consulted and did not object?—Well, may I say that I do not consider that the employers were consulted in a way that would have enabled them to have given a considered opinion on the subject—I will put it in that way.

2839. We will take it that in your view there was not sufficient consultation?—Yes, that is my view, and I think from the evidence you received from my colleagues that there was evidence of that yesterday.

2840. *Mr. Poulton*: Do you mean that a sufficient number of organisations which were representative were not taken into consultation?—Quite. With regard to the National Union of Manufacturers, I do not believe that on any possible occasion have they ever received any communication asking them to get into touch with a group of their members who were concerned with the formation of a particular Board, and as they are the recognised authority for representing employers, manufacturing employers, it seems rather curious. I am merely putting the point.

2841. *Chairman*: We need not discuss it, but I do not think we can take it that the National Union of Manufacturers is the only channel through which manufacturers can be consulted.—I think it is the principal channel.

2842. I do not know that we can even take that.—I am putting it from my point of view. I can only tell you this, that I am in constant touch, and have been for nearly two years, with the principal associations of the grocery trade, and I have had it impressed upon me over and over again that the information that is given to you is not quite in accordance with the information that was given to me. At any rate, we can leave that. We are unanimously of opinion that the provision of the

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1918 Act, which allows the Minister to set up a Board if he thinks that either the employer or employees are not sufficiently organised—that is a phrase that he uses; I know that the Act explains it in perhaps a little different way—is a provision that is so loose, that it should never have found its way into an Act of Parliament. That is our considered opinion—and we would like to know in this connection, if it is possible, although I do not know whether it would cover the scope of the report which we shall no doubt get from your colleagues and yourself, what degree of organisation of employers and employees the Ministry have thought it necessary to lay down as being essential. This idea of organisation is such a wide term; it is not definite in any particular. We are not told, for instance, what particular benefits trades with this degree of organisation have found. It must be something very wonderful, because, if they possess it they escape the provisions of this Act. We would like, if it were possible to know, why it is considered necessary, and, as I have said, any remarkable benefits that have been noticed that trades with this particular degree of organisation have received as compared with those who are not so fortunate in their organisation.

2843. *Mr. Poulton*: You mean in the sense that they are not ultimately brought under a Trade Board?—Yes; in that particular case they are more fortunate than their friends. We understand that in connection with the enquiries upon which the Ministry base their opinion of this lack of organisation, they are assisted from time to time by reports from their inspectors who visit places with the object of persuading in some cases employers to set up Boards. I am sorry Mr. Jackson is not here to-day, because he told me of instances where these gentlemen had been going round Birmingham, I understand, with the object of setting up Boards from time to time and making what they considered to be the necessary enquiries. We take it, or I take it rather, that the Ministry formulate their opinion upon the reports of these inspectors, and we think it would be a considerable advantage if, when employers are consulted as to the setting up of a Board, these reports could be forthcoming. We think there is everything to be gained by putting all the cards on the table in such matters as these, and at the present moment I think it must be generally conceded that employers have a serious ground for complaint when they are told quite suddenly one day that a gentleman who occupies the position of Minister for Labour does not consider they are sufficiently organised, and for their sins in that connection they are to have Trade Boards inflicted upon them for the rest of their business life.

2844. *Chairman*: Now you are coming to your own subject, which is unemployment, I understand?—Just one moment, Sir; I shall not be very long. I must lead up to this, because it is a concrete part of what I have to say afterwards. I will not keep you any longer than I can help; I have it as concisely as I possibly can. Having dealt with that particular part of my evidence, I should like to say this, that so far as I am aware in no single instance in the opinion of those whom I represent has the wage of any Trade Board under the 1918 Act been a minimum wage, an irreducible minimum, and that undoubtedly is the principal cause of the trouble. I am of opinion that it is quite impossible for the Boards to fix a minimum wage as they are at present constituted. It will be found that the employers are usually in the position of having to make a bargain which they know will operate unfairly to the trade, because the appointed members indicate to them that they will cast their votes for the workers' proposals unless the employers accept something that they suggest, which is perhaps a little lower than the workers' demands, but which is something very much higher than the employer, who, by virtue of his knowledge of the business, knows what the sale price of his production will allow him to pay. This see-saw business goes on on every Board, and is the curse of the

whole system. The appointed members, as has been said previously in the evidence, are invariably people without experience, who know little or nothing about industry; some of them, professors, who in all probability have never seen the inside of a factory. That point was, I think, amplified yesterday to the extent that one gentleman had been and seen a factory. I am not complaining about that at all, but all I do say is this, that it is quite impossible for people of that particular calibre to be in possession of such a frame of mind as will enable them to adjudicate upon any of the cases that are put before them in such a way as will allow of a wage being fixed which is an irreducible minimum. Half the trouble that we are suffering from to-day in connection with the Trade Boards is this, that a wage is invariably fixed that, so far from minimum, is practically speaking a maximum. What is the result of that? The result is undoubtedly this. A manufacturer is notified that a certain wage is fixed as regards his trade. He sends for his works manager and says: "How does this compare with what you are paying?" If we take the Grocery Board rates which have been fixed—they have not yet been confirmed—and if we take the female porters' rates, they have fixed a rate for London of something approaching 37s. a week whereas the average rate in London to-day undoubtedly is something about 35s. or 34s. That is for ordinary factory work. The Grocery Trade Order embraced not only people who were serving in shops, but people who were doing work which came under the scope of the Order inside factories. That is a very curious combination, and it is difficult to see how any business man could have made such a combination. But the Ministry have done it; they have fixed something like 37s. a week, as I think you will find by reference to the Order, for London. The average rate to-day for the type of work which these girls have to do is between 33s. and 34s. I think that is generally conceded. It may go as far as 35s. That, you will see, is quite a considerable increase—somewhere about 7 or 8 per cent. What is the result? The Works Manager will probably be told that his production cost will be increased by 8 per cent. How is he going to save it? He has to save it somehow. He has to eliminate the slow worker. He must have nothing but super-efficient; and that slow worker is naturally thrown out to the market of the unemployed. What I am going to suggest, my Lord, is this, that at the present moment and in the present state of the country that is precisely the thing that the Ministry of Labour does not want the average manufacturer to do; the Minister of Labour does not want the manufacturer to go down his list of staff and have a stock-taking as to which worker is slow and which fast. The best thing is to let business recover from the shock of the war period, let his business increase, and then undoubtedly the staff will benefit accordingly. I think in this connection that probably the mistakes that have been made in the past—and there have been many—or, at any rate, a great many of them, have arisen from this very simple fact. I do not think there is a single person at the Trade Boards Office or at the Ministry of Labour either who has had any real actual industry experience, and by that I mean a man who has been used to factory work, starting from the bottom of the ladder, and who has earned his living in an executive capacity at the top of the ladder. I mean if a person of this kind, or probably they might need several, were connected with any of the Boards, some of these mistakes I submit might never have occurred. In all probability it is impossible to work it into the Trade Board system; in that case that will only substantiate the view that I am coming to later.

2845. Now have you finished your preface? I mean, I am very anxious to hear about unemployment which is the subject which you have been specially asked to deal with.—I have got just one further piece of evidence on the workers' side.

2846. Please assume that this Committee has heard a great deal about the general considerations, but

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we are very glad to hear from you something practical if you can tell us it, which other witnesses have not told us.—If you will allow me to look through my notes for half a second—

2847. Certainly.—The first serious case I will call to your attention is undoubtedly that of Cornwall. Here in the dressmaking trade the direct effect of the Trade Board on the dressmaking and millinery trades in Cornwall is shown by the following figures:—Employed in 1918: assistants, 532, improvers 35, apprentices 131, making a total of 698. Employed in 1920—this was before the trade depression had set in—assistants 198, improvers 7, apprentices 15, total 220, a decrease of 478, or 70 per cent., in that particular trade.

2848. At what date in 1920—what month?—I am afraid my informant has not given me the actual month. The information was actually sent to me a matter of three days ago.

2849. *Dame Adelaide Anderson*: What was the percentage?—70 per cent.

2850. *Chairman*: But of course it is very important to know to what month the figures apply.—I can ascertain from the gentleman with whom I am in communication, Mr. Trowson, of Redruth, the date at which these figures were compiled. He has given the year, but I quite see your point that you would like the actual month.

2851. *Mr. MacCallum Scott*: In both cases, because you appreciate that this is a seasonal trade and there are great variations in that trade even in normal times?—I have refrained from giving you the whole story in connection with this particular trade because the Chairman has expressed his anxiety as to time.

2852. *Mr. Poulton*: But if one set of figures were taken from actual experience—?—My dear Sir, if only anyone has gone into the case of Cornwall I think he will see that half the people in the county are out of work, and I know that the average rates being paid, even in the grocery trade in that district, are something like 40s. a week, whereas the Order, if it is confirmed by the Ministry, which Order was fixed the other day, will make it necessary to pay them 48s. a week, and the traders of that county have told the Ministry themselves and have told us who sit on the Board that it means absolute ruination for everybody in the trade. The Ministry have sent down a Mr. Goodchild, who is absolutely *au fait* with conditions in the county.

2853. *Chairman*: At any rate you will get us the date?—Yes.

2854. *Mr. Layton*: Will you tell us what these figures purport to be? Is this a reply to a circular covering a large area of Cornwall? Does it purport to be for the whole County or what?—This is a circular that has been issued in response to an enquiry, or has been sent to me in response to my enquiry, but it is a circular that has been drawn up by the Combined Traders of Cornwall.

2855. And it purports to represent the whole dressmaking trade of the county?—Yes, it is signed by Mr. Wesley Hosken, the hon. Secretary to the Combined Traders of Cornwall.

2856. I was only trying to ascertain what it represents.—I have evidence as to the dressmaking trade, the tailoring trade, and the grocery trade, and the shoe repairing trade.

2857. *Chairman*: Perhaps you could tell us this: When was the circular sent out?—I received the circular about three days ago.

2858. Have you got the circular? What did it ask?—It is evidently of quite recent date, because I see that in connection with the shoe repairing trade the remarks are dated October 24, 1921.

2859. What did the circular ask for?—The circular does not ask for anything. It is an account by the Council of the Combined Traders of Cornwall as to the state of the various trades in that county covered by the Trade Boards Acts.

2860. I thought it might tell you how the Combined Traders got those figures. Did not they make some enquiry of their own?—By enquiry amongst the members of the trades in the county?

2861. Yes, but I want to know what that enquiry asked for. Did it ask for the figures in a particular month or in a particular year, or what? Perhaps you cannot tell us?—I cannot tell you that, no; I am not sufficiently conversant with the details of the County of Cornwall to give you that information. All I do say is this, that in connection with every trade it gives the same doleful account as to the working of the Trade Boards Act in those trades.

2862. I am sure you will understand what I want. I want to see the value of these figures. If these figures were taken, say, in April, 1920, of course they are quite worthless, because they were taken before the Trade Board rates were fixed.—Perhaps I can give you the information now: "The members of the Cornish branch of the National Federation of Merchant Tailors have just been circularised, and the questions they were asked to answer all related to the working of the 'Retail Bespoke Tailoring Trade Board.'" "The replies were required by the Headquarters Staff of this Federation for use before the Special Committee considering the future of Trade Boards, therefore I have struck an average note, and they are as follows:—

"Have present rates affected your business?—Most seriously."

"If so, to what extent?—Employing only half pre-war staff, and those on 32 hours per week instead of 57."

"Have you endeavoured to meet conditions by reducing prices?—Yes."

"If so, to what extent?—The award of October, 1920, to females of 15s. per week increase has not been charged on to customer. Clothes, therefore, being sold at cost price, or slightly over, and no provision being made for establishment charges."

"Have your customers refused to order on account of high prices?—Yes."

"Have you had to reduce your staff owing to present rates and short hours?—Yes."

"If so, to what extent?—About one half, and those from 57 to 32 hours."

"The conditions prevailing in my own business in this city are typical of those existing in all businesses in every town and village in Cornwall."

"Pre-war I employed"—this is the man who is sending out the information on behalf of the tailors—"22 people in the workshops, at 57 hours per week."

"Total hours worked per week ... 1,254"

"I now employ 12 people, at 32 hours per week."

"Total hours now worked per week ... 384"

"A total loss of production in this one shop of 870 hours in one week, thus creating dearer clothes and much unemployment. The award of October, 1920, to females, 15s., worked out through shortening of working hours, which was national (no business being able financially to meet it), that both females and males took home at the week-end less money than they had previously earned, so that, employers through shorter hours and employees earning less, no one was satisfied."

"Before October, 1920—

"Women worked 48 hours for 34s. per week."

"Men worked 48 hours for 76s. per week."

"Within a few weeks they were only earning, through the increase to women:—

Per week.

"Women (32 hours at 1s. 0½d.) ... 32s. 8d."

"Men (32 hours at 1s. 7½d.) ... 50s. 8d."

"The men dropped back through trade union rule, 'that one out, all out,' and lack of trade." That is dated October 17, 1921, and it is signed by Richard Hawke, the hon. secretary.

2863. It does not answer my question; but you will no doubt get the answer for me?—Yes. I have here a letter from a firm that are under the Pin. Hook and Eye Trade Board, situated in Birmingham (*extract from letter read*). I do not think there is any other matter in this particular letter that would interest this Committee.

+ The Committee was subsequently informed that the figures related to December, 1920. See also: Written Statements of Evidence, No. 4, page 964.

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2864. Would you like to do this which was done by the Drapers' Chamber of Trade, to send us a bundle containing copies of these letters, because then we get the information at first hand?—Yes. In some cases the manufacturers who have written to us have objected to their names being published; in others they have not; the great majority of them do not object.

2865. You are quite at liberty to leave out the names.—Yes. Well, these people also call attention to the same thing (*extracts read down to the words, "curse the Trade Board to eternity"*). Of course, that is a way of putting it, but I think that gives you a typical instance, and there are many more. I should think I have something like 30 odd letters here which I have selected from the bulk, as representing fairly the views of the bulk.

2866. Perhaps you would let us have a bundle containing those letters. It would have much more effect upon me, at any rate, than when the letters are read in a rapid way.*—There are just one or two here. You see it is pretty generally complained amongst our members that there is no provision for the old or the slow worker. The idea that you can apply for a permit, of course, is quite ridiculous; in fact the employers told the Board quite frankly that they would not be a party to asking for permits for their workers. It is the sort of thing that the employers do not wish to do.

2867. They are not given for slow workers?—No, only to people with physical defects; that is so. But the employers did tell the members of the Board that they did not feel inclined to apply for permits for work at lower rates of wages. If employees themselves like to apply, that would be another matter, but we felt it was really a matter for the employee rather than the employer, and that they had better go to the Board and let the Board assess what they thought their labour was worth. But so far as the slow or the old worker is concerned there is no provision at all in these Acts for allowing them to earn their bread and butter at such a rate as any ordinary manufacturer can afford to employ them at. Now, my Lord, having given you the one or two letters I have read—I will undertake to say that a bundle of them shall be sent to you some time to-morrow—may I say now, dealing generally with this, that I think I have proved conclusively that undoubtedly unemployment has been caused through the operation of the orders made under this particular Act, that workers have been dismissed, and they have been dismissed for this reason, that the cost of production has been sent up owing to the fact that the Boards have fixed wages which are above a minimum wage. In this connection it is not realised very often that the products of the various manufacturers of the country have, in a great many cases, to compete with foreign markets. It may be said that that has nothing to do with a Board which is fixing a rate of wages. Well, if the business is not forthcoming, then the employment is not forthcoming, and I do urge that this system of appointed members, plus the workers' side, which largely consists of Trade Union officials rather than workers in the trade concerned, is responsible largely for the trouble that has arisen, and that I absolutely concur with my colleagues in the view that they have expressed to you that the only way to set this position right is for the Government to consent to the repeal of this Act. It is no good making a patchwork quilt of it; it is quite bad enough already. I cannot see how you can get over having some sort of appointed members, and with that particular provision the whole of the difficulty is bound to arise. All the manufacturers with whom we have been in touch over this matter, whether large or small, are anxious to increase their business; they want to enlarge their works; they want to employ more workpeople; but they are in such a terrible position that they never know from day to day when the Board is going to meet and fix a higher

rate of wages, or in some way alter the conditions of their labour. It was stated to you, I think, that four months was the quickest time that any alteration could take place, but it must be within the knowledge of this Committee, at any rate, that six months is very much nearer the fact. That is a very serious position. It was pointed out clearly by Mr. Jackson yesterday that where manufacturers were able to deal with their workers direct, an alteration could be made inside a week, proving therefore that the man who can so deal with his workers is five months better off, as far as his costs are concerned, than the man who is governed by a Trade Board. Then, of course, one very grave objection, and another point that makes for unemployment, or shall I say lack of employment, is the very high rates that have been fixed in a great many cases for juniors in the trade. It used to be customary before the war for a young girl in an average factory of about 14 or 15 to start at about 6s. or 7s. a week. I am not going to say that that in itself was sufficient but still it was a starting point, and increases after that naturally followed the ability of the worker. At the present time you will find that the majority of rates start at about 15s. to 17s. if you strike an average for the majority of Boards. That is a great deal too high. It does not give the employer an opportunity. It must be recognised that whenever you take a junior into the trade—and I am sure those who have experience of industry sitting round this table will agree here; we must admit it, those of us who have been juniors ourselves—that tendency of a great many juniors is that they spoil a considerable amount of stuff. They are bound to do it; it is one of those things that human nature in its younger stages is obliged to do in gaining experience; but the employer, of course, has to pay for them. That sort of thing has not been taken sufficiently into consideration in our general view. I think that concludes all I have to say on the subject of unemployment, and I will undertake that the letters for which you have asked shall be sent to you, and also the month in 1920 when those figures from my Cornish friends were compiled.

2868. Not when they were compiled, but to which month they refer.—The month in 1920 when they were actually taken.

2869. That is the month in which they were the actual figures?—Yes, I understand.

2870. Mr. Poulton: And 1918?—Yes, I will get that month also.

2871. Mr. Layton: You said twice in your evidence that Trade Boards created unemployment by fixing the rate higher than it ought to be fixed. The only actual figure you quoted was that of the rate for female porters in the grocery trade, I think, was it not, at 37s. as against the actual rate of 33s.? Is 33s. the rate to-day?—I said that the average rate for a female porter to-day would be, in an ordinary average factory carrying out the operations that are covered by that Order, from 33s. to 34s., and the top rate would be 35s.

2872. What was the rate when the Trade Board fixed 37s.?—Well, it would not have varied.

2873. It was then 33s.—Yes, that is so.

2874. What I wanted to get at was this, that the Trade Board actually fixed a rate higher than the current rate?—Yes.

2875. It was not that the rate fell and that the Trade Board rate remained high?—No, they fixed a rate which was higher than the current rate.

2876. You referred to the Appointed Members being a difficulty, and then you proceeded to refer to foreign competition as though the two things were connected—as indicating that there were outside forces which governed your wages which were not taken into account by the Appointed Members?—The Appointed Members do not take that or any other cogent factor connected with the production, or the sale of the product into account. All they take into account is that there are two sides, and one says No and one says Yes, and it is largely the man's oratorical ability that counts with them. That is how the majority of my friends think.

* Extracts from 34 letters subsequently sent to the Committee—not printed.

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[Continued.]

2877. But if the employers put before the Board the fact that foreign competition was making it impossible for the wages to be beyond a certain point?—The foreign competition argument is an argument that applies almost exclusively to the brass making trades, of which you had evidence yesterday. It does not apply to the grocery trade because we do not export grocery.

2878. Quite obviously, it is a factor which must govern wages in a great many trades to-day—the majority, I should say?—To a very great extent I should think so, yes.

2879. Is it not a fact that can be explained by the manufacturers to the Appointed Members?—Can be explained?

2880. Yes?—It is explained, but I do not think it could be seriously suggested that a manufacturer would not explain to an Appointed Member something which might afterwards operate in his favour.

2881. What I wanted to get was this. Is it not the business of the employers' representatives on the Trade Board to put the economic facts of the trade forward, and if the Appointed Members are the reasonable and proper persons to consider the matter, then they would be given proper weight?—They do not give them proper weight, and I am informed by my friend who is sitting beside me that he has only to-day put that argument before the Appointed Members, and they have given so much consideration to him that they have voted against him. They will not consider these things. I do not know whether you understand the position that actually operates on a Board. The Appointed Members send for the employers and say: "Look here, the workers want so much per week: what are you going to do about it?" We have already told them, we will say: "55s. is the most we can pay"—this is not an actual figure—and then they say: "You must come up to 60s.; if not the workers will get it." But that is not the proper way to arrive at an economic rate that will not injure the trade. Is it a businesslike proposal to say: "Jones wants 65s.; you say you can only pay 50s. by virtue of the fact that you have to earn your living by running your business at a profit, but because Jones has said 65s. we think 60s. is the proper rate; consequently you can either pay 60s. or we shall vote for the workers' proposal, which will make it necessary for you by law to pay 65s. or be fined £2 a day for ever?"

2882. Your point is that, although the economic side of the industry is put before them, they do not take those facts into consideration?—Exactly; they use their own judgment as to what they consider is a fair wage. As I pointed out, by reason of their early training they are not competent to come to a judgment. That is due to their appointment.

2883. Mr. MacCallum Scott: Would you say that employers did not try to eliminate the slow worker before Trade Boards came into being?—I would say so, yes. I am the manager of a very large factory myself, and when I give you the position I know exactly what would operate. You have got people in your factory, supposing you have got a factory where you have a whole lot of high speed machinery, and in that factory you have a number of odd jobs which can be performed by people who are not necessarily quick at manipulation—girls or men who are good enough for waiting jobs. They are not machine operators; they are not doing a definite job attending to a machine or turning the stuff out actually; they may be waiting on a group. The slow worker can do that work quite well and quite properly. Directly the Trade Board comes in you have got to pay that person exactly the same rate as the machine operator. Now, you may say: Why have you got to do that? The answer is, because the rate fixed for the whole of the factory is so high that you can only afford to pay it to an efficient worker. Now you are going to say to me: "How are you going to get the work done by this slow worker?"

2884. What difference does it make if you get a more efficient worker, since the slow worker can do

the work just as well?—Because you will in a good many cases re-organise your machinery to a certain extent. You may have the stuff which that worker was carrying to certain machines carried to those machines by a travelling band. The extra price of that labour in all probability will make the travelling band an economic proposition, whereas it is not to-day. I am giving you a general instance of exactly what operates in the average employer's mind, and it is made to operate by reason of the fact of these rates being fixed.

2885. The extra price of the labour would make the use of the machinery more effective?—Yes.

2886. I think you said that in Cornwall and throughout the trade there was a decrease in employment of about 50 per cent., or something like that, on pre-war days?—70 per cent. in the dressmaking trade, but as a general statement half the people in the county are out of work.

2887. In a good many instances which are not under Trade Boards the amount of unemployment is far greater?—In the statement I was reading, when no doubt, owing to the pressure of time, his Lordship cut me a little short, I had a statement emanating from someone with a knowledge of the operation of Trade Boards, that unemployment in trades not covered by Trade Boards was greater than in those covered by Trade Boards.

2888. Chairman: By all means deal with that.—That was a statement that was made, but the gentleman in question would have had included that great body of labour known as the casual labour. I suggest that if he eliminates casual labour he will find that unemployment in Trade Board trades is, I should say, at any rate, higher. Take the casual labour out of it and let us have a statement of actual trades as against trades. The casual labourer is a gentleman in an occupation where the percentage of unemployment is very much above the average always, and that must be so. If you put that on either one side or the other you will get whichever result you want.

2889. Mr. MacCallum Scott: Take the district I come from, the Clyde, where it is largely engineering and shipbuilding, where unemployment is wholesale and universal?—Unemployment in the shipbuilding industry, yes.

2890. And in engineering generally and in many other trades which are not affected by Trade Boards. Do not you think that these trades which are affected by Trade Boards would be subject to the same general influences to which these other trades are subject?—Trades which are affected by Trade Boards must, of course, be affected by the same general influences, but they are affected also by the additional influences from which other trades which are not governed by Trade Boards are immune.

2891. Can it be shown that the unemployment is very much larger in those trades which come under Trade Boards?—If you say very much larger, I do not say that that is so, but I suggest that you could show a percentage which, on the whole, would add considerably to the volume of unemployment in the country.

2892. But you have no comparative figures as to that?—I do not think it would be possible to arrive at comparative figures. You can only judge by the individual reports which you get from the individual factories.

2893. With reference to a trade like dressmaking and tailoring, unemployment for the last eighteen months or so has been very rampant throughout industry all over the country?—Yes.

2894. The consuming public have been hard up and unable to spend money, and so have not been able to get new clothes and dresses. Would you not say that that would account for a very large diminution in that trade?—My answer to that would be this—that if they had been able to pay a reasonable economic wage the price of their commodity would have been decreased to the consumer. The consumer's purchasing power would then have been a little more use to the trade, and consequently the unemployment would not have been so serious as it has been.

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2895. *Mrs. Lyttelton*: I only wanted to ask whether you wished us to take your vivid and dramatic description of what goes on at Trade Board meetings as accurately describing what does go on—that the appointed members do not consider the economics of the rate at all, but merely say: “Well, the worker has asked so much, and therefore you must give so much.” Do you mean to say that there is never any discussion as to the rights or wrongs of the case?—That is what the discussion boils itself down to, and I think that in that connection every gentleman I have ever consulted—and I know many that are on Trade Boards; there are several sitting round me here now—would say that the sum total of what happens at a Trade Board meeting which I have given you is a reasonable expression of fact.

2896. *Mr. Poulton*: And I take it from your statement that you feel that it is hopeless to make improvements at any rate in the 1918 Act?—I do, absolutely.

2897. That it is so bad from the standpoint of those whom you represent that the only thing to do with it is to wipe it off the Statute Book?—I look upon it as a tragedy.

2898. It is a little difficult when one takes up that particular attitude. If one could suggest improvements it would be different; but you do not look at it in that way at all. You think it is past improving?—I do, absolutely.

2899. Then just to follow up the question put by *Mrs. Lyttelton* about the appointed members. I was rather struck by your statement, having regard to the fact that I know sometimes they sit for four or five days before they come to a decision, and sometimes sit from 10 in the morning till 7 or 8 o'clock at night.—They do, worse luck.

2900. Do you really suggest that in that long period of time all they do is to bandy this kind of statement, rather than go into the question of the pros and cons of the matter, and try to ascertain what is really the economic situation of the trade?—They go into it, but that is the sum total of what they come to. That is what they tell you at the end of the story, and it does not matter whether they tell you at the beginning or the end. That is the effect of their decision. You are in a cleft stick; you can neither move one way nor the other.

2901. This is rather a serious statement. You said that the appointed members intimated that they would cast their votes for the workers unless certain things were done?—Yes.

2902. You know, do not you, as a matter of fact, that many of the workers on these Boards are making just the same kind of complaint in a modified way, namely, that the appointed members voted against them?—I have never heard of any such complaint.

2903. I have heard of a great many; but you do not know of that?—I do not know of that, no.

2904. It is no use going into the figures for Cornwall because we want the dates, and we know that Cornwall as a county has got an unemployed problem more accentuated than in most other cases. The dressmaking and millinery worker is not as badly off as the miner, and if the miner has no money, obviously he cannot spend it on dresses and millinery, can he?—Well, this is not helping it, is it?

2905. But you put up those figures as if the Trade Boards had brought this about, when it is well known that there has been an appeal to Parliament to deal with Cornwall as a county, because it is in such a terrible economic condition?—But there is ample evidence that if the people could pay rates as now prevailing they are quite content to go on employing the people. The gentleman who wrote me this letter, *Mr. Trounson*, is engaged in business in Cornwall, and he told me only last week that his employees went to him and told him that the workers themselves were convinced that he could not afford to pay the rates he was paying them, and that they would be glad if he would agree to reduce those rates. He has offered to give the figures to anybody: he has full particulars. But he said, No; he would

go on paying them as long as he could because he had formed a little reserve fund during the war for the purpose of getting over the hard period. The Trade Board has fixed a rate which is higher than he is paying to-day. What is he going to do then?

2906. That does not affect the point I was putting to you, because if the population itself as a population has no income, obviously it cannot do any trading, and you are here to try and prove unemployment when we know as a matter of fact that, deplorable as are some parts of the country, Cornwall is in a still worse state?—Mining is not the only thing in Cornwall.

2907. It is the big thing.—Dressmaking is not confined to the mining districts. You will find that a lot of it goes on in the seaport towns.

2908. Following a point of *Mr. MacCallum Scott's*, do you not think it follows that when you get the great trades of the country suffering to the extent that some of them have suffered, when 60 per cent. of the workers in them are out of employment, and 70 per cent. of those in employment are on half time, that necessarily it must have its effect upon the other trades?—I am not saying and I have never suggested that such a state of affairs has not had its effect on other trades; but what I do say is that the effect on trades that are governed by Trade Board rates is more considerable than on trades that are not so governed, because they are forced to pay something which is not economic so far as their production is concerned.

2909. I thought you said the effect on the employer was to get rid of the uneconomic worker?—That is exactly where the unemployment comes in. I thought I had explained that. If they were still in employment then one could not allege that the Trade Boards had caused unemployment.

2910. That is elimination caused by a new rate?—I say it is unemployment distinctly caused by the operation of the Trade Boards Acts.

2911. Not necessarily at all.—If a man is thrown out of work he is not employed.

2912. Yes, that particular man; but it does not follow that another man is not employed.—Do you suggest that an employer would get rid of an old servant because a certain rate operated, and would take on somebody else in his place?

2913. Yes I do, because I have had experience of it many times.—My view is that an employer always will prefer those people who have been associated with him a length of time. He prefers his old servants; he does not wish to get rid of old servants.

2914. Now with regard to the high rate for the young people, is not that rate practically only in keeping with the rate at which the cost of living has gone up from pre-war; that is to say, supposing it is 16s. now does not that represent 8s. pre-war?—No. Perhaps I should explain a little more carefully what I mean there. Previous to Trade Boards it has been the custom, I think it will be generally admitted, that in most trades the difference between the junior in trades not governed by Trade Boards, or shall we say pre-war, was always very much greater than the Trade Board standard has laid down. I am not going to say before the war whether the difference was not even too great. I think that to-day a junior starting at 14 or 15 years of age should receive something like 10s. or 12s. a week. I think you will find that in the majority of Trade Boards they fix something like 17s. I am not suggesting to you that it is too high, and on all sides I have had complaints from the evidence I have gone through, and particularly with regard to the Grocery Board, as to the junior rates in the trade being too high. But after all, we want the juniors to come into the trade; the sooner you get a junior in the sooner he can earn money.

2915. You put that forward as a serious point about the appointed members do you, that the oratory in putting the case rather than the actual facts of the situation of the trade is the thing that in-

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fluences the appointed members to give their decision?—Undoubtedly I do.

2916. That is to say, although they were selected because of their supposed judgment in matters and their judicial capacity to understand the position economically?—Yes. I think so, for this reason, that I should think any person would agree that a man with a bad case, if he went before the Courts, would get on much better if he had a good counsel than if he had a bad one.

2917. As to the Department itself, you said that the Department made a great many mistakes. I daresay it has; most Government Departments have. I have no doubt, but you went on to say—?—Might I just say here, in case of any misapprehension, that in anything I have had to do personally with the Minister of Labour or with any of his subordinate officials, I have always received the greatest possible courtesy. I am only talking about the operation of their work. I can say that, with regard to Dr. Macnamara, he is a most charming gentleman, and has always shown me the greatest possible consideration.

2918. Quite so, I did not understand you in that other way at all. But you said if they got men or women there from any trade who knew something about the business, they would not make these mistakes?—I think it would assist greatly. I do not think there is anybody at the Trade Boards Office—

2919. You think there is no one there who knows anything about the practical side of the trade?—What is the Appointed Member to do even if it were possible to work the Act? I do not agree that it is—but what is the Appointed Member to do? He knows nothing about the trade; he has to listen to both sides and one man says yes and the other no.

2920. You are talking about the Department as a Department?—Yes. The Department should provide that information.

2921. You do not think they do?—No, they certainly do not.

2922. *Dame Adelaide Anderson*: On the point of the Appointed Members, I think you said that the Boards as at present constituted cannot fix a minimum rate?—I do not think so.

2923. Do you think it is hopeless to appeal to the Appointed Members?—I do.

2924. You mean they simply compromise between two extremes?—I think so. That is my considered opinion.

2925. You have no insuperable objection to the 1909 Act?—No. You see if you trace the operation of that Act you will find that in no case did they fix anything extraordinary in the way of a wage. Take the operation of the Sugar and Confectionery Board to-day. Well, the rate for porters in that trade is something like 54s. a week, but the rate for women ends at 18 years of age and does not go beyond 32s. Well, that gives the manufacturer a chance of working in the various types of labour. I have come into touch with the workers a great deal and I regret very much the operation of these things. I know they want work. Even in the last three months in connection with a factory we have opened I have received as many as 3,000 applications for employment. Some of the letters are powerful human documents. I think it is a great pity if there is anything on the Statute Book which operates in any way to prevent those people getting employment.

2926. It has been suggested that there are other causes of unemployment?—I know, but this is a contributory cause; I will put it like that.

2927. Going back to the 1909 Act, they have the Appointed Members' system there too?—In the 1909 Act?

2928. Yes.—Exactly.

2929. The Appointed Members there are more reasonable?—What I would say is this, that before the Boards were set up under the 1909 Act there was a general overhaul of the trade concerned in the shape of an enquiry. It was not altogether like a body of people coming in without knowing anything about the facts of the case. They came in with, at

any rate, something to go on, and here, of course, you merely see an Order in the paper—

2930. Would you pursue that by suggesting some development that would improve the 1918 Act in that direction?—I think it is impossible to do it. I think the whole job would be too colossal. The Act was originally introduced to stop sweating. It was never accepted by anybody that it was for any other purpose, and I do not agree that it is necessary to regulate wages in any trade by Act of Parliament, unless it can be proved that sweating has taken place. I think it is fundamentally wrong in principle.

2931. You would not agree with some manufacturers who have expressed the view to me that certainty as to wages was the important thing upon which to build up business?—I do not think that is necessary. The only thing that is necessary in business is this: first of all organise your place, see that you have the finest organisation. If you have the finest organisation, you will pay the wages all right; you will get the best people; and what the other man does does not matter very much. Your production will sell your stuff, and you need not worry about the man who goes about in a niggardly fashion and does not pay the rates. If he goes below a certain irreducible minimum then prosecute him, but do not fix that minimum so that it shuts everyone out of employment.

2932. But there is the human element also?—That would cover the human element, I think.

2933. You will not get the best labour, the best work, and the best output, unless you pay something more than the minimum?—When I say the minimum, if you fix the minimum so that it is an irreducible minimum and nothing else, the better worker always will get more than that minimum. No employer wishes to run his factory by paying a minimum; he likes to be able to pay more than the minimum. A good many people may think that that is an exaggeration, but I know that it is not.

2934. Given a certain rate, a knowledge of the rate, it is easier to organise your work?—I would not even say that, because the great bulk of the work in the majority of trades to-day is run by piecework—payment by results.

2935. In the industries with which you are familiar, has there been any attempt on the part of the employers to get into conference with their workers in the factories as to rates—as to how to make the work go on these rates that you think are too high? I mean you can save in one direction or another?—You would not consult the workers as to that?

2936. That is done in some works with works committees?—Yes, I know, but I have never read of it being anything like a great success. I have studied the whole question. There are certain factories in Yorkshire and so on. I attended a whole course of lectures on the subject.

2937. *Mrs. Lyttelton*: I wanted to get the point about the Appointed Members quite clear. What struck me was your statement that the Appointed Members really use—well blackmail is a strong word, but still a kind of bargain is driven. They take the figure and say "If you do not give this figure we shall vote for the other side." That seems to be a very serious accusation to make?—The Appointed Members are always obsessed by the fact that they have to get something settled.

2938. Do you seriously assert that that is always their method?—Always.

2939. *Chairman*: Have you seen that done yourself?—I certainly have, Sir.

Mrs. Lyttelton: It is very improper.

2940. *Chairman*: On the Grocery Board?—On the Grocery Board. On the last occasion that actual procedure did happen. I could give actual details of it where finally the employers were obliged to concede a small increase in the rates.

2941. *Mrs. Lyttelton*: It is the threat that I am on?—Well, if you do not come to terms it is obvious they are going to vote for the other side.

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2942. But do they say so?—Yes, they tell you so definitely. They have only one proposition before them. You have no alternative.

2943. *Mr. Poulton*: You say there is no alternative, but there are; there are several alternatives. That is a very strong statement to make against Appointed Members, and I should like to know whether it does not happen rather in this way, that the Appointed Members being there to try to hold the balance even between the two sides, and as far as possible to weigh the evidence that is adduced by both sides, they therefore having weighed it up and the two sides not being able to agree, try to induce them to agree? If they fail in that, does not it rather come the other way about? They say with all the evidence which has been adduced they feel that if there cannot be an agreement they will feel bound to vote for someone else. That is rather different, is not it?—I think it is exactly the same. The effect is absolutely identical.

Chairman: No doubt we shall see the Chairman of the Grocery Board before we finish.

(The Witness withdrew.)

Mr. ASHLEY WARD, called and examined.

Witness: I quite realise that you do not wish to hear the same thing repeated many times over, but although my position can be very shortly stated, it is a little difficult. I will try to be very short, and I merely want to emphasise, with your permission, the issues which have been raised by the evidence, and possibly to confirm what some of the other gentlemen have told you. In the first place, we have to thank you, my Lord, for the very patient way in which you have listened to this long and detailed and somewhat tedious evidence. We have nothing to complain of on that score, I am sure. Another point with which I think you will agree is this. I think you will be convinced that the appearance of the National Federation before you is not in any spirit of general obstruction to Government legislation, which one very often finds.

2948. *Chairman*: You mean the National Union?—The National Union of Manufacturers. Their presence here is due to the incalculable amount of harm which we think will be occasioned to industry, and is being caused, by the Trade Boards Acts. It is common knowledge, I think, that manufacturers and traders generally are fighting and scheming for their very existence to-day, not only for what people term the markets of the world, but for their own markets against the exchange-supported foreigner to-day, which is a very, very vital point, and we do feel that on the top of these very onerous conditions it is absolutely intolerable that we should have the conditions imposed by these Acts which you have here in evidence before you, with their menace of un-economic wages. You have heard what the Act of 1909 was brought in for—namely, exceptional cases of sweating. I do suggest to you, my Lord, that the Act of 1918, which I might call an extension Act, was imposed by persons in connection with Government control and Government concerns, who firmly believe, in my opinion in error, that there is a theoretical panacea for every ill that industry and employment suffer from. That I believe to be at the bottom of the whole question of the administration of the 1918 Act. Of course, I will concede that these persons have an idea that they are going to do some good to trade, but in our opinion it only shows how very often the well-meaning act of Government interference acts in the opposite way to what is intended. The Extension Act of 1918 could not have been brought into force at a period which could have been more inopportune. For a short period after it had come into actual effect this country apparently prospered; the conditions as to cost of production and freights, and that kind of thing, made it of very little consequence indeed, because everything was passed on to the consumer during a period like that. Then suddenly we were confronted with the most appalling slump, as I think you will agree, that the world has

2944. *Mr. Layton*: Have one or more of the Appointed Members ever moved formally on the Board in your knowledge an alternative figure to that proposed by either side?—They moved a set of figures on one occasion.

2945. They have put forward their own figures?—Yes, on one occasion. They have been referred back several times. What I am telling is not peculiar to the grocery trade, it goes on on every Board. I do not want to make a special complaint against our appointed members, because personally they are quite nice people. They all do the same thing; it is common to the system.

2946. *Chairman*: Still you only know of your own Board?—I can only speak for my own Board, but what I tell you is quite common.

2947. *Mrs. Lyttelton*: Only it does not happen in the trades that are under the Act of 1909?—I cannot tell you that. I have not sufficient experience of the 1909 Act to tell you that.

ever seen. What did we find? Costs of production, instead of being quite by-words, immediately began to come into importance. In a few short months they were of paramount importance, until to-day you hear nothing else. It is the chief concern of every manufacturer to-day to look after his costs, because otherwise he is always in the position, as regards foreign trade, of trying somehow to come within measurable distance of the rates which are quoted by foreigners, who are to-day supported by the exchanges. This Act of 1918, I suggest to you, was passed during this period, and suddenly, when traders came up against these conditions, they suddenly found themselves confronted with this Act, which thwarts them at every turn with its hide-bound regulations and its particular development. It is an Act, I suggest, which was framed in the apparent security of prosperity, and with a total disregard of the fact that we were likely, as we seem likely now, to get back to pre-war conditions. The purpose of this Act was to prevent sweating and in trades likely to fix a minimum wage. I think you will find from reference to the Act, that the development of this Act, whatever may be the Act itself, has been entirely different. From the very first every effort, we say, has been made, and perhaps not unnaturally, by the labour side, and we think supported by the appointed members, to transform these single purpose minimum wages boards into permanent ruling wages boards. That is my own experience of Trade Board work, and you will have heard it is the same experience with others.

2949. I think you are on the Waste Materials Reclamation Board?—Yes. The rate has been fixed, not for the lowest-paid worker on the subsistence level, but for every grade of worker. We say that was never intended by the 1918 Act, and for which the machinery of the Act is totally unsuitable. Well, the results of that kind of thing you see in the conflicting rates and conditions which have been put before you, in unemployment to some extent, and in the suspension of industries, and the refusal of man and master to accept the rates; and, as you know, in some cases in the refusal of magistrates to convict where these Acts is known to be enormously costly. They have an enormous number of inspectors now, quite disproportionate to the benefits accruing; but if there is to be a continuance of the development of this Act, I suggest to you that we are going to have an army of inspectors in this country, because nothing else could make the Act efficient or workable. I do suggest to you, my Lord, that any attempt to carry on this sort of thing is doomed to failure whether you go on with the Act or not. Trade, in our opinion, is

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controlled by inexorable laws, and if you are going to force impossible wages by Trade Boards or anything else upon industry, you are really interfering with the common rights of the people, and you can never enforce it. In the case of the Waste Materials Reclamation Board, of which I have a good deal of experience, I suggest to you that nothing could have been more futile than the refusal of the Chairman and the Minister to consider twelve months ago the postponement of the operations of this Board from six to twelve months to allow conditions to stabilize. The Chairman's attitude was this: "I have been appointed by the Minister to fix minimum rates for this trade, and fix rates I will—some sort of rates." He made that statement in my hearing. What was the result? This body has met for twelve months at enormous expense to the taxpayer; for myself I have put something like 24 to 27 whole days, and, as Mr. Pontou says, sometimes up to 7 or 8 or 9 o'clock at night, in the endeavour to come to a settlement. The Board has entirely failed to keep pace with the falling wages and conditions. The deliberations of one month, at an adjourned meeting the next month, have appeared perfectly absurd to both sides, and the final effort, with the addition of the appointed members against us, as I am informed just now, has been to recommend to the Minister to fix a rate from 5s. to 10s. higher in the iron and metal section of the Waste Materials Reclamation Board than the highly-organised trade of steel manufacture, to which this trade is a contributory. And according to the terms of the Act, over which the Minister has no power—you would not say under the Act that the Minister had power to-day to come to the steel smelters and say: "I consider you have not a sufficient degree of organisation in your trade, and I propose to appoint a Trade Board." It would not be tolerated for one moment on either side, probably.

2950. *Mr. MacCallum Scott*: Could you give a specific figure with regard to it—one wage?—The rate fixed, and recommended to the Minister to fix, for the Iron and Metal Section for adult workers by the Waste Trade Board is 53s. for 48 hours.

2951. And in the steel trade?—I will give you the figure I have just had handed to me here—the actual rate for the steel works labourer. We are talking about the lowest paid men in both cases. The actual wage to-day for the steel works labourer, as required by the Steel Smelters' Union and the South Wales steel manufacturers, is £2 4s. 10d. In the tinsplate mills, which roll the bars that are made by the steel works, the figure is 42s. 7d. Both these labourers are always considered to be a slightly better class of labour than in iron and steel yards.

2952. *Chairman*: Did you say this was being carried against the Appointed Members?—With the help of the Appointed Members the rate has again been sent to the Minister for confirmation, against the employers. In the tin plate trade, which of course is allied, the rate is only actually £2 2s. 7d. to-day, and what is the result to-day in South Wales? In South Wales they have actually got up this last week to 86 per cent. of their production of steel, totally due to the fact that the wages have put it within the possibility of the manufacturers to meet foreign competition, and it is the only bright spot in the iron and steel industry to-day, is the South Wales steel trade.

2953. *Mr. MacCallum Scott*: Do they apply approximately to the same areas?—There is a difference in the Sheffield district, which is another steel area. The actual rate to-day there is £2 6s. 7d., which is slightly higher, but again is much lower than the other rate. I mentioned my figures as from 5s. to 10s. higher. The present constitution of Trade Boards whilst possibly suitable for the fixation of a minimum wage to prevent sweating—

2954. *Chairman*: Could you tell us what the employers proposed in this case?—If I remember aright, 48s. a week. Even that, of course, is very much higher than what the rate is that is being paid to-day.

2955. These proposals were made some time ago?—In August, and they were forwarded to the Minister for confirmation; and they brought forth, in view of falling wages, a storm of protest from the country, and the Ministry have sent them back to-day, in consequence of that protest, for re-consideration by the Board. They have had a meeting to-day, and the result has been that, with the vote of the appointed members, the Minister has been requested to confirm those rates. The present constitution of Trade Boards, whilst possibly suitable for the fixation of a minimum wage to prevent sweating, is quite unsuited for carrying out satisfactorily the work which most of these Boards have set out to do—that of fixing fair and reasonable wages for all classes and all grades of workers or trades affected. No wonder there is strife and trouble, because to do the work properly Boards would have to sit continuously, and in every district of the country. It is impossible that these Boards should go and fix wages, such as shown in the schedules to the quarterly report of the effect of the Acts, and sit in London and attempt to fix wages for all the delicate operations of trade which are covered by the hundreds of occupations. The general procedure, in my experience, is that of practically the whole of the Trade Boards. The whole of the employers' representatives speak: sometimes we wish they would not; it is probably in the interests of truth and justice that they should do so; but it is a bit trying sometimes. On the workers' side, in my experience and the experience of two other men who were on Trade Boards, there is this—that no practical workman, if he is on the Board, ever speaks. The case is always presented, in other words, in political oratory by union people in connection with the labour leaders, and instead of the Trade Board being a reasonable group of practical men out to solve a difficulty, the whole procedure of the Board is sacrificed to tactics, as you will have realised from what Mr. Stamper has said. You will see that procedure such as that does place the whole situation in the hands of the Appointed Members, and induces the situation mentioned by Mr. Stamper. The Appointed Members during the Waste Materials Reclamation Trade Board meetings almost become white-haired in so far as, in consequence of the falling condition of the trade, the rates were so widely apart that they could not do anything, and they did go in my hearing to the length which Mr. Stamper has mentioned, and say, "You have mentioned such-and-such figure; the labour members such-and-such a figure: we cannot vote for your figure. If you will come to this mean figure, we will vote for it. If you will not, we will vote for the original resolution on the higher figures." That is my experience on the Waste Trade Board; I did not know Mr. Stamper had had the same experience on his Board, because I had not met him until the last few days. But that is my experience on the Waste Trade Board, and I submit it is absolutely wrong, and against the intention of the Act. There is a little light as regards future trade, as I have already told you, but we are not through with serious anxiety by any means, and employers have their hands full of very serious problems to-day. Imagine employers in these times of most acute adjustment, both for the workers and for the employers, with new circumstances and new industry; fancy us having an Act of Parliament in our industry which says "You shall proceed to fix wages" when it is inadvisable to do so; which says that once you have fixed those wages you shall not alter them for six or nine months. Just fancy an Act to-day saying, "The Trade Board are going to fix to-day a rate of 53s. in the adult section of the Iron and Metal Trades." It says in effect, "You shall not alter that rate for six months," and then you have two or three months' notice to give to alter it again. It makes it somewhere about eight or nine months altogether. Fancy them attempting to fix a figure of 53s. when, in the organised trade of steel manufacture, you have already got a rate operating 10s. a week less!

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[Continued.]

2956. *Mr. Layton*: Is that a first fixing of the rate, or a variation?—No, it is the first fixing. It has taken twelve months to do that, and 27 days of argument. It is an Act which months ago—I know they have altered the procedure slightly recently—said: "You shall not fix the wages on the cost of living scale, because it is not within the power of the Act." We naturally asked in November last, and in December, why not fix a scale in accordance with the cost of living? Everybody was agreed to that, but we were informed by the legal section of the Ministry of Labour that it was not possible under the Acts. Well, now, imagine us being faced with all those conditions, and fixing rates higher than the ruling, accepted rates, not in isolated shops, but in organised works. It simply leaves the employers fighting to make the best of a bad job, and I am sure you will agree that that is not the sort of atmosphere we want to-day. Both workers and employers are up against very serious difficulties, and we can only solve them by pulling together, and not by such procedure as I have detailed to you. The conditions would be a serious hamper in stabilised trade, but in trade as it is to-day they are nothing short of a catastrophe.

2957. *Chairman*: I think the rate was proposed in January, was it not, and that was sent back by the Minister, and then this new rate was proposed, and it has been referred back again?—That is so.

2958. This seems to occupy about six pages (indicating printed document)?—Yes. If you want a real example of anything like the travesty of the 1918 Act, I suggest to you to look at the last quarterly report on Trade Boards, with its multitudinous conditions and rates, and ask yourselves whether the 1918 Act was ever intended to do such a thing.

2959. I have seen that.—It is the most impossible document anyone ever saw for a national assembly like the Trade Boards to fix rates in those trades. You know those great differences of opinion which have occurred between miners and engineers, and those branches of industry which we have had before us in the last six months. Supposing you went to the negotiators and said, "You shall only make peace in accordance with 40 or 50 clauses of a Government Bill which we have prepared," I venture to say the result would have been more disastrous than it has been to our trade to-day. It is a good thing to get together to settle these things, but what is wanted is frank talk between the employers and the men who know the intricacies of the business, with liberty to explore every type of settlement, whether for short periods or long periods, and whether it is on scale or not on scale. A great many people in this country still, and a great many on the labour side, are looking for a fresh flight of prices to lift us out of our difficulties. The employers are not; they are all seeking business to-day at price levels which are lower than they are to-day, and I think they are right; and the only thing is that this Act is putting every hindrance possible in their way. If these Boards are to function at all in their present state, it must be for minimum wages applicable to the lowest class of worker, without upward classification or sub-division, and having regard to the state of industry, based solely on the lowest figure consistent with a reasonable standard of frugal comfort. That is what we consider a minimum wage should be. It is obvious that workers of greater skill will automatically command higher rates. We put before you in the national interests that the expense of the administration of these Trade Boards can no longer be borne, and that economy can only be effected by terminating what is really—an expression very often used, but I think after seeing that quarterly report of the operation of the Trade Boards Act you will agree that "bureaucratic structure" is about the only thing you can call it. We do ask for the abolition of this thing, and a drastic reduction of the permanent staffs, and the elimination of all these theorists and advocates of general and political labour principles,

which, we say, act against the interests of the worker and of the employer. Another disturbing feature of the application of these Boards is that they are actually applying to a very large number of people who are already organised under the Acts. Take the experience of myself. We have something like 2,000 employees; we are the largest employers in this particular class of trade in the iron and steel section. I saw this notice as to the Waste Trade Board; I could not imagine that it applied to my industry, because every man I have is a trade unionist, and, of course, their wages are very accurately and closely governed. So that I took the matter up with the Minister of Labour, and said: "You have got wording in the Special Order which is either very, very loose and dangerous, or else you are out to rope in a very, very big trade." I got no reply to that. I saw them several times about it, and they said they were not quite sure what occurred, or what it did refer to; but before doing anything in regard to the Trade Board they would call me in and consult me. They did nothing of the kind; they never consulted me at all, and I was so concerned about this question of the application of the Trade Board to my industry that I pestered them with letters and with calls to try and get the information. Unfortunately, owing to the demobilisation of one person and another, every time I went up I saw a different person; sometimes a lady, sometimes a gentleman; and I got no satisfaction at all, and this Board was actually constituted without any further reference to me whatever. Then, of course, the people in a large way in my trade raised a protest to the Minister that this Board should be constituted without any reference at all to the large firms in the trade. I do not think I am breaking any confidence when I tell you that the Ministry actually sent a representative down to see me, and told me that it was never their intention that my trade should come under the Act; that it referred to somebody entirely different. "Well," I said, "if you will give me a letter to say that the operations that cover my trade do not come within the meaning of the Act, I will gracefully withdraw at once."

2960. *Chairman*: I suppose the words that cover you are: "The collecting, sorting, or grading of . . . scrap iron or other scrap metal"?—Quite. When it came to asking the Minister for a letter which contracted me out of the Act, that, as you can quite understand, from a Government official was a totally different thing altogether, and we are in the Act. Consequently, you are seeking to apply a Trade Board to my workers who are already governed by the General Unions—the National Union of Workers, the Dockers' Union, the Smelters' Union—whatever district the men happen to be in they are in the different unions—and the last drafting of the Special Orders has caused a great deal of disturbance in London. The substitution in the 1918 Act of a Special Order for the Provisional Order of the 1909 Act has led to a great deal of abuse in that direction, although it has not been the intention of the Ministry to do it. It is because you have clerical academic people dealing with this thing instead of practical people. The advisability of the fixation of a minimum wage, I think, is agreed pretty well by everybody; we do not grumble at it; but we do suggest to you that the Trade Boards as they are constituted to-day are so wasteful and so cumbersome and so unsatisfactory a means of attaining that end that both employers and employed and trade generally call for nothing short of the abolition of the 1918 Act.

2961. Just tell me this: You have thought this matter over a great deal; are you suggesting that there should be a general minimum wage for all trades?—Well, that is a very, very wide question, and I do not think I would care to answer that here without going into a long argument; but if it is the intention of the Government to retain any portion of this Act, or to retain the 1909 Act, to prevent sweated wages in particular industries, such as we know were sweated industries, with that no one has any quarrel at all. What I say is this—

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that this Act of 1918 has been seized upon by academical people, whether it is for the extension or glorification of their job in departments or not I do not know, and it has been converted into something which it was never intended to be. That is very largely why these complaints arise under the Act. I think it would be good for every member of your Committee, with all respect, to have a look at that last Quarterly Report of the Trade Boards Acts, and to ask yourselves if it was ever intended that a national assembly in London should fix wages in all the mass of detail for workers in hundreds of different districts.

2962. You are referring to the Trade Boards Gazette?—Yes.

2963. I have had the privilege of looking at that already.—I think that is all I have to say. I could say a good deal more, my Lord.

2964. You have put it very concisely and carefully.—I recognise that I might easily be going over a lot of evidence which I am sure has already been presented to you very faithfully.

2965. Mr. Poulton: Do I gather clearly that you wish for the entire withdrawal of the Act, or do you think it can be so amended or so improved as to make it a workable Act from your standpoint?—I do not think it can be amended for this reason. If you are going to constitute an Act which has got to regulate wages of all classes in sub-divisions, you can only do it in districts, and it is going to be such a huge structure that it will absolutely fail because it is so huge. If you are going to keep hold of the 1909 Act for the prevention of sweating and paying people something less than what is recognised as a subsistence wage, then we have no quarrel with that, whatever the Government may decide upon.

2966. Do you feel that that point about there being too long a period between the alteration of rates is a very serious one?—Very serious.

2967. Particularly for your trade, of course?—It is so serious to my trade that it would mean an immediate increase in many of our works to-day, when we have no orders; we are simply working into stock. We have higher stocks than we have ever had in the history of our firm, and it is not mere rhetoric to say that the men have been kept in employment because we considered they had a duty towards them, because we considered they had helped us when times have been good, and therefore we had to help them in times when they were bad; and it is no good them working short time at very high wages. What is the good of that? You work short time at very high wages and produce an article which costs more than you can sell it at. You had better work full time at economic wages and produce something which you ultimately can sell.

2968. Did I understand you aright that you felt that at any rate there was a class of labour that might need the protection of the State, and therefore if there were a Board to function at all it should be for the lowest class of labour, so as to set up an irreducible minimum?—Quite.

2969. That you would not object to?—I do not think I should have any quarrel with that as an abstract thing. It would very largely depend on how you brought it into effect.

2970. With regard to the inspectors, you used the term "army"; you said that nothing but an army could get it carried out. Do you think that that is because there is a deliberate intention not to carry it out, or because there are so many clauses, and so many regulations, and so much procedure that it necessarily must have an army of inspectors to assist employers?—Of course, you will always get a certain class of people who will endeavour to take advantage and not play the game. If there were a very large Act I think it would be necessary under the Act, otherwise you would have these unscrupulous people undercutting the man who was prepared to play the game all the time. A large Act would demand an army of inspectors.

2971. You said there was no practical worker who ever spoke upon the Boards. What do you mean by

that—that simply because a man happens to be a permanent official therefore he is never a practical worker?—The speakers who speak on my Board are not practical workers. They are people who have always made a speciality of trade union politics, and as such they speak every time. At any rate, to my knowledge they have not been in practical work—I am speaking now of manual labour, although I daresay they work as hard as anyone in their own way—for the last ten years.

2972. But are they therefore less able to put up a case from the practical side?—I quite believe they are. You get persons on the Waste Reclamation Trade Board who are all powerful speakers. Nobody else ever speaks; nobody else ever gives an argument. We never even get a practical workman in the Committee.

2973. But does not that apply also to the employers? You might just as well say that they have never worked at a bench.—My point is that the workers' representatives never belong to the actual unions concerned with the particular trade.

2974. That is not a special case which you are talking about?—There are a good many cases like that. You can take it as a general fact that the case for the workers is conducted by the recognised labour leaders. It is never conducted by, or spoken on by, any workman, and if any workman attempts to speak he is very quickly shut up. On the employers' side I do say that practically every employer speaks. I have already told you that we would be very glad sometimes if they did not, but they will insist on speaking; and generally speaking, I daresay it is quite right that they should. But you cannot get them to stop speaking; they will say before the Chairman and before the Board what their idea of the trade is. I venture to say that if you got the same expression of opinion from the workmen you would soon arrive at a solution of the difficulty.

2975. Mr. Lyttelton: Do you think you would get the same expression of opinion if the others were not there?—Yes.

2976. That is one of the difficulties, is it not?—We have sometimes disputes in our own works, where we have two hundred or three hundred or four hundred working, and men come up into the directors' room, or into a room in the works, and meet the directors. Well, the men are always able and willing to speak on those occasions. On the Trade Board it seems that the men are afraid of their Trade Union officials, or are in a state of awe for the recognised leaders, who are in some cases distinguished men. They seem afraid to make any remark or contribute anything to the considerations before the Board.

Chairman: I thought the complaint was rather more the other way.

Mr. Poulton: It is quite refreshing to think that a leader has some little bit of a soul left.

2977. Mr. Layton: Do you wish to give the Committee the impression that it was not the original intention of the Ministry of Labour to include iron scrap?—I can only give you what this official said. I could give you his name in private afterwards, if you wanted it. I can only give you what he said. He said it was never the intention in the establishment of this Trade Board to include large producing scrap iron and steel works in the scope of a Trade Board, as it was well known that they operated in iron and steel districts, and in organised labour districts; and as a matter of fact, if you apply the Trade Board rate to our employment you will apply it to people, every one of whom is a trade union member.

2978. What Trade Union is that?—I do not suppose you would find two in the whole two thousand of our employees who are not trade union members. They are either in the National Union of General Workers, the Transport Workers, the Dockers and General Workers' Union, the Amalgamated Society of Engineers, or some other Union.

2979. Chairman: Is there not some mistake? I understand you are interested chiefly in ship-break-

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ing?—No. That is not my chief interest; we are interested very largely in ship-breaking; but that is not our principal business.

2980. But is it not true that the actual production of scrap material does not come within the scope of the Trade Boards; perhaps that is what you mean? When you but it from outside and then sell it, then you bring yourself within the Trade Board?—Yes, and that is a most wonderfully delicate difference. You would have to keep an inspector on at our work the whole day to decide how many hours of time a man should have under the Trade Board and how many he should not.

Chairman: That may explain what you have been told by these officials.

2981. *Mr. Layton:* It is the fact that all persons employed in sorting scrap are under the Trade Board provided they are not in an iron and steel works?—That is quite true, and you have this position to-day, that in some of the cases the producing iron works, by virtue of the fact that they are paying to-day less wages than the scrap iron and steel producers, are setting up their own production yard for scrap and dealing with the unwieldy material themselves.

Chairman: That is in order to keep outside the Board?

2982. *Mr. Layton:* They are outside the Board provided the material is sorted in the steel works, but if it is done by an independent merchant in his yard it comes under the Board?—Quite.

2983. Would it be true to say that when that proposal was made, in August, of 53s. that was about, or even less than, the unskilled rate, but that it had since fallen?—No, it was already above. I attended the August Board Meeting myself, and I can tell you that the workers' rate proposed in August, when we started that meeting, was £3 5s. a week; and I brought the facts to the attention of the Board that in Sheffield and South Wales at the beginning the steel works' labourer was getting £2 11s. 5d. a week, and I made a special request to the Chairman that this figure should be either agreed or disputed before I proceeded. The Chairman thought it was rather a good idea to get it one way or the other, and it was finally agreed that that was the figure, and in face of that information they passed against our vote a recommendation to the Minister to fix, for a contributory trade, which includes not only people like ours, who are highly organised, but the ordinary rag and bone and iron merchant in the country—he is the man, after all, whom you have got to protect as well as people like ourselves—when you come to reckon up that they actually passed a resolution on that Board asking the Minister to fix a rate of 53s. a week for the iron and metal trade and 48s. a week payable by the rag, bone and paperstock dealer, which is about 6s. 6d. higher than the ruling rate in steel works; you see the futility of this thing.

2984. Could you tell us whether the percentage of labour engaged in sorting and handling scrap is a large proportion of the cost of the scrap?—It very largely depends upon the material, but it is quite as much as in any manufactured article.

2985. This 10s. might make a big difference in the price at which you could sell scrap?—A great difference.

2986. What sort of difference?—To-day if you got 2s. 6d. a ton profit on scrap you would be doing very well indeed. That is the position, and the operation of the Waste Trade Board is this to-day. Wages are very high, and everybody fears these Trade Board rates, and they will not buy, and they are

waiting for the thing to be settled. Wages to-day are higher than the material can be collected for, and the result is that all the lower grades of iron and steel are not being collected at all to-day. If you take up any merchant's list to-day you will find about half-a-dozen grade of material, all of which commanded £4, or £5, or £6 a ton during the war, which are now of no value; they are not even worth the cost of carriage. It is the same in the rag and paper trade, which is also affected by the Board. Corporations and public bodies who produced these things, from which they got a revenue, have to pay for them to be taken away to-day.

2987. What I was trying to get at was this: would the effect of this decision be that it would cost 5s. or thereabouts more to scrap by a firm which handles the material in its own yard than by a steel works?—Yes, I should think somewhere about that.

2988. And about 80 per cent. of the material used in making steel in South Wales is scrap?—In the Siemens acid process.

2989. Making tiuplate bars?—In the acid process for making tin bars it runs as high as 85 per cent.

2990. And those bars are being made even in the steel works at a cost which is appreciably above the price at which they can be bought from the Continent?—That is so to-day; but the fact of the reduction in the South Wales and Sheffield steel rates has had the direct effect of opening up these works, and the result is that tiuplate orders have been secured in British Columbia and other places, and they have been able to restart the industry there for that very reason.

2991. But the effect of this decision would be either to eliminate the independent merchant haulding and sorting scrap, or else to add that amount to the loss at which steel is at present being produced?—Yes.

2992. You would regard that as an incidental and unintentional result of this definition of the Trade Board?—Yes; I agree that it was never the intention of the Trade Board to effect that. The actual result, of course, to-day is in most merchants' yards that they have material which they are unable to sell because they cannot get the right price for it. They will have to meet it some day, and will have to cut their loss.

2993. Have your wages previously been governed in the main by the varying rate for unskilled labour in the iron and steel trade?—Yes.

2994. And now there is this difference between the two systems?—Yes.

2995. Is that a decision of the Board which covers the whole country?—Yes.

2996. And do you try and fix an equal rate for the whole country?—You mean in regard to our own employees?

2997. Not for your personal employees, but for the iron section of the trade?—No, it is effected in sections and districts, chiefly. There is the Birmingham and Midlands and the Liverpool district; the Yorkshire district, the London district, the Bristol district, and the Cornish district.

2998. And are those all different rates?—They are different chiefly, yes.

2999. Following the variation of the iron and steel wages?—Yes, and the districts, too. For instance, the Cornish rates are always lower than any other rates, and the industry, of course, there is comparatively small. In the steel-producing areas the industry is a very large one.

(The Witness withdrew.)

(Adjourned until Wednesday next, November 30th.)

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and Mr. PATRICK HOWLING, F.I.S.A.

NINTH DAY.

Wednesday, 30th November, 1921.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE, G.C.M.G. (*Chairman*).

THE RIGHT HON. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTLETON, D.B.E.

Mr. W. T. LAYTON, C.H., C.B.E.

SIR ARTHUR F. PEASE, BART.

Mr. E. L. POULTON, O.B.E., J.P.

Mr. H. D. HANCOCK (*Secretary*).

Mr. CHARLES AVELING, J.P., Mr. JAMES WALKER CLARK, J.P., and Mr. PATRICK HOWLING, F.I.S.A., called and examined.

The Witnesses handed in the following statement as their evidence-in-chief.

Constitution and Membership of the Chamber.

The National Chamber of Trade, established about 25 years ago, is a federation of nearly 300 Chambers and Associations throughout the country.

The aggregate membership is upwards of 100,000 traders, principally retailers engaged in respective classes of distributive trading, very many of them in mixed businesses.

Origin of the Idea for Extension of Trade Boards.

It was in the Second Report of the Whitley Committee, dated October, 1917, that the recommendations were made from which it appears the extension of Trade Boards has sprung. For those trades in which there is a lack or incompleteness of organisation, either of employers or employed or both, the Report proposed Trade Boards, and suggested they should be empowered to deal not only with minimum rates of wages, but with hours of labour and related questions, and that their functions should be further extended. Those constituting the Whitley Committee represented engineering, shipbuilding, railways, mining, political economy, and trade unionism, but there was no appropriate representation of distributive trading, as such, on the employers' side. Nor are we aware of any endeavour being made along definite lines to obtain information from organisations of employers as to the conditions prevailing in those trades. These criticisms may be also advanced in regard to the recommendations made by the Provisional Joint Committee of the Industrial Conference in 1919, which urged that Trade Boards should be established forthwith in the various less organised trades where they do not already exist. Distributive trading has so many peculiar features and problems dissimilar to those of craft industries that, before deciding that Trade Boards would furnish suitable machinery for the purposes intended, there should have been much more thorough and exhaustive inquiry, especially from the representative organisations of employers, than was instituted previous to the findings of the Whitley Committees or the decisions of the Industrial Conference Committee, and certainly before power was given for the extension of Trade Boards by the Act of 1918.

The uncontrolled powers for extension exercised too rapidly and too widely.

When the legislation culminating in the Act of 1918 was introduced the Chamber did not oppose it in principle, because it never for one moment anticipated that the powers proposed to be given would be so widely used, particularly in regard to the distributive trades, without the fullest possible

inquiry, nor until it had been demonstrated that the need for the new machinery existed, and that it would work effectively. Moreover, attention was diverted from legislation by the exigencies of the war. We did, however, object to the powers of extension being vested solely in the Minister. Since the extending Act came into operation, namely, on the first day of October, 1918, no less than fifty new Trade Boards have been set up within a period of about two years. Under the original Act of 1909 only three Boards were set up in the first year, one in the next, six in 1914, and one in 1916. Thus, in a period covering nearly six years only eleven Boards were established. The development of the Boards subsequent to 1918 within so short a space of time is, in our judgment, an example of unjustifiable departmental activity resulting from the possession of powers which ought not to be conferred without definite limitations.

Public Inquiry.

We do not overlook the fact that before the Acts are applied to any trade a notice of the Minister's intention must be published, and that any person affected within 40 days after the publication thereof may object to the Minister, and that if the objection is not met a Public Inquiry shall be held. In this connection attention should be drawn to the conditions under which Public Inquiry can be held. The first schedule of the Act of 1918, paragraph 5, virtually empowers the Minister to refuse a public hearing, while paragraphs 6 and 9 invest him with absolute control of any Inquiry that is held. If it be urged that there was little if any demand for Public Inquiries, then undoubtedly the absence of such demand was due to the fact that, for some time subsequent to the operation of the Act of 1918, trade and industry had not yet entered upon depressed conditions, and employers generally did not foresee the precipitate and grave depression which was shortly to become so manifest. This notwithstanding, the Minister and his Department, as trustees of the interests of industry, should have exercised every endeavour in the direction of full inquiry (again we say, especially from representative organisations of employers), but it would appear that, yielding to pressure and because of their own inclination, they proceeded with a rapidity, now shown to be unjustified, to institute the large number of Boards now in existence. In the Act of 1909 there was embodied what appears to us to have been a useful safeguarding provision, namely, the right of objectors to oppose the application of the Act to trades other than those schedules by means of a petition to Parliament. Therefore, under the original Act, a Parliamentary Select Committee had the final word. Under the extending Act the Minister of Labour or,

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and Mr. PATRICK HOWLING, F.I.S.A.]

in other words, his Department, is the sole judge of what is an imperfectly organised trade.

A competent consultative tribunal should be established.

If the Act of 1918 is to stand, then we submit it should be modified, in so far as the Minister's powers are concerned, by the qualification that a competent tribunal shall be established altogether apart from the Departmental officials, and that the Minister shall be compelled to consult that tribunal and to lay before it all information, particulars and objections with respect to any trade before a decision is taken to establish a Trade Board.

Decision to set up Trade Boards in distributive trades.

In the early part of 1919 we first became aware that the Minister had decided to apply the Acts to the distributive trades. While by no means enamoured of the machinery, the Chamber determined to do everything it could to assist the Department to so work out its scheme as to make it as applicable as possible to the peculiar conditions obtaining in the distributive trades. It, therefore, laboured hard to secure the adoption of a comprehensive plan, and in view of the great difficulties in drawing lines of demarcation, and to avoid the overlapping inevitable under numerous sectional Boards, it was urged strongly that there should be one Board for the distributive trades, wholesale and retail, with sub-committees for respective trades where necessary, and that the central Board should co-ordinate the recommendations of the various sub-committees.

The peculiar difficulties in distributive trading.

From the evidence given by Mr. Humbert Wolfe, Principal Assistant Secretary to the Ministry, it would appear that only now, very late in the day, the Trade Boards Department have become cognisant of the immense difficulties which must be experienced in the attempt to establish over the whole field of distributive trading a host of sectional Boards.

Joint memorandum advocating a comprehensive plan.

We regret that Mr. Wolfe did not bring to the notice of the Inquiry the fact that, as long ago as January, 1919, the National Chamber as representing employers and the National Amalgamated Union of Shop Assistants as representing workers, prepared and submitted to the Ministry a joint memorandum showing, in the event of the application of the Trade Boards Acts to the distributive trades why such trades should be treated as a whole. The text of the memorandum was as follows:—

Representative character of the two Organisations.

The two organisations jointly submitting this memorandum are probably the most representative of employers and employed in the distributive trades, both having members in every section thereof. The Chamber as a Federation represents upwards of one hundred thousand traders employing (upon a low average calculation) not less than half a million assistants. The Union has a total membership of eighty-five thousand.

General distributive trading.

While there is some degree of specialisation, yet, in the aggregate, a very large proportion of the distributive trade of the country is done in shops and stores of a more or less general character. The large stores of the Metropolis and provincial towns possess departments dealing with, and supplying every commodity required by the community. In like manner in smaller towns and villages there are stores trading in drapery, clothing, furniture, boots, china, glass, hardware, grocery, provisions, etc. In many cases the assistants "serve through" and attend to customers in the various departments.

Different grouping in different localities.

The distributive trades (even where there is some degree of specialisation) do not take the same form in every part of the country. For example, in Lancashire the grocery trade is frequently coupled with baking and confectionery, while in London and the South the grocery and provision trades and frequently butchery and pork butchery and even poultry and fishmongers go very much together.

The modern tendency.

The modern tendency of present day distributive trading is in the direction of the "store" system, and medium and small shops carry stocks-in-trade of as comprehensive a character as possible.

Different methods of remuneration.

There are different methods of remuneration in the various business houses and even in the separate departments. These could be instanced as follows:—

- (a) Wage.
- (b) Wage, plus commission.
- (c) Wage, plus commission, plus premiums.
- (d) Commission only.
- (e) Wage, plus commission and board and lodging.
- (f) Wage, plus part board and lodging.

Views of the Distributive Trades National Advisory Committee.—Similarity of work.

The Committee appointed by the Ministry of Labour, in their Report upon "Openings in Industry suitable for Disabled Sailors and Soldiers" M.S./XXI, give expression to two very significant opinions which go to support the plea of this Memorandum. These are:—

- (a) There is a certain similarity in the work of the retail shop assistant and warehouseman justifying the grouping of them together as one industry for the purpose of training and employment of disabled men.

Number of scheduled trades and diversity of districts.

- (b) In view of the number of different trades scheduled and the diversity that exists between one district and another, the Committee cannot do more than state in general terms that the minimum wage which a trained man might expect to earn in the distributive trades is from 40s. to 45s. per week in the Provinces, and from 45s. to 50s. per week in London.

One Board for the whole of the distributive trades with sectional Sub-Committees where necessary.

If the distributive trades are dealt with upon a sectional instead of a comprehensive basis as one unit, then according to the Directory Classification no less than 37 general divisions or sections would have to be taken into account.

In view, therefore, of the great difficulties that would arise in drawing lines of demarcation, and the overlapping in administration that would inevitably ensue under a system of sectional Boards, the two organisations urge that there should be one Trade Board for the whole of the distributive trades, wholesale and retail, with Sub-Committees for respective sections where necessary, but that the Central Board should co-ordinate the recommendations of the various Sub-Committees in much the same way as was done by the Committee which dealt with the question of Disabled Sailors and Soldiers desiring training to enter the distributive trades.

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Joint Deputation to the Ministry.

On the 14th of January, 1919, the chamber and the union appeared in joint deputation before Mr. G. J. Wardle, M.P., the then Parliamentary Secretary to the Ministry for the purpose of conferring upon the submissions made in the memorandum. We would respectfully suggest that the Committee should requisition a copy of the minutes of proceedings of that conference and consider them in connection with the present inquiry. If this is done it will be seen that, as a result of the joint representations then made, the Ministry appeared at that time disposed to approach the problem from the comprehensive standpoint. In summing up the proceedings of a committee meeting of the distributive trades held on Thursday, March 27th, 1919, Mr. Leggett (Chairman) said (*inter alia*) :—

"If separate Boards are to be set up, evidence on the possibility of separation and definitions of the sections concerned would be necessary. It was in this connection that the real difficulties were to be found. The Department believes it is possible to have one co-ordinating Board in which the interests of the various sections could be protected, and to some extent the Ministry could assist to this end by framing suitable regulations. It seemed clear, however, that all on the Trade Board would find it in their interests to vote for a method of procedure which would give the maximum amount of autonomy to each section. In protecting their own sections members would protect other sections."

Rejection of the co-ordinating scheme.

For a time there were signs that a comprehensive plan, either for one co-ordinating Board or for the grouping of various sections under two or three Boards would be adopted. In the ultimate result and, no doubt, largely through pressure brought to bear upon the Department by some sections of distributive business, it was finally decided to dismiss the comprehensive idea and to institute sectional Boards. We do not forget that as time went on the Department gave as one of its principal reasons for sectional treatment that as advised the Minister had no power to treat various sections as one trade for the purposes of a Trade Board. Even so, we are unable to get away from the idea that not only on account of the pressure brought to bear, but also because of its preference for a sectional policy the Department leaned in that direction. We desire to lay emphasis on the fact that no employers' organisation in the distributive trades asked for a Trade Board prior to the decision of the Minister to extend the Acts to the distributive trades, which decision was solely and arbitrarily that of the Minister and his Department.

Boards already established or proposed for sections of distributive trades.

So far the Boards set up for the distributive trades or ancillary thereto are the following :—

Hat, Cap and Millinery.
Dressmaking and Light Clothing.
Retail Bespoke Tailoring.
Milk Distributive.
Grocery and Provisions.

The Minister has given notice of his intention to form Boards for :—

Boot and Shoe (Distributive) Trade.
Fish, Game and Poultry.
Fruit, Flower and Vegetable.
Meat (Distributive) Trade.

According to a statement made by Mr. Humbert Wolfe on the 20th October last, no less than 200 Boards are foreshadowed, and as most of the 61 Boards already set up cover manufacture it is reasonable to assume that the new Boards are contemplated for various sections of distribution. If they are established the result will be chaotic in large Departmental stores and smaller general businesses of a

mixed character. The difficulties of definition and demarcation would be tremendous, and the position of employers coming under a number of separate Boards and all their obligatory schedules and rates can be better imagined than described.

Official Recognition of the difficulties consequent upon a host of Boards.

It was under the Ministry of Sir Robert Horns that the sectional policy was adopted. He, while recognising the relationship existing between various sections, yet deemed it expedient to set up many separate Boards, but his consciousness of the difficulty of deciding lines of demarcation was exhibited in the proposal to appoint the same Chairman and "Appointed" members to various groups of related trades. His reason for this step is really our argument against many Boards, viz. :—

"The purpose of obviating any inconvenience or anomalies which might result from different treatment of similar problems, for example, with regard to the conditions of workers in establishments in which two or more businesses are combined."

Those who have urged a "sectional" as against a co-ordinated and comprehensive plan for shopkeeping trades have not had proper regard to the common interests of distribution nor to the fact that salesmanship is not a specific craft, but much more a vocation in which so many principles and considerations have similar and almost identical application. In reconciling divergent views the Minister might well have decided to set up two or three separate Boards to represent upon broad lines the distribution of food, clothing and furniture. But the policy adopted and now in course of prosecution means, not two or three, but a host of Boards which will impose upon shopkeepers a bewildering mass of orders as to rates of wages and prescribed conditions.

The sound principle.

The National Chamber has consistently supported the principle of employers and employed conferring together and arriving at mutual agreement for the settlement of wage and other problems. It recognises that the Trade Boards established under the original Act, not only by legislation, but also by the authority of public sanction, have served a most useful and necessary purpose. It also recognises that in essence Trade Boards embody the sound principle of employers and employed in a given trade or industry arriving at mutual agreement upon certain vital matters associated with its development and prosperity. Unfortunately, however, some Trade Boards have been administered and operated in such a manner that the welfare of the trade has been subverted to exaggerated demands and the imposition of minimum wage rates which in many cases have proved disastrous. It is inconceivable that Parliament in the extending legislation of 1918 ever contemplated that an instrument designed for reconciliation and agreement would be used for widespread and ill-considered interference. Actual experience of the working of Boards established under the Act of 1918 has been in marked contrast to the obvious intention behind the measure. We are unable to ignore the fact that representatives of labour have apparently misconceived the real design of the extending Act and have endeavoured in many instances successfully to effect through its administration the fixation of prohibitive wages rates.

The Minister's reasons for proceeding with caution.

That the extending Act was conceived and framed under the obsession of prosperity and that the institution of further Boards during depression is calculated to produce adverse effects is indicated in the replies given by the Minister of Labour to a

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series of questions in the House of Commons on 16th March, 1921. He said:—

"In recent months of industrial depression representations in growing volume have been received against pressing forward unduly with the establishment of new Trade Boards, on the ground that unemployment, bad enough as it is, would be thereby made worse. It has been my duty to consider these representations very seriously and proceed with caution."

The Minister also stated that orders had already been made to apply the Acts to several trades which he mentioned. Pressed as to the reason for delay he said:—

"In these times of great depression if we make too much haste when the people we desire to serve are standing in the street unemployed, we are not serving them."

We believe that none of the Boards referred to in these questions and answers have been set up; the fair inference is that informed trade opinion and the prevailing circumstances have convinced the Minister that Trade Boards as constituted and administered would make matters worse. In this connection it must surely be a question whether those Boards respecting whose administration so much complaint has arisen should not at least be temporarily suspended and provision made for unreasonably high rates of wages to be reduced much more rapidly than at present is possible.

Resolutions adopted by the Chamber.

The fact that the Chamber has representatives upon five Trade Boards is evidence of desire and effort to implement the machinery in a beneficial manner. Throughout the whole period under review the Chamber has pursued a constructive policy, refraining from participation in the demand for abolition which has been expressed from other quarters. None the less representations of a very strong nature have been received from many of our affiliated bodies and individual members. So strong have those been that it has not always been easy to secure the adoption of constructively critical resolutions rather than requests for abolition. At the Annual Conference held at Bournemouth, May, 1920, the following resolution was adopted:—

"That this Chamber regrets that the original idea of the Ministry of Labour (strongly supported by this Chamber) to establish one comprehensive Trade Board for the distributive trades with appropriate co-ordinated sections has been relinquished and that a sectional policy for a multiplicity of Boards has been adopted, which in working must result in confusion and annoyance to traders, and calls upon the Ministry even now to modify its policy in the direction of limiting the Boards to the fewest possible number so that economy, simplification and uniformity may be realised. The Chamber is of opinion that Trade Boards as at present constituted do not adequately meet the purposes for which they were created, and it is therefore suggested that as it is proposed to form so many additional Boards it would be advisable to reconsider the question of their constitution."

At the Conference in May, 1921, held at Cheltenham (where a special letter from the Minister surveying the whole position was read and considered), the Chamber gave clear and definite expression of its demand for inquiry. We believe it was the first trade organisation to concentrate upon thorough investigation as an urgent necessity. Since the date when the resolution was adopted, repeated representations have been made asking the Minister to concede the Inquiry, and we were, therefore, gratified at the appointment of the Committee which eventuated none too soon. The terms of the resolution were:—

"That this chamber welcomes the decision of the Minister of Labour 'to consider very seriously the representations made against

pressing forward unduly the establishment of further Trade Boards and that he will proceed with caution,' and urges strongly that thorough inquiry by a competent and representative tribunal should be instituted into the general effect of existing Boards upon trade and industry, their cost to the State and their composition and working, particularly with regard to:—

- (a) Methods of formation and whether adequate steps are taken to make the Boards thoroughly representative.
- (b) The undesirability of persons being members of many Boards.
- (c) The powers and functions of the Appointed Members and their remuneration.
- (d) The imperative necessity for an adequate scheme of co-ordination.
- (e) Adoption of an apprenticeship system.
- (f) Why employers and employed in the distributive trades should not be allowed on existing facts and circumstances to mutually determine wages and conditions without the institution of Trade Boards."

Opposition not fostered by desire to exploit labour.

We think it should be made quite clear that, generally speaking, opposition to Trade Boards is not the outcome of any desire to exploit labour and to pay rates of wages unreasonably low. Some of the very best employers, even those who pay unusually high rates and conduct their businesses on the highest principles and who cultivate the best relations with their staffs, are opposed strongly to the statutory fixation of wages upon a basis which almost invariably excludes the essential principle of individual merit.

The Dressmaking and Women's Light Clothing Board.

As regards the distributive trades, it is well known that the objections have sprung in a very large measure from experience of the operation of the Dressmaking and Women's Light Clothing Board, established January, 1920. During negotiations respecting the composition of this Board the Chamber by communication to the Ministry and in Conference with other organisations endeavoured to secure a much larger representation on the Boards for that part of the trade carried on in workrooms connected with distributive business. For provincial workrooms of this particular nature there are only seven members from the provinces who are included in the list of those forming the retail section on the employers' side. It seems to us to be a fair criticism that the preponderating representation of standardised factory production has had the effect of obscuring to a large extent the issues and problems peculiar to more "individual" and handcraft production in which quite a different class of worker is employed and where different conditions obtain. It is equally fair to say that this Board was formed at the abnormal period when wages rates for almost every class of manual labour, skilled and unskilled, were extremely high and artificial prosperity was widespread. Numerous complaints have been made of the disastrous effect of the prescribed minimum rates upon provincial workrooms and smaller dressmakers. Recruitment of learners has been very seriously retarded and details are forthcoming of increased unemployment and even of workrooms being closed. These conditions are so serious that it is unnecessary to overweight them by contending that the depression in dressmaking workroom trade has resulted entirely from the prescribed rates. Some allowance must be made for changed conditions in garment production and the development of standardised manufacture on a large scale. This and other factors notwithstanding it is, however, clearly demonstrated that in many districts it has been found impossible to carry on

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the workrooms on a proper economic basis and at the same time to pay the high rates.

Suspension proposed.

We have come to the conclusion that the best interests both of employers and employed will be served by suspension for a period of (say) three years of the Boards established in, or ancillary to the distributive trades. In the debate in the City Corporation on retailers and food prices on November 17th, one of the deputies said in reference to the Milk (Distributive) Trade Board:—

"In my county, in accordance with the terms of the Conciliation Board, I pay an ordinary farm labourer 37s. 6d. for a 50 hours' week, but that man's son, a single young fellow just over 21 years of age, who is employed in the dairy is receiving 62s. 6d. for a 48 hours' week by order of the Trade Board. You will never get what you want until the Government is told that the sooner the Wages Boards and other kindred authorities are abolished the better. They are hampering trade and giving thousands of persons week by week salaries that they do not earn. This explains why retail prices are so much higher than wholesale."

The rates proposed by the Grocery and Provisions Board, and agreed upon some time since previous to further decline in the cost of living, have now been sent forward to the Minister for confirmation despite protests from the employers' side. Our chamber has requested the Minister not to confirm these particular rates but to defer their consideration until the Committee has reported. The Minister has replied that he cannot interrupt the ordinary working of the Acts while the Committee is sitting and is bound to give consideration, in accordance with his statutory obligations, to any rates submitted to him by the Grocery and Provisions Trade Board for confirmation.

We appreciate this is so, but none the less the Minister has power to refuse to confirm and we trust he will exercise that power. Of the Dressmaking Board we have already spoken, and evidence of a strong character both in regard to that Board, the Hat, Cap and Millinery Board, and the Retail Bespoke Tailoring Board has been submitted to the Committee. All the Boards mentioned in this paragraph are connected directly or indirectly with distribution, and we suggest that, because of altered conditions and having regard to the undoubted prejudicial effect upon the trades concerned of the Boards already established and the apprehensions respecting the Grocery Board rates if confirmed, it would be wise to suspend the operation of these Boards. A further reason for this suggestion is that we realise there must be difficulty in postponing the establishment of other Boards for distribution so long as these continue. To set up additional Boards in distribution at any rate under the present system would be a profound mistake. The anxiety of the Chamber at all times to assist the Ministry in its various phases of administration entitles us, we trust, to give a note of warning that if the policy of uncontrolled establishment of a multiplicity of Boards is pursued the operation of the Acts in this respect will break down. The Committee will, we feel sure, recognise that successful administration of the Acts depends in great measure upon the co-operation, confidence and goodwill of employers, but they are just now in no mood to accept the imposition of unwarranted and unnecessary bureaucratic control and interference which will add to the heavy burdens and difficulties of business. This they would strenuously oppose and in our considered judgment they would be right. In the light of the appointment of the Committee and of its terms of reference, we entertain the reasonable hope that a halt will be recommended and that before any further extension of the Acts to distribution, thorough examination into the whole problem will be made not by casual and inexperienced inquiry in isolated cases but from representative organisations qualified to give information as to the

reasonable rates of pay generally prevailing and possible and the complexities peculiar to the successful conduct of the various sections of distributive business, many of which overlap and re-act one upon the other especially in relation to employment of staffs of various grades.

Separation of "Bespoke" and "Individual" sections from factory production.

Should suspension not be entertained then we urge that Bespoke Dressmaking, Millinery and Women's Tailoring as distinct from standardised factory production should be entirely removed from the scope of the existing Boards. We are aware that the Dressmaking Board has considered this and passed a resolution that the establishment of separate Boards for the wholesale and retail branches of the Light Clothing Trade is not practicable as no clear lines of demarcation could be found. Despite this resolution we believe firmly that, as the conditions in the respective sections are so different and the respective types of workers so diverse, the proposal for separation should be further considered. The trade in bespoke garments is decreasing and passing more and more to centralised factory ready-made production. The difficulties consequent upon loss of trade in this respect are aggravated by the imposition of rates and conditions which, however applicable they may be to mass production, have a restrictive effect on the maintenance of individual production in workrooms associated with distributive business. Handcraft work cannot be satisfactorily taught under regulations governing factory work. The class of learners that come into the bespoke side of the trade are quite different to those who enter factories. Parentage, training, education are all of a different character. In frequent instances girls are not sent into the bespoke trades until they are 17, 18 or even 19 years of age. Many of them have no intention whatever of staying in the trade always, but are desirous of acquiring a knowledge of handcraft work to help them in private life now and in the future. Before the war 30s. a week in bespoke workrooms was accepted as a fair wage for first hands; assistants receiving 22s. 6d. to 25s., and workers from 12s. 6d. to about 17s. 6d. Under the present rates the youngest and most inexperienced in the category of "workers" receives 81d. per hour, equal to 34s. per week, and proceeds by defined stages to 104d., or 43s. per week. Overwhelming evidence is before us of instances where, owing to high rates, the entry of learners into the bespoke trades has been seriously affected and trade has decreased owing to customers being unable and unwilling to pay the prices which employers are compelled to charge in order to cover the high costs of labour.

If Trade Boards are continued many changes are necessary.

If Trade Boards are to be continued then several changes are necessary in their constitution, machinery and working. Among these the following are submitted as being essential, in the light of experience and in order to render the Boards effective instruments for the purpose for which they were intended without imposing upon trade and industry uncalled for conditions prejudicial to the interests of those engaged therein, both employers and workers.

Duplication of Membership.

The fundamental idea is joint and mutual fixation of minimum wage rates by accredited representatives of each side. It appears, however, that in some respects the workers' side is utilising the machinery for the cultivation of professional trade unionism. This factor may be all right in its place, but the Trade Board is not the place for it. It is a reasonable presumption that a representative sits on the Board because of his knowledge of the trade and the conditions. Labour representatives and trade unionists are no doubt very

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competent people of strong mental capacity, but after all, like the rest of us, they have their limitations. If during the course of his working life a man can master the technicalities of two or three trades he has done exceptionally well. For the same men to sit on four, five, six, eight, ten or more Boards is nothing more nor less than sheer professionalism. They may possess an elaborate knowledge of economic principles and theories, but these gifts require to be reinforced with practical knowledge of working conditions obtained through and by continuous and immediate participation in the trade itself. To say this is not to ignore the valuable services which some leading Labour representatives have contributed as members of the Boards, but their work in this respect would not suffer in quality if confined to the operations and activities of fewer Boards.

The "Appointed" Members.

The position of the "appointed" members is one of great importance. It is usual to arrange for equal voting power on the two sections of representative members, therefore, the responsibility of decision may at any time be placed upon "appointed" members and if they are not in agreement then upon the Chairman. This situation may be and no doubt is avoided on occasion by negotiation between the "appointed" members and the respective groups. In such circumstances the "appointed" members may think it appropriate to exercise conciliatory functions. Mr. Willis lays stress on these considerations in his practical guide to the operation of the Acts and goes on to say that, in either of the cases referred to, it will be seen that it behoves the "appointed" members to follow closely the facts and conditions put forward, and for this purpose to acquaint themselves with the characteristics and technicalities of the trade. The constitution of the Boards, including the selection of the "appointed" members, is entrusted to the Minister who is empowered to make regulations accordingly. Most of the "appointed" members have been selected from the legal profession, professors from the Universities, economists and civil servants. There is, however, the same objectionable feature, as regards their duplication, as to some of the workers' representatives. That there must be impartial members sitting in the capacity of arbitrators is fairly clear, but surely it should be possible to select eminent men and women from commerce and industry who will have at least some practical knowledge of the difficulties belonging to respective trades. There is a suggestion that one from each side of the Board could be selected to sit with the Chairman in much the same method as obtains in a Court of Referees. There can be no doubt that the "appointed" members are a very important part of the machinery of the Boards, and charged as they are with great responsibility every endeavour should be made to select persons who possess some technical and commercial knowledge and who are prepared to decide not merely on abstract lines but also with reference to practical conditions.

Rates for Learners and Apprentices.

The minimum rates for learners and apprentices should be fixed no higher than is consonant with their worth, and such rates should certainly be calculated with due regard to the value of the knowledge imparted to the learner by or on behalf of the employer. As before stated, many Boards have fixed learners' rates at too high a standard, with the result that employers are compelled through sheer necessity to engage only the minimum number, and employment is therefore restricted.

Apprenticeship.

We feel strongly that apprenticeship coincident and in correlation with a scheme of technical education should be a statutory part of a Trade Board Order. Apprenticeship will mean greater trade efficiency, because it will prevent a young person changing from trade to trade for some fancied grievance, and thus

becoming a "Jack-of-all-trades, and master of none." Under an efficient educational system a young person would find an entirely new interest in his trade, and in addition to a necessary training in book-keeping and commercial arithmetic, would obtain an expert knowledge of the various commodities handled, processes of manufacture, sources of supply, trade law, etc., etc., and thus, instead of becoming a mere machine, would become an intelligent and active force in the development of the business with which he is associated.

Beyond fixing rates for learners and apprentices, the Boards should go no further than to fix minimum rates for persons up to 21 years of age. Here again the minimum should be at such a figure as to induce initiative and progress on the worker's part. By fixing automatically increasing rates on an arbitrary age basis for persons beyond 21 years, the Boards have ignored the ability and worth of the individual worker, and have penalised youthful efficiency and intelligence. The minimum fixed for the worker of 21 should be the minimum irrespective of age, and all wages rates beyond the minimum for persons older than 21 should be the subject of negotiation and adjustment between the employer and the worker, and depend upon merit and skill. We would suggest that there should be a limit of age—say, 50 years—beyond which no minimum whatever should apply. It is conceivable that many workers past the meridian of life who are reduced in their earning capacity will desire, for their own sake, to be at liberty to treat with their employers as to the retention of their posts on wages and conditions to be mutually agreed upon between them.

Principles of a fair Minimum Wage.

So far as we are aware, no definite principles have been laid down as to what should constitute a fair minimum wage, except that it must be a living wage sufficient to provide a girl of 18 with independent maintenance and to give a man of 21 the opportunity of contemplating and preparing for marriage.

Reference has been made to considering the wage-paying capacities of even the smallest shops, but from the decisions reached we hardly think that this consideration has had much weight. No serious endeavour appears to have been made to establish some relationship between the value of the work done and the fixed minimum rates. We believe that the Industrial Court has laid down the principle that the wages of various classes of workpeople should in ordinary circumstances depend upon the value of the work done, and this depends upon the condition of the markets and the demand for the products or services of the workpeople.

Limitation of scope.

It is also necessary that there should be some definite statutory limitation as to the classes and grades of workers coming within the scope of prescribed rates fixed by the Boards. There are certain employees in superintending and representative capacities to whom it surely was never contemplated that the Acts would apply. In Workmen's Compensation, Health and Unemployment Insurance the legislature has recognised the principle of limitation and has drawn a definite line between those included and excluded; therefore the precedent is established for distinguishing between those grades of employees of a higher character and those who should fall within the categories for whom prescribed minimum rates are fixed.

Procedure for fixing and varying rates.

The procedure for fixing and varying rates is much too protracted and cumbersome. It should be practicable to devise greater elasticity so as to reflect altering conditions of industry and trade from time to time. Complaints have been received of inconvenience and loss resulting from the delay in notifying employers of changed rates. We have had examples of the receipt of new schedules some days after the rates have been in force.

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Work should bear some relation to Wages.

Rates and conditions set out in the Orders are binding upon the employer under severe penalties, but there is nothing whatever binding upon the worker. Whilst rates which are minima cannot, of course, be binding upon a worker, yet there should be some responsibility upon him to give reasonable service in return for his wage. Although the declared intention behind the extending Act was reconciliation and agreement, yet instances have occurred where disputes and strikes have been engineered by workers insisting upon higher rates than those adjudged to be adequate by the Trade Board.

The inefficient worker.

The position of the comparatively inefficient as distinct from the certificated sub-normal worker requires to be reviewed. In a trade where rates and conditions are fixed by a Trade Board employers are not at liberty to determine the rates which shall be paid to those workers who fail to reach the standard of efficiency. This must result in certain workers losing their occupations owing to old age or other causes which prevent them rendering that quality and amount of service given by a worker who is fully efficient. Employers would be prepared to retain the services of such workers providing they are given the liberty to arrange special rates of remuneration.

Difficulties of definition—An example.

Definitions of scope are unwieldy and complicated. An example is before us in an Inquiry put to the Ministry as to seamstresses employed in hemming bed linen, making curtains, altering underwear and altering and making aprons, etc. The reply given in January last was that the minimum rates fixed by the Dressmaking Board would apply to workers engaged in altering underwear and altering and making aprons, and the rates fixed by the Handkerchief Board to workers employed in hemming bed linen. With regard to curtains, if these were made from linen or cotton or mixed linen and cotton fabrics or from other textile fabrics, and if work was carried on in establishments mainly engaged in making handkerchiefs and household goods from such fabrics, the Minister was of opinion that the rates fixed by the Handkerchief and Household Goods Trade Board would be applicable. A study of this reply will show how difficult it would be to give effect to it in a business house where the same seamstresses were engaged on the various classes of work almost continually. Another reply was received six months after making confusion worse confounded. The Minister asked that the following information should be substituted for that previously given:—(a) Workers hemming bed linen are entitled to the rates fixed by the Handkerchief and Household Goods Trade Board; (b) Workers making curtains cannot claim to be paid at the minimum rates; (c) Workers altering underwear and making aprons are entitled to the rates fixed by the Dressmaking Board. If the Minister himself experiences such difficulty in determining the questions asked, what is likely to be the result if a multiplicity of Trade Boards are set up in distribution? In this connection we recall Mr. Wolfe's evidence that three pages of foolscap were necessary to define the scope of the Grocery Board.

Hours of labour and hours of business.

The statutory wage should be fixed for the customary working week without any reference to overtime. A 48 hours' week as proposed by the Grocery Board will lead to considerable difficulty in some districts, particularly in seaside resorts, and will mean the payment of a considerable amount of overtime. While standing for the principle of compulsory limitation of hours, yet we have to realise that in many businesses there are very slack periods during the day. The 48 hours' week for assistants without amendment of the Shops Act to provide for a 48 hours' week for the shop will lead to much complication and probably to the adoption of the "shift" system.

Area and district representation.

In order to ensure that special and peculiar conditions obtaining in various districts are much more thoroughly considered, we suggest that in the constitution of the Boards there should be area and district representation upon a properly designed zone system. We also suggest the establishment of area and district committees entrusted with the responsibility of making recommendations to the Central Board. It seems to us to be physically impossible to constitute a Central Board fully representative of all districts, and the area and district Boards would assist in surmounting this difficulty, as regards fixation of rates, notification, hearing of objections and final notification upon the rates being fixed.

Representation of Co-operative Societies.

The question of the position on the Boards of the representatives of Co-operative Societies should be considered as to whether they should sit as employers' representatives or as workpeople. If the former they should at least be Directors and not full-time paid employees.

Voting.

The procedure with regard to voting and the system under which decisions are arrived at require to be examined and amended.

Objections.

We fear that adequate arrangements do not exist for considering the multitude of objections which are received by some Boards. As objections are statutorily provided for, ample provision should be made for their full consideration. By massing objections together there is great danger of important submission made by individuals being altogether overlooked or ignored.

Cost.

We are unable to obtain precise information as to the expense entailed in the maintenance of the Trade Board Department and the working of the 60 Boards already established. It has, we believe, been officially stated that the headquarters cost of the officials amounts to £45,000, exclusive of the additional cost of part-time services of officials in other Departments who do certain Trade Board work. Assuming that on the average each Board meeting costs £100 and allowing for the low average of 5 meetings per annum for each Board, this involves a further sum of £30,000 per annum. These estimates in all probability underrate the actual expenditure, but we make no doubt the full facts will be produced to the Committee. The expenditure represents a new additional burden upon industry, the State, and the user and consumer of commodities. In administering the system an increasing expenditure of public money is entailed and we regret that no corresponding advantage accrues to trade and industry so heavily hampered by the burden of excessive Imperial and local taxation.

We do not claim that this memorandum is in any respect complete as embodying vital criticism of the policy leading to the extension of Trade Boards, their composition and administration and the effect of their working. None the less we hope that, amplified by our oral evidence, it will assist the Committee in their inquiry and recommendations.

On behalf of the chamber we gladly record appreciation of the services rendered by those members of the Boards who, despite the inherent defects and difficulties to which we have referred and the severely changed conditions, have laboured earnestly, although unsuccessfully, in the endeavour to secure functioning of the Boards without detriment to the trades concerned.

PATRICK HOWLING,
General Secretary.

The National Chamber of Trade,
16th November, 1921.

30 November, 1921.] Mr. CHARLES AVELING, J.P., Mr. JAMES WALKER CLARK, J.P., [Continued.
and Mr. PATRICK HOWLING, F.I.S.A.

3000. *Chairman (to Mr. Aveling):* You are the Governing Director of Robinson's Belfast Linen Warehouse Limited, of Manchester, Preston, and Southport?—(Mr. Aveling): Yes.

3001. You are past President of the National Chamber of Trade?—Yes.

3002. You are a member of the Corporation of Southport, and a Justice of the Peace for the Borough?—Yes.

3003. (To Mr. Clark): You are a past President of National Chamber of Trade?—(Mr. Clark): Yes.

3004. You are Chairman of the Parliamentary and Executive Committee?—Yes.

3005. And you are Justice of the Peace for Halifax?—Yes.

3006. When was the National Chamber of Trade established?—(Mr. Aveling): About 23 years ago.

3007. What does it comprise?—It comprises, roughly speaking, 300 Chambers of Trade and Associations throughout the Kingdom, together with individual members. The 300 Chambers of Trade, of course, represent many thousands of traders.

3008. About how many thousands?—At the very least 100,000.

3009. Are they retail traders?—Yes, principally.

3010. I see in your *précis* you give a statement as to the origin of the idea for the expansion of Trade Boards?—Yes. I suppose it is not necessary for me to read the statement?

3011. You will probably like this to be taken as part of your evidence?—Yes, it might be as well. I want to save the time of the Committee as much as possible.

3012. The statement is very carefully put together, and we will include it as part of your evidence.—Yes. It is very important to go back to the origin of the Trade Boards, and very important to go back to the origin of the last Act, how it arose, and what really it was supposed to do.

3013. You say, very truly, that the origin of the Act of 1918 is really to be found in the second Report of the Whitley Committee?—Yes.

3014. The first Report dealt with organised trades, and the second recommended with regard to trades not fully organised that they should be dealt with by Trade Boards?—That is so.

3015. Were the small traders in distributive trades represented on that Committee to the best of your knowledge?—Do you mean on the Whitley Committee?

3016. Yes?—No, they were not. That is our objection both to that and to the Industrial Conference which was held. There was no representative so far as the employers were concerned at the Industrial Conference from the distributive side.

3017. You are speaking of the Industrial Conference of 1919, are you not?—Yes.

3018. Do you think it would have been desirable that the distributive trades should have been specially considered and represented on that Committee?—I think when the distributive trade was being dealt with that trade had a perfect right to be heard before any recommendations were made.

3019. As a matter of fact, the Act of 1918 was passed, and it has, as you say, been very widely used.—Yes.

3020. You know that the number of Trade Boards has grown to 61?—Yes, with the prospect of many more.

3021. How many were set up under the Act of 1909?—Only three in the first year, one in the next year, six in 1914, and one in 1916.

3022. That would make eleven in the six years?—Yes.

3023. Since then there have been no less than 50 set up?—Yes, and when one considers that it took a number of years to see the commencement of the work, and so on, and then how they have spread since, it is very alarming.

3024. You are, of course, aware that an inquiry is held by the Minister before setting up a Trade Board in a trade?—I am not aware of any inquiry

being held, except private consultations that I have heard of; I have heard of nothing in the way of a public inquiry, and I am not aware of any public inquiry being held at all.

3025. A notice of intention or proposal, at any rate, is issued, and persons are invited to object?—I quite agree, but the decision, practically speaking, has been taken by the Minister before then.

3026. There is provision in the Act, is there not, for holding a public inquiry if objections are received?—The provision is there, but it has never been used.

3027. May that not be because the demand for an inquiry has not been pressed?—I do not think so personally, because I think the objections have been made. I do not myself see how the whole of them could be termed frivolous objections.

3028. I do not suppose they were termed frivolous objections, but I think in many cases the objections have been seen and interviewed, and have in the end withdrawn their objections?—I have no evidence as to that.

3029. You do not know of any case where an objector has pressed a request for an inquiry, and it has been refused, do you?—We only know from the atmosphere at the meetings of our conference. I do not know that I can give you a definite answer to your question.

3030. However, you said quite truly that the power to object does not dispense the Minister from the duty of using every endeavour in the direction of a full inquiry?—That is so.

3031. There is the difference, as you point out, between the two Acts, that under the Act of 1909 there had to be a Provisional Order which might be objected to in Parliament?—That is so.

3032. Owing to the fact that it had to be confirmed by Parliament?—Yes, but now the power rests with the Minister.

3033. Subject to the power of objection which has not been exercised?—Yes.

3034. Then you make a suggestion that if the Act of 1918 is to stand there should be a consultative tribunal?—That is so.

3035. Do you mean an advisory committee of some kind?—Yes, an advisory committee.

3036. And that the Minister should consult that committee before setting up any Trade Board?—Yes.

3037. How would you propose that the committee should be constituted? Of what persons would you suggest that it should consist?—I would suggest representative individuals selected from their chambers, so as to give some lead to the Minister, shall we say, from the opposite side as apart from the official side.

3038. The committee, I suppose, would consist of both employers and workers?—Yes. It is very difficult for officials, as you know, and for inspectors travelling about the country, one here and another there, to get the right atmosphere, but I think they would get the proper atmosphere if they attended some of the annual conferences of some of the Chambers of Trade.

3039. I think you became aware in 1919 of the proposal to set up a Board for the distributive trades?—There was a proposal.

3040. Did your Chamber consider that?—We did.

3041. I think you did your best to assist the Department in carrying that out?—We did. We had many interviews. We foresaw difficulty in setting up the Board, and we were most anxious to be of assistance, and have been the whole time. We have not taken up a dog-in-the-manger attitude over this, but we have tried to be of assistance. I think, in fact I am certain, that we were the first National Chamber to suggest that it should be one comprehensive Board for distribution, because owing to the ramifications of the distributive trade we saw great difficulties in setting up a multitude of Boards, and up to a point we thought that one Distributive Board should be set up. Then suddenly there was a change from the Department, and it was decided that they should be set up in sections.

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3042. Were you contemplating a Board representing the whole of the distributive trades?—Yes, with sections.

3043. I was going to ask about that.—Yes, with sections, and the sections could each consider their various points from a sub-committee to a main committee. You would then get one scheme. As it is, you have workers sitting or working close to one another with different rates of pay, and there is nothing but confusion, and cannot be, as far as I can see.

3044. I suppose a worker may go from one class of employment to another?—I can give you the illustration of myself. I am a draper, and when I was an assistant in a general store I served in every department, including the grocery, tailoring and ready-mades; I have gone through the whole lot. I have been called from one department to another as a volunteer: when things were quiet in one department I would be transferred to another. It is usually said that a draper can put his hand to anything.

3045. Like a sailor?—Yes, something like that. I think you will see that by what goes on in a large store.

3046. This will be a very large Board covering a very wide area; have you any suggestion to make as to district committees?—Yes, the suggestion appears later on in the précis, on page 15; would you like me to deal with it at the present time? It is really dealing with the setting up of a Trade Board. Firstly, so far as the distributive trade is concerned, I cannot see that we can get amicable working between employers and employees, which is what we are out for in these Whitley Councils, Consultative Councils, and Trade Boards, unless we have district committees and area committees. Take, for instance, Corporations: there are a number of Committees and Whitley Councils and so on, set up with central committees, but they have found out the necessity (not only from the administrative, but also from the working side, the non-trading as well as the trading) for area committees. In North-West Lancashire and Cheshire, for instance, they could not agree with the central committee, with the result that they have set up local committees. Originally they were set up, nominated, directly from the central council, but strong objections were taken, and they now are coming round to the view that the proper way is to nominate them from the areas to the central council. You then get the feeling of the whole country. Take the distributive trade as a very good example, and take the workers in country districts, rural areas, and urban areas: it is very difficult to decide anything properly unless you get the feeling, because it varies so much from district to district, agricultural or manufacturing. That applies in my particular county, Lancashire. The conditions vary to such an extent that we feel that unless there are area committees set up there will be great injustice done, particularly to some of the smaller traders. When all is said and done, it is most important to this country that the country districts should be helped in every way possible.

3047. What size would you suggest for the areas?—I think that is more a matter for some little investigation by the consultative committee which I suggest should be set up in the first place.

3048. You would not suggest a committee for each county, I suppose, but you would suggest having larger areas than that, I take it?—Possibly, but we see great difficulty in the delimitation of boundaries. Even in Ireland and in foreign countries one sees that difficulty of the delimitation of boundaries, and commissions are set up to find out where the boundary should be. It might be necessary to set up a committee to find out where the boundary line should be in this case, because a county area is not necessarily the right one.

3049. To have one for every county would be prohibitive, because it would mean having so many, would it not?—I think, on investigation, it would be found unnecessary, because several counties, I think, would be found to be very much alike. (Mr. Clark);

There is a great difference between a trader and a Corporation. A Municipality has a fixed area for its work within which it must work, that area being assigned to it by Parliament. I am a Yorkshireman, and we have the difficulty in our neighbourhood of many distributive houses having centres at a great distance from their shops, and one of the difficulties of the local Trade Board is the fact that those factories are in other areas in which other rates apply. The necessity for our suggestion is much emphasised, I think, by that difficulty which is arising at the present time. The co-ordination between one area and another is a difficulty. Had there been one controlling body, all these difficulties would not have arisen, or could have been dealt with if they had.

3050. I take it that although area committees are recommended, they would still be subject to the control of the central body?—They would be committees of the central body: for instance, they could not deal finally with any question.

3051. As they are now?—Yes. (Mr. Aveling): Unless there is co-ordination we get tremendous trouble. May I give you an illustration? You have a different rate of wages for the men who put in sewers, lay electric mains, lay water mains, or lay gas mains; there are four men doing similar work, all getting different rates of wages. Is it any wonder there is dissatisfaction amongst that class of men when they are working side by side getting different rates? Unless there is co-ordination between the various committees I am convinced we shall have nothing else but friction the whole way through.

3052. Sir Arthur Pease: Where there is a Whitley Council for each grade of men according to the grade in which they are working?—Local authorities would, of course, have a works committee, which in many cases has not been set up yet.

3053. Where there is a Whitley Council, that fixes the rates of wages for gas and water undertakings, and in doing so it takes into account and gives differential rates according to whether a man is living in a big town, a small town, or a country district, does it not?—Yes, it differentiates; each committee differentiates; but yet there is not co-ordination between the four. We are only dealing there with four items, but when you are dealing with distribution you are dealing with far more than that. Even with those four you get different rates, so how many different rates would there be if you had 60 Boards set up for the distributive trades? The result would be simply chaos. We pointed that out to the Department, and we put it very emphatically to Mr. Wardle when he was Under-Secretary; but I must say candidly I do not think the Department, and I do not think many of the other traders, saw the difficulty which would arise. We have been on that point the whole way through. Unless you can have co-ordination, you are going to have more unrest than there has been in the past, and so far as the distributive trade is concerned that has been one of the most peaceful in the country. I should like also to say, in justice to the employees, the Shop Assistants' Union, that they were with us from the commencement on this comprehensive Board.

3054. Chairman: They were parties to your recommendation, were they not?—Yes, we had consultations with them; they were parties to a memorandum; and we had a joint deputation to the Minister on the question of the one comprehensive Board.

3055. Lord Weir: Will you deal with one point and make it a little clearer, please? You started to describe the new machinery which you would like, and you said first one Board and then sections of that Board, presumably for each trade or each division of the trade?—For each division of the trade.

3056. Then area committees after that?—We would have the area and the central committees really on the lines of the Whitley Councils, so long as they are comprehensive. The sections could still agree, because the sections, so far as the grocery, drapery and various other things are concerned, agree now.

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3057. You would have a grocery section?—We will term it a food section, if you like.

3058. Very well, a food section; then you would have a food area committee?—Yes, which would be a sub-committee, just in the same way as there are now sub-committees of local authorities.

3059. *Mrs. Lyttelton*: Do you mean an area committee of every trade? That is what I do not understand?—There could be an area committee, and if they liked they could still appoint sub-committees to bring forward their recommendations; but the area committee would send up a definite recommendation.

3060. *Lord Weir*: Starting at the top, you have your Distributive Trade Board, which is divided into blank sections?—Agreed.

3061. Each representing a branch of the distributive trade?—Agreed.

3062. Let us say there are six sections: for each of those sections would there be what might be called a sectional area committee?—No, I should have an area committee which would be comprised of representatives of each of those sections within the area. Suppose for argument's sake the central committee were composed of three—food, furnishing, and hardware—then the area committees should be composed of those three.

3063. Would there be three committees in each area?—No, one committee, but sections again. There would be only one committee. Say for argument's sake the committee were composed of six persons, I should put two on each. If those two liked to come to the full committee with their recommendations, well and good; just in the same way as the sections of the chamber of trade are worked at the present time.

3064. *Chairman*: That is to say, the sectional area committee would report to its own area committee, that area committee would report to London, and then in London the principal Trade Board would probably refer the point to its own section?—Agreed; but the area might find it unnecessary even to appoint sections; they might come to a unanimous agreement without sections. If there is disagreement, I always think the better plan is that a small sub-committee should thrash the thing out and bring forward a definite recommendation.

3064a. You would leave that to the area committees to decide?—Yes.

3065. *Mr. Layton*: Would not that procedure be much more lengthy than the present procedure if the rate had to be discussed by the sectional body in the district, and then by the district committee?—I do not think it should be. It does not appear to operate disadvantageously to either side where observed at the present time.

3066. I thought the complaint was that it was not discussed in the districts?—It is not discussed in the districts.

3067. The rates are not first discussed?—That is so.

3068. But that adds another period of discussion, does it not?—It adds another discussion, but you must remember so far as the central committees are concerned they cannot meet so regularly as an area committee. An area committee can meet very quickly, and a time limit, if necessary, could be laid down by the central committee to the area committee: Let us have your decision or your comments within a fortnight or a month, or whatever time it may be.

3069. You do not include in your scheme any provision for making the rates effective if agreed upon by the district?—No.

3070. The rate-making authority is always to be the main, central Distributive Board?—Yes, it is comprised of representatives of the area committees, so that you have the knowledge from the whole of the country, and it does not matter how large the Board is which is set up in London, you do not get that feeling which you can get from discussions in areas.

3071. *Chairman*: Your proposal applies to a very

large body, and that is how you justify having the areas, because you are dealing with such a mass of traders?—Distribution is from the uttermost ends of the country, and the feeling is that they should have some say, and that it should not be a bureaucratic scheme set up by a dozen, twenty, or, in the case of the Grocery Board, seventy or eighty members sitting here in London, and in many cases not knowing the circumstances of the local area.

3072. *Lord Weir*: Do you agree that with an Area Committee dealing with an area which is both rural and urban, there is no chance of the rural representatives not receiving sufficient consideration? Might they be over-weighted by the arguments of the others?

—No. They would first of all have to set up their Committees and they would have representation on that Area Committee. The area representatives can consult in their rural area if they so desire, just in the same way as now if you take a Board of Guardians which has both an urban and a rural constitution, you will frequently find that the rural members consult together before going to the full Board.

3073. *Mr. Layton*: What size do you contemplate the Central Board would be?—That is a matter for investigation after looking into the thing very carefully. When setting up anything of this description it requires very, very careful consideration, because after it is set up we want to get unanimity.

3074. *Chairman*: You would divide the country into suitable areas?—Yes.

3075. That is a matter of detail, I suppose?—Yes, and it would be impossible for me to give it here.

3076. *Mr. Layton*: Is not this the position, that it would tend to enlarge the Central Board because it has to cover so many branches as well as areas?—It would be far better to have a large Board, because if we proceed on the lines of the Grocery Board that is purely a sectional Board, and I think there are somewhere about 80 members on it. If we have 200 Boards I am afraid we shall have to purchase more property than the Government has at the present time to house them all in, or else there will be tremendous delay in coming to decisions. What is more alarming to me at the present moment is the enormous expense that is going to be involved in these meetings.

3077. *Lord Weir*: Objection has been taken to the efficiency of representation on the Board. If you take a Board such as you suggest to cover all the distributive trades, surely that would be less representative than ever?—No, because they would be represented and their decisions would come from their areas.

3078. You mean not decisions, but recommendations, do you not?—Yes, recommendations.

3079. *Chairman*: Each area would nominate members for the Central Board?—That is so.

3080. Probably either one employer and one worker, or one employer from each section and one worker from each section?—Yes; it depends upon the number of Boards that you set up.

3081. *Mrs. Lyttelton*: I suppose the areas would so sift a question that when it came up to the Central Board it would be easier to make a decision?—Yes, I think so.

3082. *Chairman*: Your Central Boards need not be larger, and might possibly be smaller, than a single Trade Board to-day?—That is so. The way we are going on the expense is enormous. It is most interesting to read in Hansard what was said with regard to the cost by the Minister two or three years ago. In reply to an amendment that was moved that the cost should be, roughly speaking, £1,000 a year, he said he did not think the cost would be anything more than £300 to £500; so they voted £1,000. I should say that one Board is costing more than that to-day.

3083. *Sir Arthur Pease*: Is there not a strong feeling that if you had these Area Boards you would bring the employers and employed more closely into touch than they are at present?—Yes, I should have

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said that. I meant it when I said that you would create that better feeling as between the individuals, because they would be brought closer into touch. To-day they say, and rightly, that there is no representation because in some instances the individuals are chosen by the Ministry of Labour, and therefore they are not selected by those who are engaged in the trade. In the other case they would be represented through a meeting which would be called to appoint their representatives, and you would get very much closer co-operation than you have to-day.

3084. The practical difficulty, whether on the part of the employers or the employed, would be much less and things could be thrashed out better if you could have free discussions in the local area?—Much better.

3085. Which is admittedly quite impossible in a Central Committee?—It is quite impossible in a Central Committee, and there is great trouble being created so far as Central Committees are concerned, because traders cannot keep on coming up to London for days and days. They get tired of it, and you will see that the attendance at some of the Trade Boards is very small on the one side while on the other it is nearly always up to full strength.

3086. *Chairman*: If you had District Committees would it be necessary to make an allowance for expenses? You know that in the case of a Trade Board an allowance is made to each member for his expenses: would that be necessary if you had meetings in the district?—So far as the district is concerned I cannot see there would be very much expense incurred, because at the present time, like the shop assistants, they all meet in the evening: neither side would have to give up time which to-day is very important to employers.

3087. *Dame Adelaide Anderson*: Are you assuming that in these District and Area Committees there would be no representation on the Government side, that is to say, there would be no Appointed Members?—There would be no Appointed Members.

3088. They would simply be meetings of the employers and the workers?—To my mind Appointed Members are unnecessary, I cannot see the necessity for Appointed Members.

3089. I just wanted to know your opinion about that.—I cannot see the necessity for them. Personally I prefer practical rather than theoretical people to discuss things with.

3090. Then locally there would be simply gatherings of employers and employed?—Yes, without Appointed Members. As I have said, personally I cannot see the necessity for them.

3091. *Chairman*: You would have to have a Chairman?—Certainly, but more likely than not we should agree that an employer should be Chairman at one meeting, and an employee at the next, but we do not want an outside Chairman.

3092. Suppose you had a District or an Area Committee equally divided?—I have so much confidence in them that I think they would come to agreement. I have so much confidence in the employees and the employers in areas and districts that I think that would be so. Of course you will have certain cases where they are divided when the result of their meeting will be sent to the Central Committee, but I have so much confidence in the employers and the employees that I think they would come to an agreement.

3093. *Mrs. Lyttelton*: You wish them to elect their own Chairman?—Yes, but I should not be surprised if it were an employer on one occasion and an employee on the next.

3094. On the question of expense you would have to have hundreds of District Committees unless you were going to pay expenses, because not only time would be lost, but there would be the expense of transport?—I agree, but even there I do not personally see there would be a great deal of expense, because after all is said and done it is part and parcel of the arrangements connected with their own business and

they can fix it up. I cannot see there would be much expense, and, in any case, in an area the travelling could not be over a great distance. (*Mr. Clark*): And in areas there are funds which can be used for the purpose, both by employers and employees.

3095. *Chairman*: In unorganised trades?—Yes, I think so; I do not know any area where it would not be so.

3096. *Mr. Layton*: You would have Appointed Members or Chairmen for the Central Boards?—(*Mr. Aveling*): I would not have Appointed Members. I cannot see the necessity for them.

3097. What would you do in a case of dispute? It is clear that in the case of the District Committee you could report the matter by both sides, but when you get to the Central Board, what would you do?—Assuming they were equal, we should have to take the decision like they do on the Grocery Board. When they have not been agreed, the Appointed Members have given their vote and it has gone to the Minister for confirmation, and the Minister has not confirmed it. In those circumstances if I were one of those Appointed Members, I should say, "I do not think I am wanted, I will clear off."

3098. *Chairman*: Take an extreme case; take a wage which is alleged to be a sweating wage; do you know what I mean?—Yes.

3099. I mean a wage which would have come under the old Act of 1909.—Yes.

3100. Supposing the two sides take contrary views on the Central Board, you must then, must you not, have some independent Chairman, or somebody of that kind, to give a decision?—So far as the Central Board is concerned, I am quite agreeable that there should be an independent Chairman.

3101. I thought you would say that.—In the case of Whitley Councils, of course they appoint their own Chairman, but in the case of the Central Board I would go so far as to say, if I may do so with all due respect, that he might be a gentleman with legal training, and so on, like yourself.

3102. At all events, someone who would be independent and would give a decision?—Yes. (*Mr. Clark*): And capable.

3103. *Sir Arthur Pease*: If you had an independent Chairman, would you have him sitting always on the Board, or would he only be called in when there was a question of difference; because it is possible that the discussion might be much more free if the independent Chairman was not there the whole time?—(*Mr. Aveling*): I think with the type of gentleman I have in my mind neither the employers nor the employees would mind discussing things very freely.

3104. He must be there at the discussion, otherwise you would have to discuss it all over again before him?—Yes. They would discuss it very freely.

3105. *Mr. Layton*: I forgot to ask whether the rate so fixed, whether by the vote of the Chairman or otherwise, would then be referred to the Minister, or would in your judgment become operative merely on the decision of the Board?—It should be referred to the Minister, I take it.

3106. And enforced by the existing machinery of inspection?—Yes, certainly. When there has been a decision of that sort, that would be the only fair thing. Failing that, of course, some would not pay.

3107. *Sir Arthur Pease*: If both sides were agreed without a decision, do you not think that it might be enforced at once?—Do you mean without time for objections?

3108. Yes.—I think a great deal of that machinery of the objections would be scrapped. It is just a debatable point as to whether it should be done without the advertising of it; that is, to give due notice to the people that it would be coming into operation. Now when you are advertising it for a month, everybody knows that at the end of that month they can make arrangements accordingly.

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3109. *Chairman*: After your Memorandum (which we have got), you sent up a deputation to the Ministry from the Chamber and the Shop Assistants' Union?—That is so.

3110. I will not go into it, but you had some reason for believing that your views would be favourably considered?—We had; and I think it would be interesting if the minutes of those proceedings could be presented to you by the Department.

3111. I do not know that that would be interesting to us now; it is rather ancient history. In the end it was not done.—In the end it was not done.

3112. Then as regards the distributive trades, the Trade Boards already set up are five in number, are not they?—Yes.

3113. They are the Hat, Cap and Millinery Trade Board; the Dressmaking and Women's Light Clothing Trade Board; the Retail Bespoke Tailoring Trade Board; the Milk Distributive Trade Board and the Grocery and Provisions Trade Board?—Yes.

3114. And notice has been given of an intention to form Trade Boards for four other distributive trades: the boot and shoe trade; the fish, game and poultry trade; the fruit, flower and vegetable trade and the meat trade?—That is so.

3115. Are there any other distributive trades which might be brought within the area of your Central Board?—Yes.

3116. What are they?—Of course there is the hardware furnishing trade and the soft goods trade.

3117. *Dame Adelaide Anderson*: What does "soft goods" cover?—Soft furnishing goods, household linens and things of that sort. I was a member of a committee which was set up by the Minister of Labour dealing with the training of disabled soldiers as regards the whole of the distributive trades. On that committee all trades were represented by equal numbers of employers and employees, and it always struck me that if we could come to an agreement, as we did in the distributive trades, for the training of disabled soldiers, we ought to be able to come to some unanimous conclusion when dealing with able-bodied people. The distributive trades report, I think, is No. 21, and on that committee every section of the trade was represented, and we came to an unanimous conclusion.

3118. *Mrs. Lyttelton*: How many were there on it?—The main committee was large. They appointed a sub-committee, and I was on the sub-committee sitting, practically speaking, weekly with representatives of the Shop Assistants' Union and others representing employees. In the end, after discussing this very fully, we brought forward a unanimous recommendation, and it was embodied in a report dealing with the whole of the trades.

3119. *Mr. Poulton*: How many were on the Sub-Committee; do you remember?—There would be about 20 of us.

3120. I take it that the Sub-committee would thrash out the whole of the details and come to a conclusion, and make a recommendation to the larger body?—That is so; they recommended to the larger body; and that Sub-committee again divided itself in this way: we had Hairdressing upon that, and when we required information so far as Hairdressing wages and conditions were concerned, or what would be a proper length of time for training, or what would be the proper rates of pay; we asked the representatives to get full information, and we dealt with it in that way.

3121. *Chairman*: You recommended the grouping of the distributive trades?—Yes, that is so.

3122. *Mr. Poulton*: You came to an agreed scheme for the whole of the country?—Yes.

3123. As representing all kinds of departments?—All kinds of departments. (*Mr. Clark*): Which was immediately accepted and has been acted upon ever since.

3124. *Chairman*: So far as the discharged soldiers are concerned?—Yes, I mean so far as discharged

soldiers are concerned. (*Mr. Aveling*): Dealing with the local areas, if I may refer to that for one second, in a letter which the Minister of Labour sent to the National Chamber at their last Annual Meeting occurs this paragraph, which is rather important: "The power to establish such Committees"—that is Area Committees—"rests, of course, with the Trade Board concerned, but I may say that I am strongly of opinion that particularly in the distributive trades District Trade Committees can play a useful part in focussing local opinion and keeping the Trade Board in touch with the special conditions in various districts."

3125. Who said that?—Doctor Macnamara, the Minister of Labour, in a letter which he wrote; because we, like many other organisations, were having great trouble over Boards. We can see that there may be the possibility of use in them and we did not want to come to foolish decisions in any way whatever; and we had this carefully worded letter from the Minister of Labour, and we read it to the conference.

3126. *Mr. Poulton*: What called for that letter—some representations made by the Board?—We had resolutions sent in from all over the country condemning Trade Boards, and we were so concerned about this that the General Secretary, Mr. Howling, saw the representative in the Department and placed this before him, and stated the difficulties which we were in at the present time; because we had been trying to help the Ministry earlier in every way possible, and we wanted still to be of assistance, so we placed all these difficulties before them. It was agreed that the Minister should be approached to see if he would send a considered letter, which he did, and it was very much appreciated.

3127. You stated some little time back that in connection with the Boards as Boards, happily the workers were quite with your side in regard to one Board?—That is so.

3128. But unfortunately certain organisations were opposed to that?—That is so.

3129. In connection with this matter, which I agree is a very important question, and a most important matter as to administration, were the workers alongside of you in your representations in that particular matter?—Yes; they attended with us. As a matter of fact you will find in the Minutes of Evidence which we have, and which I have no doubt the Department has, that I opened by agreement with the Shop Assistants' Union, and Mr. Turner led on behalf of the employees, and we both emphasised the same points; and I may say that the Memorandum presented to the Minister was got up by Mr. Howling, our General Secretary, and Mr. Turner.

3130. It was a joint memorandum?—It was a joint memorandum. (*Mr. Howling*): I have here the minutes of the proceedings of the Conference where we joined with the Shop Assistants' Union in coming before Mr. Wardle, if I may put them in. (*Same were handed in.*)

3131. Could you go a little further upon the point about which you were talking a little time ago, as to local areas? Have you got so far as to discuss with the Shop Assistants the setting up of local District Committees who would report to the big body in the same way as you did on your committee as to ex-servicemen?—(*Mr. Aveling*): No, we have not got so far as to consult with the local associations, but I think in the majority of the towns—I will deal with the Shop Assistants' Union—so far as the employers and the employees are concerned they are all on perfectly friendly terms, as you will realise when I tell you that personally I have taken the chair at the Shop Assistants' meetings when Mr. Seddon and various others have addressed them. We must not overlook the fact that the majority of us in the distributive trades were at one time assistants. I make no bones about it: I was an assistant, and I want everybody else to have the same opportunities

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that I have had, without so much control. We can get too much control, and can be confined too much. For instance, if I had been under a Trade Board as an assistant, I doubt very much whether I should have been governing director to-day. There has been very great freedom so far as the distributive trades are concerned.

3132. *Mrs. Lyttelton*: You mean a commission salary?—Commissions and other methods which we have, so far as the distributive trades are concerned.

3133. I do not see how Trade Boards would prevent that splendid result?—Say we take the basic wage—although I have observed in the last issue of the "Trade Board Quarterly Gazette" that the opinion has been expressed by the Ministry that: "A Trade Board has no power to fix minimum rates for branch shop managers as a 'class' of workers or to fix minimum rates on the basis of the 'turn-over' of the shop as a piece-rate or otherwise." I observe that the Ministry has laid that down, and it is accepted by the Ministry as defining the legal powers of Trade Boards, but if you will remember, in the first proposals so far as the Grocery Board was concerned, they were dealing with everything. I thought they would have gone on to suggest how many times the shop windows should be washed.

3134. *Mr. Poulton*: Whilst it may be that you want to get away from a good deal of Government control, I do not gather that you wish to see absolutely abolished all methods by which these matters shall be regulated in a fair, reasonable, and just way?—I have no objection whatever to a minimum being fixed, but when that minimum becomes a standard, then I think objections would come in. We are liable to be discussing at the present time, not what a minimum wage should be, but almost what a standard wage should be; and there has been freedom in the past, so far as distribution is concerned, which I believe has been very beneficial to the assistants.

3135. But there is nothing in the regulations, is there, to prevent an employer paying a smart man or woman, as the case may be, not merely slightly above the minimum, but any amount above the minimum?—Nothing whatever, in fact the majority that I know of, I should say, are far above the minimum.

3136. *Lord Weir*: What do you really mean when you speak of a minimum wage? You mentioned two wages—the minimum wage and the standard wage?—A maintenance wage, we will put it. For instance, in the Report which I mentioned to you as to disabled men, we came to an agreed minimum wage—what we thought the man would be capable of earning, roughly speaking; and that was agreed to both by the Shop Assistants' Union and by ourselves.

3137. Was there any definition of it? Did you define what a minimum wage was?—On page 11 of our *précis* we state: "So far as we are aware no definite principles have been laid down as to what should constitute a fair minimum wage, except that it must be a living wage sufficient to provide a girl of 18 with independent maintenance, and to give a man of 21 the opportunity of contemplating and preparing for marriage. Reference has been made to considering the wage-paying capacities of even the smallest shops, but from the decisions reached we hardly think that this consideration has had much weight. No serious endeavour appears to have been made to establish some relationship between the value of the work done and the fixed minimum rates. We believe that the Industrial Court has laid down the principle that the wages of various classes of work-people should, in ordinary circumstances, depend upon the value of the work done, and this depends upon the condition of the markets and the demand for the products or services of the workpeople."

3138. It reads very nicely, but it does not seem to help us very much.—I take it that we are not really considering here as to what is a minimum wage; that is more for the Committee to do. If I have to enter into the question as to what is a minimum wage, it will be rather a big question.

3139. *Mr. Poulton*: In other words, you really mean to say that the trade itself is best qualified to set up its machinery, and to decide how it shall apply it?—That is so.

Dame Adelaide Anderson: And there is not in question only a flat minimum for everything, but different minima according to the strain of the work?

3140. *Lord Weir*: I want to go a little further. You have mentioned quite definitely two kinds of wage, a minimum wage and a standard wage. You have failed to define to me the minimum wage. Let us try the standard wage. How do you define the standard wage?—The rates which are fixed so far as many of the Trade Boards are concerned, I consider, will become more of a standard. I mean an employer will not be able to pay anything above that to the better class of worker. (*Mr. Clark*): The wage paid to a full average capable worker is the standard wage.

3141. *Mr. Poulton*: But surely that is not within the four corners of any of the regulations in the Trade Boards Acts?—(*Mr. Aveling*): No, but it might become a practice.

3142. *Chairman*: We are in danger of mixing up two things when we speak about the use of the word minimum.—Yes, I am afraid we are.

Mr. Poulton: And if we go into the question of a standard wage, that is entirely and absolutely an opposite method to a minimum.

3143. *Chairman*: You may judge of the minimum just according to what a man can live upon—that is the first part of your paragraph—or, secondly, according to what the trade can bear—that is the second part of your paragraph?—That is so.

3144. We are in danger of mixing up the two. Do I understand you to mean by "minimum" really the least wage that a worker can live upon?—That is so.

3145. And when you say a standard wage, you mean the wage which the trade, looking into the whole matter, can manage to pay for that work?—Quite so.

3146. Then, as you say, a rate, if it is fixed too high, has this effect, that instead of being able to raise a better worker above it, you cannot afford to pay even the better worker more than that standard?—That is so.

3147. That, as I gather it, is your meaning?—It is.

3148. It really comes to this, that the minimum rates have been fixed so high that the trade cannot afford to recognise merit as it otherwise would?—That is so: there is a danger of keeping that under when every encouragement ought to be given to bring it out.

3149. You pay so much to your poor worker that you cannot pay a good worker enough?—That is so.

3150. *Mr. Poulton*: Do you mean that to apply to the existing method by which the Trade Board and its procedure are governed, or do you mean that to apply, say, to a purely rural area as against a great district like London itself?—That is why I am so anxious that local committees shall be set up—so that they can discuss that thoroughly.

3151. So that they will go into questions of the detail of what their particular district can carry?—That is so.

3152. In other words, you believe that there should be differentiating rates?—I do.

3153. *Mr. Layton*: Do you consider that the Board should set up different minima for different classes of labour? I am not now talking about different minima as between adults and children, but among adult workers. Would you have a rate for every grade, or would you just have for a particular town, let us say, one minimum rate?—I should have one minimum rate. (*Mr. Clark*): For this Board, (*Mr. Aveling*): Yes, for this Board. I am only dealing with that.

3154. And not varying rates for different classes, let us say, as between shop assistants and porters, and other grades? You would regard any agreement between your side and the employees as a purely

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trade matter, and not one which should come within the purview of the Trade Boards?—That is so.

3155. And you would not be in favour of legal sanction being given for such other additional standard rate, as you might call it, for that other class?—No, that is quite right.

3156. *Dame Adelaide Anderson*: Then you have to apply to that minimum some such standard as the Food Controller had to apply during the war, in the amount of food allowed according to the exertion necessary in the work? A porter, for instance, might need a larger consumption of food than a very light worker?—I think that is one of those things, which the local Committees would thrash out very thoroughly.

3157. Then the general minimum would have to be fixed so as to be above that highest amount?—I agree, but then that general minimum would be fixed after the various local Committees had thoroughly considered it, and then the Central Board would get the feeling of the whole of the country.

3158. *Mrs. Lyttelton*: You want a general minimum for all districts, but you want all the other rates variable by each district; is that it?—Yes.

Chairman: No, I think not.

Mrs. Lyttelton: I think that is what he meant.

3159. *Chairman*: Before we leave that, did you follow that question? *Mrs. Lyttelton* asked you whether you meant a general minimum for all districts?—No, I did not mean that.

3160. *Mrs. Lyttelton*: Then you meant a varying minimum—varying rates for all districts?—Yes. I beg your pardon.

3161. So that in the same county you might have three or four different minima and three or four different rates?—Yes, certainly.

3162. *Mr. Poulton*: May I follow that up? That has partly answered my point as to whether you meant one minimum or whether you meant a minimum for a distinct grade of work?—No, each separate.

3163. Each grade should have a minimum?—Each district might possibly have to have a minimum, because that is where the great number of objections is found at the present time. For instance, the minimum at the present time is set at the same for an agricultural district as it is for a borough.

3164. *Chairman*: A district minimum for a trade is what you mean?—Yes.

3165. Every wage above that would be a matter of agreement?—Yes.

3166. Before we leave this question of area, you know, I expect, that the proposal for a single Board for the distributive trades has been a good deal opposed by some of the trade organisations?—Yes, and I think if investigation were made it would be found that many of them have changed their opinion. At the time there were objections, but I know of two or three who have turned round completely after seeing the difficulties.

3167. *Mr. Poulton*: Is that as the result of the working of the existing Board?—I think so. (*Mr. Clark*): Perhaps the Chairman was meaning the evidence brought before this Committee?

3168. *Chairman*: I was thinking of that, and also of the opposition which I am told was made at the time to the proposal.—(*Mr. Aveling*): There was opposition.

3169. In 1919, for instance, I think that the Federation of Grocers' Associations was strongly opposed to it?—(*Mr. Howling*): The Grocers and one or two others. There was some compromise on two or three Boards for distribution; that is to say, roughly speaking, the food trades, the clothing trades, and those trades which deal in goods for the replenishment of the home, such as the hardware and ironmongery trades.

3170. *Mr. Poulton*: You think that now as the result of the experience which you have had since

then, they would be in favour of not only withdrawing their opposition, but of supporting the policy of one Board with local District Committees?—(*Mr. Aveling*): From what I have heard stated at various meetings I am convinced that many of them have come to that opinion. (*Mr. Howling*): Most of them, although they urged very strongly for a Board for themselves, now say that they want no Board at all.

3171. *Chairman*: I think you maintained your proposal at a Conference at Bournemouth in May, 1920?—(*Mr. Aveling*): Yes.

3172. We need not go into the terms of it; and again at a Conference at Cheltenham in May, 1921?—Yes.

3173. That was the Conference at which you received the letter from the Minister to which you have referred?—That is so. So far as we know we were the only people who pressed very strongly for an enquiry and not abolition, because we felt that it was one of those matters which should be deeply and thoroughly enquired into rather than going straight off and saying: "Wipe the lot out"; I will not use Lord Fisher's language, but that is how some of our members felt.

3174. That is the spirit of your Memorandum. Then you say something about the Dressmaking and Women's Light Clothing Board; that is at the bottom of page 8 of your précis. Is there anything special in that?—I think Mr. Clark might speak upon that particular matter.

3175. Is there anything in that, Mr. Clark, which we ought to take note of?—(*Mr. Clark*): There is the separation of the bespoke and factory production elements. We think that it very desirable. There is a distinct difference between the bespoke trade and factory work, and in our district there is a good deal of confusion arising between the different rates which are available for the different classes of work.

3176. You are not speaking now of the distributive trade?—Yes. You see, in many shops it is an ancillary department of the distributive trade. A man who is a tailor has a workshop, and part of the trade is wholesale and part of the trade is done for his retail business, and at present, provided he keeps the workers separate, he is able to have one section of workers who are working at the factory rates and another section who are working on the purely bespoke trade. The relationship of the two sections should be very clearly defined. That is a case where District Boards would be of very great advantage.

3177. Then I think you have a proposal to make, Mr. Aveling, as to suspension; that is on page 9 of your statement.—(*Mr. Aveling*): Yes. The difficulty at the present time is this. First, may I deal with the Boards from the point of view of expense? There is enormous expense incurred. I said what the original estimate was; well, that, of course, is far exceeded, and it would be far better that thorough enquiry should be made, especially in view of the effect of the decreased cost of living and the reducing of the index figure, and also in view of the fact that at the present time with the decreasing cost it takes so long for a reduction to become effective so far as wages are concerned. I think many of the traders during the war period were extremely generous to their assistants. It would be far better if there were a suspension and if the Government tried, as in the case of the coal mines, and so on, to take off their control. Instead of that they seem to be parting with it on one side and gathering it in on the other; everything appears to be gathered in. We shall be regulated to death by this building (the Ministry of Labour) unless there is some stop put to it for the time being. Let us get our breath a bit after this war. The distributive trades, so far as I am aware, have always been fairly happy working trades together, and I think myself that they could be safely left for a period of three years.

3178. Not to set up further Boards for three years?—Not to set up Boards for three years. When

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I contemplate all the Boards that are set up I really do not wonder that people agitate for the closing down of the Ministry of Labour. See the cost which it is causing! Just think what it means if all these Boards are established! It really means the transference of a great amount of labour from one Government Department to another, and it means inspection right and left. If you have these you are bound to create a big army of inspectors to see that they are carried out.

3179. *Lord Weir*: When you speak of the cost, and criticise the cost of administration of this wage-fixing machinery, I presume you do not suggest that that cost is anything like the additional cost caused by the Boards in the industry itself?—Do you mean the lifting of the wage?

3180. Do you prefer to harp on the cost of administration or on what the Boards' decisions mean in the shape of higher cost in your industry?—It is a difficult thing to say, so far as the able-bodied worker is concerned, what cost it does involve in the industry.

3181. You do not wish to submit anything upon that point?—That is a very deep calculation.

3182. *Mrs. Lyttelton*: Your complaint as to cost is as to the cost of administration and not the raising of wages?—That is so. The cost of administration is extremely high; and assuming that it does raise the wages very much and that cost is again put on to the people, it is again the consumer who pays.

3183. *Sir Arthur Pease*: Are you complaining of the cost with regard to Government expenditure or the cost to the trade?—As a fairly heavy taxpayer I object strongly to what I conceive will be enormous Government expenditure if the whole of their scheme is carried through, that is setting up anything from 150 to 200 Boards.

3184. But what about the other part?—The other part, as I say, is a matter of very deep calculation as to whether it does mean a tremendous lifting so far as wages are concerned.

3185. No, whether there is a great cost to the industry in addition to what the Government pay in carrying on the Trade Board?—That is so.

3186. I was asking you.—If that is so—

3187. I want to know whether it is or not.—The Distributive Board not having been set up we do not know what the minimum of that Board will be, and we cannot say exactly what the cost will be so far as distribution is concerned at the present time. There are only a matter of three Boards. I believe that the Dressmaking Board—but Mr. Clark can give better evidence upon that—has been extremely costly to the employers.

3188. *Chairman*: We have had evidence upon that.—It has been extremely costly.

3189. *Sir Arthur Pease*: But that is not the point. Is the cost of administration of the Trade Boards to the trade expensive in addition to the Government expenditure?—It is bound to be, in the larger establishments, especially, and if there is going to be a great number of Boards, of course you have got to have special staffs to keep watching the whole of these matters. I mean, if you have one store which has got five, six, seven or eight Boards dealing with it, you are really bound to have a corresponding staff dealing with it.

3190. *Chairman*: But that is a trifle compared to the effect on carrying on the trade, is it not?—Yes, quite so.

3191. *Mr. Poulton*: You would agree, in view of the evidence from time to time secured when enquiries are held, that if you do away with the Boards you must have something in their place to see that they do not get back to those bad conditions again?—It is very difficult to say, so far as the distributive trades are concerned, that there were extremely bad conditions. From reading Hansard when the Act was passed, it seems as if they were really afraid that prices would decline tremendously,

and there would be sweating because so many munition workers would be coming back to the shops, and that would reduce the wages; and that would bring them down to a sweated wage. I do not think you would ever find that, so far as the retail distributive trade is concerned, but that would appear to be the fear, reading through the speeches.

3192. You would agree that if there is any justification for that fear, there should be some machinery to prevent that unhappy state of things occurring?—The tone of our evidence is to that effect. I cannot say that we are absolutely antagonistic to Trade Boards. I mean the whole tone of the précis, I think you will agree, is in accordance with your suggestion.

3193. I thought so, on reading it through—that whilst you criticise a number of things, on the whole you feel that there must be some machinery.—That there might be some machinery for the purpose, but it should not be elaborate machinery.

3194. You mean this is too elaborate, too slow, and too expensive?—That is right.

3195. If those matters could be dealt with, you are not opposed to machinery?—And it is rather too bureaucratic.

3196. *Dame Adelaide Anderson*: Is not three years rather a long delay to suggest?—We would press very strongly to put in five years.

3197. If it is on the whole a good thing, is it not rather a pity to leave it so long to chance?—We have to put in three years because the Ministry have evidently thought that it is such an extremely good thing that they are going to put up anything from 150 to 200 Trade Boards, according to the evidence of Mr. Humbert Wolfe.

3198. So that when they get that better organisation—?—Something more simple is what is wanted.

3199.—Is there any advantage in leaving it so long?—There is an advantage until we get some degree of stabilisation. There is so much fluctuation at present with the declining index figure.

3200. *Lord Weir*: Do you mean that you can imagine a set of conditions in industry three years from now when you would not object to Trade Boards? Is that what you mean?—To some machinery. No one can foresee for three years. Many things may happen in three years.

3201. You ask for suspension for three years?—We put in "Suspension for a period," and we thought we should be asked the question: "What length of time do you suggest?" You know how these suggestions are made. There was a suggestion of three years.

3202. *Chairman*: It is just putting off the evil day; that is what is in your mind?—No, it is getting to something more of stabilized conditions. Do not let us put it quite as putting off the evil day. It may not be an evil day.

3203. *Mr. Poulton*: Are not the Boards trying—not satisfactorily, perhaps, from your point of view, but really trying—to stabilize conditions and to bring your traders upon a fair basis the one towards the other in a competitive market?—Yes, but with the multitude of Boards—

3204. I quite agree from the point of view of the Board, because we have already dealt with that. Happily the workers and you are agreed that there should be fewer Boards in your particular industry?—It causes unrest.

3205. Supposing we suspended these for three years, would you not have to go over the ground again and have the position made infinitely worse?—(*Mr. Clark*): Our view was that the three years would give an opportunity of thoroughly thrashing out the matter between the workers, the employers and the Department and getting a satisfactory scheme into operation. That was really the point of view I had in mind when I suggested these three years to the Committee originally and got it through. We are to some extent the mouthpiece of the Committee.

3206. Could you not just as efficiently do that with the existing Boards? However inefficient the

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Boards may be, at all events the individuals comprising the Boards, at any rate in your particular industry, are united in a good many things, and therefore, could you not discuss those points, not only with satisfaction, but I venture to think with advantage to the country?—(Mr. Aveling): As a matter of fact, meetings had been held and arrangements had been made, but then when the Ministry turned round in this way everything ceased.

3207. *Chairman*: There is a paragraph in your statement about learners. Is that Mr. Clark's point?—(Mr. Clark): Yes.

3208. What have you to say about the effect of Trade Boards upon learners?—The difficulty at the present time is that the learners' rates are so complicated and high, and the wages of the assistants are also so complicated and high, that it is not possible, I was going to say to waste time, but I will say to spend time, in teaching them their business, and unfortunately we are in the position that very few men are now taking learners at all. There has never been such a small number of learners employed. I am the Chairman of the Women's Sub-Committee in our district for Unemployment at the Labour Exchange, and we have quite a number of youths and girls receiving the dole who, in ordinary times, would be learning a trade; and that, unfortunately, is not peculiar to our district.

3209. What trades are you thinking of?—I am now dealing with distribution—dressmaking, tailoring and millinery.

3210. I think in those trades young people used to be taken in simply to learn their work and then go out of it altogether?—There were a great many of that sort, and there was also another class. The factory work in our neighbourhood is strenuous, and very often a girl would go to the factory for two or three years and she would find that she could not stand the strain of the heated atmosphere, and the noise of the machinery, and that sort of thing. She would then come to the shop, largely for a little help for the home in the way of wage, but much more for keeping the girl out of mischief—keeping her in pleasant employment under pleasant conditions. She did not get very much wage—perhaps 5s. or 10s. per week, or something of that kind—and you did not object to having half a dozen of that kind about you. You cannot afford it now; because of rates of pay; they must earn their money.

3211. *Mr. Poulton*: But having regard to the increased cost of living, are the wages so very much higher as really to put an embargo upon it, or is it not because many employers under the older method before the war were able to pay very small sums, smaller than those which you have named, and have not yet got out of that idea that they are entitled to have that class of green labour practically for nothing?—I am afraid that that is too true—I mean of some. It is not true of the average employer, and certainly it is not true of the well-managed establishment, but there are cases of that kind, and it is no use closing your eyes to it.

3212. *Dame Adelaide Anderson*: Difficulties are necessarily set up for businesses which are able to pay upon that basis by the introduction of a standard which prevents the wage falling down below at a time of economic strain?—A new element comes in altogether.

3213. *Mr. Poulton*: It upsets their old-accepted economic theory?—Yes.

3214. And until you get away from that you will have that difficulty?—Yes, you are bound to.

3215. Especially with trade in the state in which it is at the present time in the whole of the country?—Yes.

3216. I venture to say that that is one of the reasons why there is this objection, not so much to the wage as a wage compared with the cost of living, but because it has upset what in some industries had become almost an accepted theory?—I do not know whether I could quite accept the full meaning of that.

3217. But partially?—It is so, to some extent. We

are very anxious indeed that the system of apprenticeship should be more firmly established. It existed when Mr. Aveling and I began our careers, and we think that it would be to the advantage of the learners as well as to the advantage of the community as a whole. During the war largely there has been a great deal of changing about for an extra shilling, and very often it has ended in the young people not becoming thoroughly efficient in any industry at all. They have been a few months in one business and a few months in another, and have got high wages, and at the end of it they have learned nothing and are not settled.

3218. *Chairman*: How would you deal with that question?—Do you mean the question of apprenticeship?

3219. Yes?—The Trade Boards themselves could deal with that in the conditions of employment; and I think that in the grocery trade they have practically come to an agreement between the two sides.

3220. Do you mean that they should permit an employer to take an apprentice at lower rates than he would have to pay to a learner engaged by the week?—No, I would not say at lower rates.

3221. *Mrs. Lyttelton*: You mean that he is bound to work for a certain length of time for the firm?—Yes, continuous employment.

3222. *Mr. Poulton*: As to the point which you just now mentioned, was it not a matter of complaint before the Trade Boards as to the lack of that thorough training, which I agree was quite necessary?—Yes. We are advocating from that point of view more adequate machinery.

3223. I do not say that the present rates are perfect, because like many other things, when they are tested they are found to have mistakes in them, but will not these Trade Board regulations help you to train efficient workers, if carried out in the proper spirit?—With a proper apprenticeship scheme added, certainly.

3224. *Chairman*: If an employer cannot afford to pay a learner these rates for a year, how can he afford to pay them to an apprentice for three or five years?—He would not pay the same rates as are now suggested for learners, because the present rates pre-suppose a higher efficiency than the learner possesses.

Chairman: That is what I was putting to you.

3225. *Mr. Poulton*: In other words, you consider those rates are so high that they want revising?—They do, and not only do the rates want revising, but there wants to be continuous employment.

3226. But that is not necessarily condemning the system, but from your standpoint you think that the rate has been placed upon a wrong basis?—The learners' rate has. The learners' conditions are wrong. There should be apprenticeship. It should not be possible for a learner to come for six months to me and then go with that experience to somebody else.

3227. *Mrs. Lyttelton*: The point is that he or she must be bound to you for a certain length of time?—Yes, that is so.

3228. *Chairman*: I am accepting that, but I want to know how one is to bring it about by Trade Boards. The only thing is to say: "True, you cannot pay learners high rates; therefore take an apprentice to whom you can pay lower rates; take him for three or five years, or whatever the time is." I believe some Boards have done that and have fixed lower rates for apprentices than for learners of the same age?—I was not aware of that.

3229. That would be one way, would it not, of encouraging apprenticeship?—It would, and probably a wise one, too.

3230. *Sir Arthur Pease*: Is there any difficulty in your experience, through learners being refused because they stay at school until a later age, and want a high rate to begin with?—The only school difficulty which we have had in our neighbourhood has been that until, I think, last year or the year before the scholars from the secondary schools all left at one period of the year. Under the recent

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Education Act they now leave at the conclusion of the term after which they attain a certain age, and therefore they are spread over the year, and that has been a very great easement.

3231. *Mr. Poulton*: But the age is raised, is it not?—Yes.

3232. *Sir Arthur Pease*: In the schedules which I have seen, these learners are paid according to age?—Yes. That is ridiculous.

3233. A girl not leaving school, say, until 16 years of age, would be of little more value than a girl of 14 years?—Not as good.

3234. I mean if she were only starting?—She would not be as good.

3235. Have you any suggestion for getting over that?—Apprenticeship would do that, because she would begin with the first year of her apprenticeship.

3236. *Mr. Poulton*: And not age?—Not age.

3237. That is your suggestion to get out of that difficulty?—That is our suggestion, yes.

3238. *Lord Weir*: With regard to these questions which we have been discussing, about learners and apprentices, you and the workers have made these arrangements yourselves on the Trade Board; they represent your agreed views, do they?—Is that so?

3239. I am asking whether it is so?—I thought you were saying that it was. It is emphatically not so.

3240. You have not been able to agree?—No, we have not been able to agree. (*Mr. Howling*): That would be one of the advantages of area committees.

3241. *Mr. Poulton*: How did the rates ultimately become operative?—(*Mr. Clark*): By the appointed members' vote—by the Minister's action, of course.

3242. I presupposed that, but I meant before then. You say that it was by the appointed members' vote?—Yes.

3243. In all cases?—Yes.

3244. Were there not any agreed rates at all?—No. I do not think there were any agreed rates. I cannot recall any—not so far as regards the particular industry with which I am concerned.

3245. *Chairman*: Which industry is that?—Drapery and dressmaking.

3246. *Mr. Poulton*: Do you think that is really due to the fact that knowing that the appointed members were there, both sides refrained from attempting to settle the rate, but put the obligation and the responsibility upon a third party?—So far as the employers were concerned that was not their case. I cannot speak for the others.

3247. *Lord Weir*: My point was this. I am speaking only of those particular rates governing learners and apprentices. I can readily understand a difference of view in connection with adults, but I did think that it might be possible for the workers and the employers to agree about learners and apprentices. You say no?—From the very beginning it has been a most difficult question. Conditions as to learners vary very much indeed in different parts of the country, and nothing emphasises the need for district or area committees so much as the learners' rate, because it is not only the amount of wages which you pay which is the important factor, it is the question of the class of work you do; that is to say, in some classes of business they are able to do the very best work in a very short period—the best work that is done in the shop—but in others, after very long training, they are not able to do it.

3248. You believe that an area committee comprising employers and workmen would be able to make more satisfactory arrangement for apprentices?—Certainly.

3249. *Chairman*: Now, Mr. Aveling, we will go to your more detailed suggestions upon the footing that the Boards are to be continued. You have something to say on page 10 about the duplication of membership of Boards?—(*Mr. Aveling*): Yes. It is not necessary for me to read the paragraph, I take it.

3250. Your point is that some persons are members of several Boards?—Many; and personally I think it is a very bad principle that people can be members of so many Boards. I mean it is impossible for a

man to be an authority on so many different subjects, and to switch across from one Board to another Board. I think the more that we can bring in actual employers and actual employees to meet, and the oftener they can face one another, the better it will be.

3251. You have something to say about the appointed members?—I should abolish them, that is, very quickly.

3252. *Mr. Poulton*: I notice that on page 11 you do suggest that although you would abolish them, there might be a case made out for someone taking their places, because you go on to say: "That there must be impartial members sitting in the capacity of arbitrators is fairly clear." And then you go on to say: "There is a suggestion that one from each side of the Board could be selected to sit with the chairman, in much the same method as obtains in a Court of Referees"; so that I take it you realise that there is some difficulty, and, after all, when you have abolished them you have not got rid of the difficulty?—Possibly I had better state that when I said "abolish them" it might be my own personal opinion rather than speaking from the précis, but it does seem to bring in what we will term the theoretical side to deal with the practical side. They do not always mix quite so easily. It should be possible to obtain Boards or a Court of Referees on the lines suggested here rather than on the lines of appointed members from the Ministry.

3253. *Chairman*: It rather comes to having a single chairman, does it not?—Yes, by bringing in a single chairman. (*Mr. Clark*): The idea of the Court of Referees, of course, is a panel. (*Mr. Howling*): I think what we had in mind was a single chairman who would call to his aid, should he so desire, from a panel, persons in an advisory capacity.

3254. From a general panel?—Yes, at his selection.

3255. *Mr. Poulton*: But that he should give the decision, and not the panel?—Yes.

3256. *Dame Adelaide Anderson*: Where would the panel be formed, and how would it be formed?—That is a matter of detail which would not be insurmountable.

3257. *Chairman*: It would be formed like other panels by the Ministry concerned?—Yes.

3258. *Dame Adelaide Anderson*: Of people conversant with the industry?—That is the whole point. (*Mr. Clark*): From both sides, employers and employees.

3259. *Sir Arthur Pease*: If you had a full Board such as you suggest, and the question was not one affecting that particular trade, you would naturally call up an employer and a workman specially conversant with that particular point?—(*Mr. Aveling*): That is so.

3260. *Chairman*: We have discussed apprenticeship and the minimum wage. What do you say about the limitation of the scope of the Boards?—That is limiting the scope of the Boards to dealing with the minimum rates rather than dealing with every class.

3261. It does not deal with scope, as I understood it. Then the procedure for fixing rates you think is too complicated?—Much too protracted. Now a reduction may take anything up to six months, the same as an advance can take anything up to six months.

3262. *Mr. Poulton*: You think it is too long a period, do you?—It is too long a period. It is very easily seen if you take the index figure showing the fall in the cost of living, and have the same fluctuations.

3263. If you are going to proceed strictly upon that as the basis for your wages, I can well understand it.—(*Mr. Clark*): In the dressmaking trade, variations—increases, at any rate—should not come into operation and be post-dated. There should be a fair margin allowed for a season.

3264. *Chairman*: You mean you would fix them to come into operation at some time?—Fix them

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for six months or something like that, and they should operate for the six months, and the matter should be reviewed in sufficient time to afford ample time to get work out that has been accepted.

3265. *Sir Arthur Pease*: We have had evidence from one or two witnesses that when a rate has been proposed it has been given effect to by the employers, although it was not legally binding?—That is so.

3266. I wanted to know whether you thought that applied generally, or only to specific instances?—*(Mr. Aveling)*: I think many do it. *(Mr. Clark)*: It is general in dressmaking. *(Mr. Aveling)*: We should like to emphasise the last paragraph there. We have had examples of the receipt of new schedules some days after the rates have been in force, which has had very serious consequences in the bespoke tailoring trade.

3267. *Mr. Poulton*: It is a question of administration, is it not?—It is, but it has had very serious consequences. Suits have been booked at certain prices, and then the order has come into force and there has been insufficient warning.

3268. Still, there has been public notification, has there not, that the rates were coming into operation at such-and-such a date? That is the usual procedure—that the Minister gives notice to the trade as a trade that after such-and-such a date these rates will become operative. They may not have had it individually?—*(Mr. Howling)*: As I understand it, the obligation resting upon those who administer the Act is that every person should receive it.

3269. I am not saying that that is not so, I am only saying that there is a notification sent out that rates are coming into operation, although they may not have had their individual notices?—The point is that the notice of the confirmation by the Minister has not been issued. They have received a notice to say that a certain rate came into force, say, on the 19th instant, and we have known cases where the notification has been received on the 26th.

3270. I am afraid we are slightly at variance. I have repeatedly seen notices that after such-and-such a date in such-and-such an industry these rates will become operative. That is a public notice apart from the notification to the individual?—*(Mr. Clark)*: Yes, that is so.

3271. *Chairman*: Then you have something to say about the inefficient worker, *Mr. Aveling*?—*(Mr. Aveling)*: Yes; that is as against what we might term the sub-normal worker. There are certain individuals, especially of a certain age, who are not up to the minimum standard, but who would be prepared to stay, but yet you could not get a medical certificate that they were sub-normal workers.

3272. How would you deal with that problem?—*(Mr. Clark)*: The District Board would do that, because the shop steward knows them. *(Mr. Aveling)*: Everybody knows them in an area. Most people know them, and it would be dealt with in that form.

3273. Then you want to give to the District Board the power to grant certificates in those cases?—I think the District Board should have that power. The investigation should be by the District Board in a case of that sort.

3274. It would be a difficult investigation, would it not?—I do not think so.

3275. They would have to decide whether the man was slow or not?—*(Mr. Howling)*: If the worker himself made the application, would not that carry great weight? *(Mr. Clark)*: We have it now with the disabled soldier.

3276. But that is physical disability?—Many of these are physical.

3277. *Mr. Poulton*: You feel that the present clause in the Act allowing certain employees to have a less rate is not sufficiently wide; that is it, in other words, is it not?—*(Mr. Aveling)*: That is it.

3278. It is not wide enough to deal with a man who is otherwise a valuable servant, but who is abnormally slow?—You have very great difficulties. We have experienced it from a corporation point of view very much. You have a certain class of

man, and you could not absolutely define him as a sub-normal worker; it would pay that man to remain in, and he would wish to remain in rather than that he should be superannuated.

3279. You think, therefore, that machinery should be set up so that the Board can deal with that particular matter?—Yes. *(Mr. Clark)*: On the recommendation of the area. *(Mr. Aveling)*: Yes, it is one of those things that the area should consider.

3280. *Lord Weir*: Should it refer that to London, or should it settle it out of hand in the area?—*(Mr. Howling)*: In the area.

3281. It should not refer it to London?—No.

3282. *Mr. Poulton*: I take it that in the main they would settle it, and they would report it?—*(Mr. Aveling)*: And it would be confirmed. We all know how these reports are confirmed.

3283. *Dame Adelaide Anderson*: Why should not the District Board, of which we heard a little while ago, give the certificates? You now think that it should be the area?—*(Mr. Clark)*: The area committee should give the certificate under the authority of the Central Board confirmation. I think it is important that the central body should confirm it. You might have district boards which were not quite fair to one side or the other.

Chairman: We have three gentlemen expressing opinions upon this.

3284. *Mrs. Lyttelton*: You think that the area would be sufficient authority?—To recommend, but the central body should confirm, I think. *(Mr. Aveling)*: I think the central body should confirm in the same way that I think the central body should confirm the whole of the minutes of an area committee.

3285. *Chairman*: Are you all agreed upon that?—Certainly.

3286. *Lord Weir* suggested to you that this matter of certificates exempting people might perhaps finally be dealt with by the Area Board?—The Area Board would make a recommendation to the Central Board.

3287. *Lord Weir*: You think that necessary?—*(Mr. Clark)*: Yes.

3288. You do not consider that those certificates and the individuals applying for them could be dealt with locally, and finally disposed of without any reference whatever to London?—*(Mr. Aveling)*: I think in practice they would be. The only thing I was thinking of was that the whole of the recommendations would be confirmed by the central authority.

3289. *Mrs. Lyttelton*: What is the object of it?—I was thinking that then the minutes of the area authority would go up as a whole for confirmation by the central authority, without being in any way mutilated. It is purely one of those minor points which I should think the central authority might delegate to the area authority to do.

3290. *Chairman*: You would give power to the Central Board to delegate?—Yes, I would give power to them to delegate, if so desired, although the Central Board should have a fairly wide scope so far as that is concerned. If the Central Board thought that the area should do it, they should be allowed under their rules and regulations to delegate that.

3291. *Chairman*: Then you think that the application in this case should be made by the worker, and not by the employer?—It should be made by the worker.

3292. Now we come to scope, as I understood it just now; that is, the scope of a particular Trade Board.—The difficulties of the definition?

3293. Yes.—Yes. You see, even the Minister is somewhat bothered here, because he alters his decision with reference to a case about six or seven months afterwards.

3294. Of course, I understand that there may be great difficulties in a particular case, but how would you deal with the question of scope?—With the com-

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prehensive Trade Board we should not have these same difficulties.

3295. That is quite true as regards the distributive trades.—Yes, that is so. I think it was in the evidence of Mr. Humbert Wolfe that it said that it took about three pages to define a grocer. I know it took a tremendous lot.

3296. *Chairman*: I think Dr. Johnson did it in less?—Yes. There would be no need for these definitions if there were a comprehensive Board.

3297. Except, perhaps, as between the sections?—Yes. I think they would very soon agree themselves.

3298. If you had one Board you might leave it to the Board to say whether a man came within one section or another?—Yes, the wider the regulations there, leaving it to the common sense of the Board themselves, the easier the working would be. It is only when individuals start to set a thing down on paper that difficulties appear to arise.

3299. This suggestion, you quite understand, only applies to a case where there is one Board. If you had disputes or differences between two Boards as to whether a particular worker came within one Board or the other, you must refer that to some third party?—Yes.

3300. *Dame Adelaide Anderson*: And there would need to be an alteration in definition of other Boards. I understand that dressmaking, in so far as it came into the distributive trade, would be under this one Board, and that would mean an exclusion from the Trade Board for Dressmaking and Light Clothing of any dressmaking that fell within the distributive trade?—Yes.

3301. Therefore there would have to be co-ordinating power there?—Yes; it is the co-ordination that we go for the whole time.

3302. *Sir Arthur Pease*: Would it not be difficult to distinguish between distributing trades and manufacturing trades, owing to so many distributors manufacturing as well?—I do not think there would be that great difficulty, because the distributors manufacture, you might say, for stock; it is not for the wholesale trade.

3303. Some do both?—I agree that some do both, but it is not a frequent practice.

3304. *Dame Adelaide Anderson*: If there were a difference between the wages for, say, seamstresses in a linen factory or a dressmaking factory and those for the same class of workers under the Distributive Trade Board, disturbances might arise; there would be a pull one way or another?—(*Mr. Clark*): It does now. (*Mr. Aveling*): That would be confined very much with the setting up of the comprehensive Boards. I think the difficulties arise now because of trying to set up a Board for everything. There should be more grouping than there is at the present time.

3305. *Mr. Poulton*: In addition to that you want to simplify it from the legal standpoint. You say that Mr. Humbert Wolfe takes three pages of foolscap because of the legal definitions. You want your legal definitions very much simplified?—Very much simplified. (*Mr. Clark*): And made sensible.

3306. *Chairman*: As to hours of labour, I do not know whether you have any suggestion to make about that?—(*Mr. Aveling*): It is very important, so far as distribution is concerned, that the hours of labour should be coincident with the closing of the shops. If not, you might set up a shift system so far as the distributive trade is concerned. There is a tendency at the present time to allow longer hours. Parliament appears to have pandered to that somewhat so far as two or three other trades are concerned, and we are watching it very carefully, and are very much alarmed lest it should spread to some of the other trades.

3307. The shift system?—(*Mr. Clark*): No, the longer hours. (*Mr. Aveling*): If, for argument's sake 48 hours is fixed for the assistant, or 52 hours, or whatever it is—it really does not matter—the shop hours should be the same.

3308. *Mr. Poulton*: That is they should be co-ordinated?—They should be co-ordinated.

3309. That, I agree, is a matter for the wider Board. You get back to your wider Board all the time?—(*Mr. Howling*): Our association attaches great importance to the hours being co-incident.

3310. *Sir Arthur Pease*: What would be the shop hours?—(*Mr. Clark*): 48 hours.

3311. Surely the shops are open longer than that now?—(*Mr. Howling*): 48 hours are the hours proposed by the Grocery Board. (*Mr. Aveling*): The hours of the shops in some instances are longer than 48 hours now, but whatever hours are settled so far as the employees are concerned by the comprehensive Board, that period of hours should be the same as for the opening and the closing of the shops.

3312. *Chairman*: Or rather you would put it the other way: Whatever hours are fixed by Parliament for the shop should be the hours fixed for Trade Board purposes?—Yes, that is so.

3313. *Sir Arthur Pease*: Surely in many districts you would have longer hours than 8 hours a day, or the people at work would not have any chance at all of shopping?—I think that can easily be worked out. It was found, during the war period particularly, that the shorter hours allowed the workers to shop.

3314. I am afraid I found exactly the opposite. I will say this, that the workers are the greatest sinners over early closing. They are the worst sinners out of the whole crowd.

Chairman: We are getting rather outside the scope of our inquiry.

3315. *Lord Weir*: One question as to hours: Who fixed the 48 hours, the Trade Board or custom before the Trade Board?—(*Mr. Clark*): The Trade Board fixed it.

3316. The Trade Board fixed 48 hours in the distributive trade?—(*Mr. Aveling*): I understand that the 48 hours' week was proposed by the Grocery Trade Board.

3317. Did it lead to a change of practice?—(*Mr. Howling*): It will do, if it comes in. (*Mr. Aveling*): It is the 48-hour week as proposed by the Grocery Trade Board. It has not been considered from the point of view of the closing of the shop, and we want to make the point that whatever the one is so the other should be.

3318. The point I want to put is this: The Grocery Trade Board have proposed a 48-hours week, and if that is agreed to it will represent a change of your present hours?—Yes, I should say it would.

3319. What are your present hours?—Fifty-two, I fancy, would cover the whole lot. Personally, so far as I am concerned, they are under 40.

3320. Surely a very important change?—(*Mr. Howling*): If you have a 48 hours' week you will have a tremendous deal of overtime, and you will inflict a great hardship on seasonal towns, which cannot come within the limits of 48 hours. (*Mr. Clark*): That is where the scope comes in again for the Area Committees. In dressmaking the standard period was 59½ hours per week until the Dressmaking Trade Board was established, and when that was established, 48 hours was the legal period for the flat rate of wages, and after 48 hours it became then a question of extra pay. We can still work the 59½ hours per week without working overtime according to the Factory Acts, but according to the Trade Board rates overtime wages commence at the end of the 48 hours.

3321. *Mr. Layton*: Does the Shop Hours Act limit the number of hours, or is it simply referring to the time of opening?—To the time of closing. (*Mr. Aveling*): The Shop Hours Act does not limit the number of hours. It is only limited by local orders.

3322. What is approximately the maximum number of hours that a shop could be kept open under the Shop Hours Act?—Under the new Act it is 8 o'clock every night, and nine o'clock on Saturdays.

3323. And there is a provision for an early closing day?—Yes.

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3324. What does that in fact mean? What is approximately the maximum number of hours that you can keep open under the Act?—(Mr. Howling): Fifty-two hours would be the usual.

3325. That is the maximum number of hours that you could stop open?—Yes.

3326. But it can be very much bigger than that, surely; it can be between 60 and 70 hours, can it not?—(Mr. Clark): Yes, much more. (Mr. Howling): I thought you meant in practice.

3327. No, I want to know the maximum number of hours that you can keep open under the Act?—The Shop Hours Act does not fix the time for opening. You can open at 12 o'clock midnight and go on keeping open. (Mr. Aveling): Eight o'clock is the fixed hour for closing and nine o'clock on Saturdays, but there is no opening hour fixed, so that if you calculate your hours from eight o'clock or nine o'clock in the morning it varies according to that.

3328. But in practice it works out at about 52 hours?—Yes.

3329. Mrs. Lyttelton: Do I understand this, that you tell us that different hours for the workers might make different hours of employment and therefore unfair competition as between one shop and another? That is what is at the background of your mind, is it not?—Yes. I think what we wish to obviate is anything in the form of the shift system in the distributive trades.

3330. It is not so much a protection to the worker as a protection to the trader that you are after in this matter?—It is a protection to the trader against what we might term the multiple shop trader, where there may be a transfer, or there may be a surplus of labour transferred to various districts for the purpose of keeping those places open until a later hour, to the disadvantage of the ordinary small shop-keeper.

3331. Mr. Poulton: You are afraid that by that system they might keep open until 10 o'clock at night?—Yes, there are tendencies in that way already.

3332. Mr. Layton: Is the shift system worked to any substantial extent?—I do not think it is to any substantial extent, although I believe there is a commencement of it, and it is the commencement that should be nipped, in our opinion.

3333. Dame Adelaide Anderson: Even in manufactures carried out in connection with the distributive industries? I mean, does the shift system show any sign yet of appearing there?—Not in the manufacturing. I am dealing now purely with distribution.

3334. Chairman: With regard to representatives of co-operative societies on the Boards, they sit now?—As employers, and also as employees.

3335. Mr. Layton: Might I elicit one answer, going back for a moment? I do not think you gave the grounds for your objection to the shift system in the retail trade.—The objection is that if it is worked by the multiple shop the others will have to keep open late in self-protection. If the smaller shopkeepers have to keep open in self-protection, it is going to be very detrimental, both from a health point of view and from every point of view.

3336. Under the shift system?—Assuming that there is only one assistant, or that there are two assistants, in one of the smaller shops, and you have a ring of multiple shops—for instance, it is not unusual to have three or four branches of one particular shop in one district—it is very easy to get a surplus staff of labour for running the shift system in a shop of that description, whereas it is an impossibility, to be fair to the employers and to be fair to the employees, in a smaller shop.

3337. Mrs. Lyttelton: That is why you want the hours of work to be coincident with the hours of closing?—That is so.

3338. Dame Adelaide Anderson: That is the old argument for fixed hours in industry?—Yes, that is so.

3339. Mr. Layton: Do you think that the needs of the public can be met within a limited number of

hours such as 48?—I think so. At the place from whence I come we have had the Shop Hours Act in operation, and the hour is 7.30, so that we are earlier than the Government hours under their recent Act of Parliament, which has been extended to December, 1922.

3340. Lord Weir: It really means an impaired service to the community?—(Mr. Clark): Equal to the Post Office service.

3341. Chairman: Perhaps we can pass from that. You were going to mention the co-operative societies. —(Mr. Aveling): Yes, there is a question of representation so far as co-operative societies are concerned; that is, if they sit as employers they should be at least directors of the societies.

3342. Are there members of Trade Boards appointed to represent the employers who are really employees of co-operative societies?—Yes, in one sense. (Mr. Howling): We believe so. (Mr. Aveling): We believe that to be the case.

3343. What position would they hold in the shop belonging to the Co-operative Society?—I should say the position they hold would be manager.

3344. Mr. Poulton: Do you object to a manager sitting on a Board?—I think it should be at least a director.

3345. That would apply both ways, would it not?—(Mr. Clark): Certainly. It ought to do.

3346. Mr. Layton: Would you say that in industry, generally speaking, wage negotiations are not usually carried out on the employers' side by managers?—(Mr. Aveling): I should imagine it is mostly by directors.

3347. I should have thought that was an extremely open question?—(Mr. Clark): In distribution it would be so (by directors or proprietors).

3348. I was wondering whether there was a distinction between that and industry generally, because certainly on the Conciliation Board of which I have knowledge the manager constantly sits as a matter of practice?—That would be the position in distribution.

3349. Lord Weir: Do you mean that one of Harrods directors sits on a Trade Board?—(Mr. Howling): I think there are directors who sit there as representing big firms.

3350. Sir Arthur Pease: Does it not need to be defined what is meant by manager, whether general manager or manager of one department?—(Mr. Aveling): I think it should be defined as to who can represent a trade on the employers' side and on the employees' side.

3351. Chairman: The difficulty is that they are both employers and employees, in a sense?—Yes.

3352. It would be very difficult to deal with?—Yes.

3353. Mr. Poulton: I do not know, but I assume that they are asked as employers to send representatives, and within their own discretion they send those whom they consider to be the proper persons to represent them?—Quite so. I daresay that is how it has been done. I have no personal knowledge of how it has been done.

3354. Chairman: Have you any suggestion to make as to voting? If not, you wanted to say something about objections?—We know that in the Grocery Trade Board and in the Dressmaking Board there have been an enormous number of objections raised on account of the rates, and we think that some better arrangement should be made for considering these objections. At present, we think it is very unfair, and in fact it seems almost a waste of time advertising the fact that there are going to be certain rates, and I think the setting up of Area Boards, and so on, would save a good deal of present difficulty.

3355. We must leave that for the Boards?—Yes. (Mr. Clark): The point was this, that there were two thousand objections to the Grocery Board which were classified as to the kind of objection, and there was no weight given to the individual objector, that is to say, whether he came from a rural area or from a city area; and it has been felt that some of the men's objections were not fairly put.

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3356. That must be left to the Boards?—Yes.

3357. *Mr. Poulton*: That is a matter for the Boards, surely?—The Area Council would remove that.

3358. *Sir Arthur Pease*: Are you in favour of Boards being abolished altogether, or do you think that with the amendment you suggest they should continue?—(*Mr. Aveling*): With the suspension.

3359. No; I want to ask that particular question?—I think our précis points to the fact that it is not abolition. Properly worked, that is to say giving fair representation and fair hearings to all sides, they might be of benefit—I cannot say that they

will be, but I say they might be of benefit to the country.

3360. You think that that is practical?—I think it is practical.

3361. *Chairman*: Limited in the way which you suggested?—Yes, on the lines I suggested.

3362. *Mr. Poulton*: Limited on the one hand but widened on the other, because your Area Boards are very wide, surely?—They are very wide.

3363. *Chairman*: We are obliged to you, gentlemen, for your evidence.—I take it our précis will be taken as part of our evidence?

3364. Yes.—Thank you.

(The Witnesses withdrew.)

Mr. E. J. W. BUCKPITT, J.P., called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

MY LORDS, LADIES AND GENTLEMEN,

At the outset I think it advisable to explain that the employers' side of the Rope, Twine and Net Trade Board is selected from members of the following nine associations (forming the Rope, Twine and Net Manufacturers' Federation), with the addition of a certain number of employers whose firms are not affiliated to an association or the federation:—

The British Hemp Rope Manufacturers' Association.

The Grimsby Net Manufacturers' Association.

The Cotton Twine Manufacturers' Association.

The Twine Manufacturers' Association.

The Scottish Net Manufacturers' Association.

The Binder Twine Association.

The Bridport Manufacturers' Association.

The Western Counties Twine and Rope Manufacturers' Association.

The Hemp and Tow Spinners' Association.

Meetings of all the associations have been held since the appointment of the Committee of Enquiry, and finally a mass meeting of the federation and unaffiliated firms in the trade was held on Tuesday, the 18th October, 1921. At this meeting it was unanimously decided that I should give evidence on behalf of the whole trade, and this information was conveyed to the secretary of your Committee of Enquiry by a letter dated the 20th October.

Two meetings have also been held between representatives from the workers' side of the board and from the employers' side of the board, and as a result there are many points upon which the workers' side of the board are in complete agreement with the evidence I propose giving.

In so far as enquiries go, the first intimation the trade received as to the intention of the Minister of Labour to apply the Trade Boards Acts to this trade was a small paragraph in the "Daily News" on Saturday, the 1st March, 1919, reading, "The Minister of Labour announces that he intends to apply the Trade Boards Acts to the rope, twine and net trade."

The British Hemp Rope Manufacturers' Association and the Binder Twine Manufacturers' Association received the first direct communication from the Ministry of Labour with regard to the Minister's intention under date the 7th March, 1919.

The Cotton Twine Manufacturers' Association held a meeting on the 25th September, 1918, on the question of forming an interim industrial reconstruction committee for that particular branch of the trade. Mr. Cardwell, the chairman of that association, at a meeting of the association held on the 29th October, 1918 (following a conference held at the Ministry of Labour on the 16th October), implied that he had reason to believe the Minister of Labour was intending to put the Trade Boards Acts into operation in connection with the rope, twine and net trade.

The Hemp and Tow Spinners' Association apparently about March, 1919, had an indirect intimation

that it was the intention of the Minister of Labour to bring the trade under the Trade Boards Acts.

The Twine Manufacturers' Association knew nothing until the 6th June, 1919, when the proposition to form two trade boards for the trade was before the Minister.

From records, therefore, it would seem that no other branch of the trade except the British Hemp Rope Manufacturers' Association on the 7th March, 1919, and the Binder Twine Association received any actual notice of the Minister's intention to apply the Trade Boards Acts to the rope, twine and net industry!

On the 12th March and 28th March, 1919, meetings of the various associations were held, and had it not been for the courtesy of an invitation from the British Hemp Rope Manufacturers' Association, not one net manufacturer in England or Scotland would have had any idea or would have received any notice relative to the proposed formation of the Rope, Twine and Net Trade Board!

Net manufacturers, particularly represented by the Scottish Net Manufacturers' Association and the Bridport Manufacturers' Association, were, from the very first, bitterly opposed to the netting trade being linked up with the rope and twine trade, and on the 28th March, 1919, the following letter was drawn up and sent to the Ministry of Labour:—

Bridport,
Dorset.
March 28th, 1919.

The Ministry of Labour,
Montagu House,
Whitehall, London, S.W.1.

"SIR,

Trade Boards Act, 1909 and 1918.

"Draft Special Order made in pursuance of Section 1 of the Trades Boards Act, 1918: With respect to the rope, twine and net trade we are instructed by the Bridport Manufacturers' Association and the Scottish Net Manufacturers' Association, whose interests are largely affected by sections of this order, to lodge objection to the inclusion of the machine-made fishing net trade in the above draft order with the rope and twine trades.

"The specific grounds for objection are:—

(a) That the trade is a textile one and has nothing in common with the rope and twine trades.

(b) That there is no similarity in processes or in working conditions.

We therefore request that the Appendix I be amended by the omission of (G) and that the succeeding paragraphs be amended accordingly. As neither of our associations were in any way consulted at any time, nor asked to join the conference held at your Ministry on the 16th October, 1918, in regard to the Draft Order, they have to-day met delegates of the Rope and Twine Trades Association which met at Leeds,

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where notice of our intention to lodge this objection was given, and it was agreed that we had no interests in common."

Yours faithfully,

(Signed) E. H. BERTON.

Chairman, Scottish

Net Manufacturers' Association.

(Signed) EDWIN J. WOTTON BUCKPITT.

Hon. Secretary.

Bridport Manufacturers' Association.

Following this letter a conference was held at the Ministry of Labour, on Monday, 7th April, 1919, which was presided over during the first part by Mr. Leggett, of the Ministry of Labour, and afterwards by Mr. Besso. At this conference a definition was drawn up for the formation of a *Net Trade Board* as apart from the rope and twine branches of the trade, and it was made subject to the net trade agreeing with the rope and twine trade to this being done.

A very strong point was also made by the net manufacturers that net menders around the coast or beatsters should be included within the scope of the Special Order, and writing to the Ministry of Labour on the 15th April, 1919, in connection with this Special Order, emphasised this point as follows:—"providing the net members around the coast are either brought within the scope of the Order or brought under a separate Trade Board and be subject generally to the same conditions as the net trade itself." That the Minister of Labour fully understood this point is shown in a letter, dated 12th April, 1919, forwarding to the Scottish Net Manufacturers' Association and the Bridport Manufacturers' Association copies of the new definitions agreed upon on the 7th April, and saying: "I am to add that, in view of the opinions expressed at the conference regarding the mending of nets, the proposal to issue a further Draft Special Order to cover any mending of nets not falling within the scope of the present Draft Special Order, will be considered subject to the advice of the Trade Board for the net making industry when established." (This letter was signed by Mr. H. B. Butler.)

A meeting of all branches of the trade was held on the 8th May, 1919, when the following resolution was passed:—

"That this meeting approve of the formation of one Trade Board only and not two Trade Boards for the rope, twine and net industry, but would not object to the formation of a separate Trade Board for the one process of making and re-making and mending of nets."

The netting trade therefore considered that any objections of the Ministry of Labour to the formation of a separate Board for the net end of the trade had been overcome by the passing of the above resolution.

The Ministry of Labour however summoned representatives of the whole of the rope, twine and net industry to a conference on Wednesday, the 18th June, 1919, which was presided over by Mr. Leggett, and the trade was then told—in a perfectly courteous but absolutely final manner—that the Minister would insist upon one Trade Board for the rope, twine and net industry, but promised that, in order to avoid a public enquiry and to get over the valid objections lodged by the Scottish Net Manufacturers' Association, the Bridport Manufacturers' Association, two District Trade Committees should be formed for Scotland and one District Trade Committee for Bridport, and further, that when the minimum rates ultimately came to be fixed, the rates would be applicable to the districts concerned. On the above understanding the two associations named withdrew their objections, and as a consequence the *Rope, Twine and Net Trade Board* was duly constituted and held its first meeting on the 4th and 5th December, 1919.

Presumably the rope, twine and net trade had never been considered a sweated industry as there had been no mention of its inclusion under the

Trade Boards Act of 1909; under that Act the Board of Trade had to be satisfied that the rate of wages prevailing in any branch of a trade was exceptionally low as compared with that in any other employment. It would seem, therefore, that immediate advantage was taken of the passing of the 1919 Act on the ground that no adequate machinery existed for the effective regulation of wages throughout the trade, although there are no records of any serious disturbances in the trade prior to the establishment of a Trade Board, largely because it is a strictly localised industry, and in an industry so constituted there must be—for its very maintenance—co-operation between the employer and worker. And this fact, notwithstanding the scattered nature of the trade—that it is spread over the United Kingdom from Aberdeen to Falmouth and represents 671 firms (see attached list) employing according to the best information available:—

Men	...	...	...	6,668
Women	...	...	...	13,332
Boys	...	...	...	1,667
Girls	...	...	...	3,333
				25,000

and included in the above figures is a total of 1,580 home workers—over a thousand of whom are in the Bridport area.

A steady decline of male employees as against female employees is distinctly noticeable, namely in—

1891	there were	353 men to	100 women,
1901	"	212 "	100 "
1911	"	153 "	100 "

and it is estimated there are to-day 138 men to 100 women.

It is important, in view of the evidence which will be submitted under the heading of beatsters, to note the number of outworkers or home workers employed in the industry, namely, 11½ per cent. of the female employees.

The rope making and net making industries in particular are two of the oldest in the country, and as far as the employers' side of the *Rope, Twine and Net Trade Board* is concerned, every member is a working employer, and it is extremely doubtful whether there is any other trade in the country with so many heads of firms who are actually engaged in the business and consequently are conversant with every process of the industry.

A large number of firms engaged in this trade can produce trading records extending over the last 250 years, and there is a very big number with an establishment of from 100 to 150 years. Several of these firms are now owned by the 5th and 6th generations, and it is an accepted fact that in the country districts particularly, it would be impossible for these firms to have continued in business unless the relations with their workpeople had been amicably arranged and had been in accordance with local conditions.

To show the antiquity of the trade, Egyptian hieroglyphics describe the various process of hand spinning and topping of ropes, and the present methods do not substantially differ—in country rope-walks in particular.

On the Tyneside ropes were certainly being made considerably over 500 years ago, and there were scores of small rope works. There was a Guild of Ropers (the Arms of which can be produced) whose motto was "May hemp bind those that honour want," while in Bridport the borough coat of arms (produced) show much the same type of cog—this town holding a charter for the supplying of cordage to the King's Navee from King John's time, and the saying "May he be stabbed with a Bridport dagger," mentioned in Hutchin's History of Dorset, presumably originated about 1510. (This, of course, referring to the fact that the hangmen's ropes were made at Bridport.)

In the netting trade, until about 100 years ago, all nets were made by hand. The first netting machine was produced in the factory of Messrs. Smart's, who

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are still in the netting trade and who are members of the Scottish Net Manufacturers' Association.

The situation of some of the smaller rope walks in the country districts may perhaps be best illustrated by the accompanying photographs (to be produced).

It will be noted that the works are usually situated in the middle of an agricultural neighbourhood, and practically the whole output of the smaller country ropemakers is absorbed by the surrounding agriculturists.

In view of the foregoing particulars of the nature of the trade, I am empowered by the trade to reiterate the protests that have already been made at a trade of this description being brought under the Trade Boards Acts—the result of which has been a complete dislocation and crippling of the industry during a time of extreme trade depression in all industries, and that, in as far as this particular trade is concerned, unless the country districts are divorced from the town districts and greater elasticity is given in the working of the Acts, it is the considered judgment of employers that it will be 'impossible to resuscitate it.

The employers' side of this Board has made a genuine effort to work the Act. The employers realised that in this trade, as unfortunately in other trades, there are disloyal and unscrupulous employers, and therefore, if unjust competition is to be eliminated, in the interests of the employer as well as the worker it is necessary that there should be some compulsory powers for the regulation of wages. Realising this, and considering the fact that the tree, as it were, of the Trade Boards Acts as applied to the rope, twine and net trade, is of but slender growth, they decided it would be better to proceed on the lines of pruning or amending, rather than uprooting and abolishing. Failing, however, amendment on the lines the employers' side through me are about to indicate, they would ask for a suspension of the Trade Boards Acts as applied to the rope, twine and net trade for a period of two or three years, or failing this, the employers unanimously ask me to press for the withdrawal of the trade from the operation of the Trade Boards Acts.

I now propose to deal with the formation or constitution of the Board itself.

As at present constituted the Board has no knowledge of how or why the appointed members are selected. It is quite easy to understand the Minister of Labour appointing an independent chairman to preside over a Board, but why there should be two additional appointed members is inexplicable.

With regard to appointed members, the employers and workers' sides of the Board are agreed that the principle of appointed members should be abolished, and they are further agreed that the Board should appoint its own chairman by agreement.

The workers' side add to this two assessors should be appointed, one to represent the workers' side and one to represent the employers' side, presumably to assist the chairman as and when required.

The employers' side suggest that where agreement cannot be reached the existing Industrial Court panels should be utilised, and that their decision should be final and brought back to the Board for legalisation.

At present, with the exception of Mr. Healy (the Secretary of the Rope, Twine and Net Manufacturers' Federation), the whole of the members of the Board on the employers' side are working employers.

On the workers' side there are a number of trade union representatives and a number of actual workers in the trade.

The Ministry of Labour at present lays great stress on the representation not only of rural as opposed to urban areas but also to the claims of the smaller establishments as well as the larger, and on more than one occasion has appointed to the Board on the employers' side a representative who is not a member of one of the associations comprising the Federation.

On the workers' side, however, apparently no provision is made for finding out how many *bonâ fide* workers in the trade are attached to the particular

union which has direct representation on the Board, and the employers consider that the trade union representatives of the workers should represent at all events an appreciable number of workers. The employers realise that the matter is very much complicated by the fact that there is no special union for the trade in question, and that the workers are covered by a number of unions, but the employers desire to emphasise the fact that unless the workers are in a union it is impossible for them to secure representation on a Trade Board, the workers' side of the Board flatly declining to sit with a non-union member.

An endeavour to reach an agreement between the employers' and the workers' side of the Board resulted in the following resolution being carried:—

"That in constituting any Trade Board care should be taken to see that both sides of the Board consist of a satisfactory number of members actually engaged in the industry."

With regard to appointed members—the present *modus operandi* on the Rope, Twine and Net Trade Board is as follows. In the case of the workers tabling a resolution asking for an increase in wages, or the employers' side tabling a resolution asking for a reduction in wages, the matter has been duly debated, but it has been evident on this particular Board from the first meeting that any decisions relative to wages would have to be decided by the vote of the appointed members, consequently the attitude of the appointed members is of particular interest to the employers' side, and in view of the foregoing remarks, a speech made by Professor Hobhouse (one of the appointed members on this Board) at Whitefields and reported in a paper bearing date, October 1st, 1921, might be noted; he said:—

"That the appointed members were in the position of jurymen rather than arbitrators. They could not give a decision on their own, they could only hear each side and say which they preferred. Sometimes neither side took up a position they felt they could support."

It will thus be seen what an impossible position might arise—and that a rate once established would never be altered (failing agreement) save by an appointed members vote. This is further illustrated by the following: At meetings of the Board held on the 22nd June, 1921, a deadlock was reached regarding a reduction of wages put forward by the employers. Notwithstanding the fact that a committee composed of members of both sides of the Board had reached agreement on a comprehensive system of grading for the whole trade, to which it was extremely desirable a fair working trial should be given, the employers (having as already stated, reached a deadlock with the workers) were in the position of having gradually to increase their proposals, and finally in order to secure the vote of an appointed member and thus carry the reduction, had to amalgamate two grades of workers, upsetting the whole balance of the arrangement.

Further, the appointed members have no knowledge of the actual working of the trade, and apparently in the case of the Rope, Twine and Net Trade Board, not even the inclination to examine closely the evidence submitted to them, and have so little knowledge of actual business conditions that at this same meeting (22nd June, 1921) when the employers' application for a reduction of rates was being discussed, Professor Hobhouse said:—

"That he was extremely reluctant to make large reductions of wages, particularly as he considered this particular trade was placed at the moment somewhat in the position of a tug boat that was being tossed about in the wash of a big liner, and that once business improved in the bigger trades a reflection might be expected in the fibre trade."

"He considered wages in relation to the cost of living, and was cognisant of the fact that rents would be raised in July and consequently he was not certain that in the forthcoming months the cost of living would continue to come

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down at the same ratio as it had during the past few months, and that the appointed members vote given that day might not be the same four months hence, when the proposals came up for confirmation.

"Mr. Buckpitt, as Chairman of the employers' side, immediately pointed out to Professor Hobhouse that it was absolutely useless going any further if this was the action to be taken by the appointed members. He had already on behalf of the employers given a pledge that if agreement were reached with regard to the proposed reduction of wages, employers were prepared to commence costing at once on the basis of the proposed reduction in the hope that some business might result.

"Professor Hobhouse said he appreciated the point, and both he and his colleague withdrew the remarks previously made in connection with the appointed members' vote."

I would refer again for a moment to the system under which the appointed members bargain, as it were, between the two sides of the Board in the endeavour to reach an agreement. It is a method entirely devoid of dignity and extremely repugnant to the employers' side of the Board, and emphatic protests against this bargaining method have been made on more than one occasion.

District Committees.

I have referred to the fact that when this Trade Board was first established promises were given by Mr. Leggett on behalf of the Minister of Labour that two District Trade Committees should be formed for Scotland and certainly one District Trade Committee for Somerset and Dorset. On reference to the minutes of the first meeting of the Rope, Twine and Net Trade Board held on the 4th and 5th December, 1919, it will be noted "that the Board considered the advisability of establishing District Trade Committees," and, Item 7, "It was agreed that consideration of the matter be deferred." The explanation of this is that the appointed Chairman of the Board ruled that the question of District Committees could not be considered until the minimum rate had been fixed—withstanding very strong protests made. Further, the workers' side of the Board were opposed to the setting up of District Trade Committees. *The fact that the appointment of a District Trade Committee rested on the decision of the Chairman and the agreement of the workers' side of the Board had never been explained or the Scottish Net Manufacturers' Association and the Bridport Manufacturers' Association would never have withdrawn the valid objections they lodged with the Ministry on the 28th March, 1919, to the inclusion of the netting trade with the rope and twine trades.*

It was at this first meeting of the Board also apparent that, at the outside, not more than 8 members of the entire Board were interested in the question of home workers. An absolute deadlock was reached at this meeting with regard to the Dorset and Somerset area, which had always covered a strongly localised trade, and had, as had repeatedly been pointed out to the Ministry of Labour, very little in common with the rope and twine trade as generally known.

It was decided that it would be better if the employers and workers in the Dorset and Somerset area held a local conference with a view to fixing, not only their rates of wages, but their degrees of skill, which, of course, would have to be based on the minimum rates proposed by the Board at this first meeting. As a result a conference was held in Bridport on the 30th day of January, 1920, a full account of which is attached. Complete agreement was reached, and at the next meeting of the Rope, Twine and Net Trade Board, held on the 12th February, 1920, rates were definitely fixed for Dorset and Somerset for a period of 18 months ahead, and these rates in conjunction with minimum rates for the rest of the country were duly confirmed at the meet-

ing of the Board held on the 11th and 12th October, 1920. In view of the evidence that will follow it is important to note, that although denied a District Trade Committee, the principle of a district was granted to Dorset and Somerset.

In consequence of the rates being fixed on a progressive scale for 18 months ahead, the question of District Trade Committees was for the time allowed to lapse.

On the 1st November, 1920, however, because of a proposition which had been put forward for discussion at the coming Trade Board meeting on the 10th November, "that the time has now arrived when it is expedient that the Rope, Twine and Net Trade Board should appoint a District Trade Committee for the counties of Dorset and Somerset," a further conference was held between the employers and workers in that district, at the request of Mr. McConnell (Chairman of the workers' side of the Board and trade union leader for the district). As a result of the conference 4 votes only were obtained from the workers in favour of the establishment of a District Trade Committee. The matter therefore had again to drop.

A revision of rates was due in October, 1921. Another conference was held and the employers were met with the following resolution, dated 19th May, 1921:—

"We having carefully considered the proposed reduction in the wages of employees in the flue, twine and net trade in Dorset and Somerset and have come to the conclusion that as the question will affect the whole of England and Scotland it would be detrimental to the best interests of the workers outside Dorset and Somerset to attempt to recommend any reduction for those two counties, but to discuss the whole question in London next Tuesday from a national point of view."

It will therefore be abundantly evident that it is impossible under existing conditions for a Trade Board to appoint a District Trade Committee unless by agreement between both sides of the Board, which, from the foregoing it would seem, could never be hoped for.

That the Ministry of Labour evidently had some faith in District Trade Committees is proved by remarks made at an interview at the Ministry of Labour when Sir Robert Horne (then Minister) met a deputation on the 9th March, 1920, of employers and workers, from the Jute Trade Board, the Flax and Hemp Trade Board, and the Rope, Twine and Net with regard to the overlapping of these three Boards, and asked why District Trade Committees had not been utilised, and he was promptly told by the workers' side that they objected to them.

As a member of the Flax and Hemp Trade Board also, I have further concrete evidence of the determination on the part of the workers not to have District Trade Committees, as on this particular Board the workers voluntarily accepted $\frac{1}{2}$ d. an hour less on their minimum rate rather than discuss the question of District Trade Committees for Scotland.

On complete examination of the whole question it would appear that District Trade Committees could not be worked advantageously, as any decisions arrived at would have to be subject to confirmation by the main Board. The result would be an enormous amount more time spent, and, accordingly, an enhanced cost.

The employers of the Rope, Twine and Net Trade Board therefore consider that the question of District Committees is one that should be eliminated as impracticable, but they do consider that the *Rope, Twine and Net Trade Board should be able to divide itself into sections, namely, a Rope Section, a Twine Section, and a Net Section.*

Present Method of Altering Rates.

The present method of altering rates, with the period allowed for the reception of objections, constitutes a very serious difficulty, added to which a rate may not be varied within 6 months except by special permission of the Ministry of Labour.

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One illustration of this will suffice. In consequence of a munitions award under the Wages Temporary Regulation Act, a certain class of female workers in the rope trade was receiving 10jd. an hour. It was agreed by the Rope, Twine and Net Trade Board at a meeting held on the 19th May, 1920, that the wages of these workers should continue at this rate for 4 months in accordance with the Statutory Order 410. The Chairman of the Board insisted that this constituted a proposal to vary, and that accordingly notice had to be issued.

At the meeting of the Board held on the 29th June, 1920, a special leaflet was issued pointing out that certain workers, and certain workers only, were affected by the notice of proposal to vary the Chairman had insisted was necessary to be issued. At the meeting of the Board held on Thursday, the 16th September, 1920, this notice of proposal was carried, but the representatives of the employers' side abstained from voting, and as a result of pressure brought to bear on the Minister the rates were not made effective until the 31st December, 1920.

As a result of this having been fixed for four months these rates ran until 30th April, 1921, whereas the original intention of the Board had been when the agreement was made on the 19th May that the rates should become effective and lapse by the 31st December, 1920.

In consequence of this a most unfortunate dispute arose in the Liverpool district, the trade union there having called a strike against a reduction of the rates which naturally automatically came about at the expiration of the four months' period, and this strike still continues, notwithstanding the statement made by Dr. Macnamara at the Royal Agricultural Hall on the 20th September, 1921—

"There is this remarkable fact to be placed to the credit side of the Trade Board balance sheet, that never once has there been anything approaching a serious strike in an industry covered by a Trade Board."

—and Mr. Humbert Wolfe, when giving evidence before our Committee as reported in the "Times" of October 14th, 1921, said:

"I do not know of a single strike or lock-out arising from any decision of a Trade Board."

This question has been carefully considered by the employers and the workers' sides of the Rope, Twine and Net Trade Board, and they are unanimously agreed that when a rate is passed by agreement it should come into force forthwith, that is, within a month at the latest.

The employers' side of the Board is of opinion that the objections should be wiped out altogether, and they do not consider it is fair to any Minister to be subject to the political pressure which undoubtedly at times now takes place and results in inordinate delay in a rate being finally confirmed—such as has been illustrated in the foregoing.

The employers' side further consider that a rate once fixed should remain in force for six months, and think this is necessary in view of the export trade of the rope, twine and net industry to allow the necessary costings to be made and maintained for a certain definite period; in other words, there must be fixed rates for, at any rate, a definite period of time.

Minimum Rates Becoming Standard Rates or Maximum Rates.

The Rope, Twine and Net Trade Board was formed at a time when wages were already high. The Wages Temporary Regulation Act (which terminated September, 1920) and the Munition and Industrial Courts were maintaining high rates of wages even in organised trades, with the inevitable result that the so-called minimum wage became the maximum, in addition to which the working hours in this trade, namely, 55½ on the textile side and 55 on the non-textile side, were reduced to 48, while the higher wages were fully maintained. Munition work ceased, but the munition wage for factories on ordinary work continued.

A system had grown up during the war of a living wage calculated on the cost of commodities as shown by Board of Trade points. The cost of living and the price of commodities depend upon spending power, and present figures show that a reduction in price has rapidly followed a reduction in wages. A trade slump was bound to follow world conditions, and particularly in Europe with the collapse after the war, but the hours of work were reduced too soon; consequently there was a less production and higher prices.

A living wage strictly interpreted means enough to support life. A standard wage means a bare subsistence with a certain defined degree of comfort added. A living wage successfully fixed would constitute a very inferior degree of comfort. The standard of comfort must be fixed by the surplus arising from the disposal of commodities after paying for the cost of production. Now we have to secure a surplus in order to pay our way and to sustain life. If we do not secure that surplus even a living wage cannot be paid, and the trouble in the rope, twine and net industry to-day is that the necessary surplus is not being made and will not be made until settled conditions prevail.

At the last meeting of the Rope, Twine and Net Trade Board held on the 5th October, 1921, the attention of the Board was drawn to the Ministry of Labour's figures of unemployment in the rope trade, the twine trade and the net trade, and, although it was shown conclusively that the percentage of unemployment in the net trade was five times as great as in the three (rope, twine and net grouped together), yet such a startling fact did not prevent the same rates being fixed for all three branches of the trade.

The system of fixing a minimum rate for the whole trade independent of districts is, in so far as the employers' side of the Board is concerned, impracticable.

In a recent budget produced by the workers' side from the London area, the rent was named at 18s. a week. There are hundreds of workers in the rope, twine and net industry in the rural districts whose rent runs from 3s. to 5s. per week, whilst in the smaller towns from 7s. to 10s. a week.

Very many of the country mills are situated in the centre of agricultural districts, and in so far as the country rope makers are concerned, a great many of these employers are also landowners and practical farmers; while there was a scarcity of flax during the war many grew flax.

Now that the Agricultural Wages Board has ceased to exist and wages are being arranged by agreement in the various counties, it is interesting to note, from photographs produced, that on one side of a hedge an ordinary labourer engaged in the rope, twine and net trade might be earning 52s. a week as a minimum wage, whilst on the other side of the hedge there might be an agricultural labourer whose wage would be 38s. per week—and in the adjoining county 36s. a week. The rope, twine and net labourer's wage being for a 48-hour week and the agricultural labourer's for a 50-hour week.

There should be some arrangement by which rates could be fixed for rural districts or urban districts on the basis of population as against a city or town.

Whilst on the subject of wages, it is my duty to point out that when Trade Boards were formed for the rope, twine and net trade, the jute trade and the flax and hemp trade, three trades were brought under the Act any one of which had a larger export business than the whole of the other trades covered by Trade Boards in existence, and it is the employers' opinion that one of the great causes of unemployment existing to-day in these industries is the fact that, owing to the limited hours of work and the high rates of wages, it is impossible to compete with countries which are not so hampered, to say nothing of the increased capital which would be required to secure the same production when 48 hours only are being worked as against 56.

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The workers' side of the Board laugh at any idea that the employers have not made sufficient profit in the past to provide for this, or they claim that the enhanced costs can be passed on to the consumer, and it is against a stone wall of opinion of this sort that the employers struggle to get wages down to a point where business can be resumed and consequently employment be ensured.

Professor Hobhouse, the Chairman of the Rope, Twine and Net Trade Board, in an introduction to a book by W. Addington Willis, LL.B., entitled, "Trade Boards at Work," says that "through the presence of appointed members deadlocks are avoided. The Boards can always come to a decision. The fact that the two sides (employers and workers) have in the end to convince a jury compels careful statement and a reasoned exposition of relevant facts," and yet, as mentioned previously, the same chairman, speaking recently at Whitfields, said that sometimes the employers' side and the workers' side took up a position which the appointed members did not feel they could support! Surely a jury is required to give a verdict, and in the opinion of the employers it is in consequence of the facts now stated that the minimum wage has become the maximum wage for the industry and, as a result of its being fixed too high, has gone a long way in creating unemployment and loss of trade.

It might be well here to mention the attitude taken up by the appointed members and the workers' side with regard to the rates for young persons of both sexes.

These rates, under existing methods, are fixed far too high for the following reasons:—

The employer finds young labour very irresponsible, indifferent, and materials are liable to be spoilt.

In consequence of this, parents are finding it exceptionally difficult to get the young members of their families into work, with resultant hardship to themselves.

Lazy habits are engendered in young persons, and industry will ultimately lack trained workers.

Present rates where young persons are concerned are not conducive to good discipline in the works.

There is a disregard to parental control at home, and utter indifference either to the interests of the employer or the future of the young persons themselves, and on more than one occasion workers in the trade have told me that as parents they have in no way benefited by the higher wages which the young persons of the family earn.

I have reason to believe that employers in the town of Lowestoft, where there are factories which come under the Rope, Twine and Net Trade Board, have approached your Committee relative to the high rate of wage laid down for juveniles, and at the risk of reiteration, it is worth pointing out that in the borough of Lowestoft on the 27th of July this year, there were 287 boys and 232 girls available for employment, and that for 10 weeks prior to this date, only 20 boys and 35 girls had been placed in employment.

Position of Outworkers.

It has already been stated that it is estimated that there are about 1,580 female outworkers in this trade, of which 1,000 are in the Dorset area, and these workers are net makers.

These outworkers to-day, and for many months past, have been practically entirely without work, in consequence of the action of the Ministry of Labour in interpreting the Act so as to exclude beatsters or beltsters (who in different circumstances from the homeworkers or outworkers make and mend nets), in spite of continual protests from the Trade Board from the first meeting against their exclusion, to which can be definitely traced the unemployment among outworkers. In the United Kingdom the beatsters outnumber the women engaged in every branch of the trade brought under the Rope, Twine and Net Trade Board.

Independent of the undoubted hardships which have been caused to the outworkers, the employers have practically lost the whole of the business which employed this labour, and I take it that the Committee will readily understand that a market or a portion of a market once lost is never fully regained. In fact, it is almost easier to create a new market or a new demand than to get back a market that has been lost.

This question has seriously engaged the attention of the industry before the final formation of the Board, and continuously since, as the following evidence will conclusively prove.

At a conference held at the Ministry of Labour on the 7th April, 1919, when the question of the formation of a separate Board for the net trade was under consideration, the strong protests made both by the Scottish and English netting manufacturers consisted of:—

- (1) That the net trade had nothing in common with the rope and twine trades. Different conditions affected the prosperity of the three trades, and it would be manifestly unfair to have one Board fixing rates for such widely divergent trades;
- (2) That the Draft Order left out the large number of workers in all fishing centres and elsewhere engaged in mending nets both for fishing purposes and for other purposes such as turning disused fishing nets into boundary netting, fruit netting, etc.;

and at this conference the employers pointed out that such workers outnumbered very considerably the total number of female workers engaged in the three industries.

Mr. Besso, who was present at the conference, definitely said that the Ministry had sent out investigators and that it was principally upon their reports as to the conditions under which the said net mending and re-making was carried out that the Ministry had decided to add the net trade to the rope and twine trades and bring them under the scope of the Acts.

Mr. Besso further stated that net menders were, in the opinion of the Ministry, included in the Draft Order but in order that there might be no mistake whatever the Draft Order should be amended so as to make it certain that these workers actually came under the Board. Yet ever since the Rope, Twine and Net Trade Board came into existence the Minister of Labour has ruled that beatsters or net menders are not within the scope of any Board.

The workers' side, from the inception of the Board until the present day, have joined issue with the employers in claiming that this class of worker, i.e., beatsters, came under the Board.

At the meeting of the Rope, Twine and Net Trade Board held on the 13th February, 1920, it was moved by Mr. McConnell (Chairman of the workers' side), seconded by Mr. Beeton (Chairman of the Scottish Net Manufacturers' Association), and agreed

"that the Trade Board request the Minister of Labour to extend the Rope, Twine and Net Trade Boards Order to include all beatsters and net menders not already included in the Order."

At the next meeting of the Board on the 11th March, 1920, it was reported that the following letter had been received from the Ministry of Labour in reply to the request of the Trade Board, that the Minister of Labour would amend the Trade Board's (Rope, Twine and Net) Order, 1919, so as to include within its scope all net menders and beatsters wherever employed:—

"Sir,

I am directed by the Minister of Labour to refer to your letter of 25th February, submitting a recommendation of the Rope, Twine and Net Trade Board as to the inclusion within the scope of that Board of all net menders and beatsters wherever employed. I am to request

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that you will inform the Board that the matter is receiving the Minister's immediate and sympathetic consideration and that the necessary investigation into the questions at issue will be undertaken at an early date.

I am, Sir,

Your obedient servant,

(Signed) F. W. LEGGETT."

At the next meeting of the Board held on the 18th and 19th May, 1920, a letter from the Minister of Labour was read:—

"Sir,

I am directed by the Minister of Labour to request you to inform the Rope, Twine and Net Trade Board (Great Britain) that he has had under consideration the recommendation of the Board that the Trade Boards (Rope, Twine and Net) Order, 1919, should be amended so as to include within its scope all net menders and beatsters wherever they may be employed.

He is of opinion, as at present advised, that it would be desirable to amend the above-mentioned Order so as to include the mending of all kinds of fishing nets, whether carried out in association with manufacture or not, except where such work is performed by crews of fishing vessels. He considers that it would not be desirable to include other branches of net mending carried out independently of manufacture, since it would appear from the information available that such an inclusion would involve encroachment on a number of trades not related to the rope, twine and net trade.

I am to enclose herewith a copy of the draft definition of the rope, twine and net trade as revised to embody the amendments above outlined.

The Minister proposes to publish Notice of Intention to amend the Trade Boards (Rope, Twine and Net) Order, 1919, on the above lines, subject to the observations of the Trade Board, and he would be glad if the Board would consider these proposals as soon as possible.

(Signed) F. W. LEGGETT."

The rope, twine and net trade, that is to say:—

- (1) The making or re-making, etc., as present Clause 1.
- (2) The bleaching, teasing, etc., as present Clause 2.
- (3) The manufacture of packings, etc., as present Clause 3.
- (4) The braiding, etc., as present Clause 4.
- (5) The mending of fishing nets (including trawl and drift nets) and all processes and operations incidental thereto, except where carried out by crews of fishing vessels.
- (6) The mending of nets (other than fishing nets) and the winding, etc., as in Clause 5.

The remainder of the definition—no change.

After discussion it was agreed to inform the Minister of Labour that the Trade Board approved of the draft definition of the rope, twine and net trade as revised, provided that Clause 6 was intended to include the mending of disused fishing nets.

About this time it was pointed out that work for homeworkers was falling off; that the competition in the trade of the beatsters was being seriously felt.

At the Trade Board held on the 29th July, 1920, it was stated by Mr. Besso that in order to meet the wishes of the Board, that the mending of disused fishing nets should be included within the amended Order, the Minister had under consideration the alteration of the proposed amending Order set out in paragraph 5 of the minutes of the meeting of the Board held on 18th May, 1920, so that clauses 5, 6 and 7 would be as follows:—

"The mending of fishing nets (including trawl and drift nets) and all processes and operations

incidental thereto except where carried out by crews of fishing vessels.

"The conversion of fishing nets into netting to be used otherwise than for the purpose of fishing, and all processes and operations incidental thereto where carried out in conjunction with or in association with the mending of fishing nets as specified in the above paragraph.

"All other mending or conversion of nets where carried out in a factory or workshop in which any of the articles (a) to (g) specified in the Trade Boards (Rope, Twine and Net) Order, 1919, are made or remade."

It was also stated by Mr. Besso that certain objections had been raised against the proposed amendment of the Trade Boards (Rope, Twine and Net) Order and the suggestion had been made that a separate Trade Board should be established for the fishing net industry.

It was moved by Mr. Cardwell, seconded by Mr. McConnell, and agreed, that the Minister of Labour should be informed:—

(a) That the Trade Board were opposed to the establishment of a separate Trade Board for the fishing net industry.

(b) That the Board held the view that beatsters were already included within the scope of the Board and that the definition therefore required no alteration to bring them in, but that beatsters merely required to be informed that they were so included; but that if the Minister of Labour did not concur in this view, the simplest possible amendment should be made in the present definition for the purpose of bringing all net menders and beatsters within the scope, *e.g.*, by the addition of the words "the mending of nets (other than lace nets) without qualification."

Naturally as a result of this, the Board felt satisfied that these workers would now be brought within the scope of the Board, but at the next meeting, held on Thursday, 16th September, the following is recorded:—

"It was reported by Mr. Besso that the objections raised against the proposed amendment of the Trade Boards (Rope, Twine and Net) Order, 1919, to include beatsters and net menders not already included within the scope of the Order, might result in the Minister directing a public inquiry into the matter to be held."

Mr. Besso then withdrew.

"After discussion it was agreed to inform the Minister of Labour that the Trade Board attached great importance to the inclusion of all net menders and beatsters within the scope of the Rope, Twine and Net Trade Board and to request the Minister that in the event of such inquiry taking place as suggested by Mr. Besso, due notice might be given to the Trade Board and an opportunity afforded to them of being represented at the inquiry."

It will be seen, therefore, that the Minister or his representative had not carried out his undertakings in this matter, and it is important to note, that during all this time unemployment had been increasing amongst home workers or outworkers.

At the meeting of the Board held on Wednesday, 4th May, 1921, the following letter was read:—

"23rd April, 1921.

"Sir,

"I am directed by the Minister of Labour to refer to previous correspondence and conversations which have taken place between the representatives of the Department and the Rope, Twine and Net Trade Board (Great Britain) on the subject of the inclusion of beatsters and net menders within the scope of the Trade

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Board. I am to state that the Minister, after giving the question his very careful consideration in the light of the information and observations which have been laid before him, is of the opinion, as advised, that the work of beatsters and net menders does not fall within the definition of the rope, twine and net trade as set out in the Trade Boards (Rope, Twine and Net) Order, 1919. It would appear from the information which has been collected by the Department that the work in question is very generally performed by shore hands in the fishing industry and also by workers in the fish curing industry, and that it is therefore a branch of work in these industries. On the information before him, therefore, the Minister feels that he has no power under the Trade Boards Act to include these branches of work within the scope of the rope, twine and net trade. I am, however, to state that should the Minister consider it expedient to apply the Trade Boards Act to either of the above-mentioned industries or any branch of them, he will bear in mind the possibility of including within the scope of appropriate definition the work of the beatsters and net menders."

It was agreed that a letter should be sent to the Ministry of Labour asking that a deputation might be received from the Board to discuss with the Minister the exclusion of beatsters and net menders and also the question of enforcement of the rates.

It will thus be seen that the Minister definitely declined to bring this class of worker within the scope of the Rope, Twine and Net Trade Board, and although up to this date the beatsters' rates of pay had been lower than those paid to similar workers coming under the Rope, Twine and Net Trade Board, they about this time fell to 18s. and 20s. a week, as against 34s., the minimum rate for homeworkers or outworkers. This naturally resulted in a bigger increase in unemployment among the outworkers and consequently a further loss of business to employers.

The deputation (referred to recently) was received at Montagu House on the 2nd June, 1921, the following gentlemen representing the Ministry of Labour: Mr. Humbert Wolfe, Mr. Nicholson, Mr. Counsell and Mr. Chegwidan. The deputation was composed of four representatives from the employers' side and four representatives from the workers' side, and the record of the proceedings is as follows:—

"The question as to whether the work of beatsters and net menders did or did not come within the scope of the Rope, Twine and Net Trade Board, and in the event of such work not being considered as within the scope of the Board, the possibility of it being so included was then discussed.

"Mr. Buckpitt claimed that beatsters and net menders were already included within the scope of the Board. Mr. Wolfe stated, however, that unless net mending was carried on in a factory or workshop in which certain specified articles were made or re-made, workers employed on net mending would not come within the scope of the Board. He further stated that as a large number of beatsters and net menders were directly employed by boat owners it was claimed that these workers were engaged in the fishing industry rather than in the rope, twine and net industry. It was stated by Mr. Buckpitt that a number of large boat owners owned net mending or beatsters' lofts, and that small owners who were unable to run such lofts sent their work to the bigger owners for mending. He also stated that a great number of disused fishing nets were made into garden nets. Mr. McConnell urged that in view of the extremely low rate of wages received by beatsters the work of beatsters and net menders should be brought within the scope of the Rope, Twine and Net Trade Board, if possible, or failing this, that a Trade Board should be established for the fishing industry.

"In conclusion it was stated by Mr. Wolfe that further consideration should be given to the matter, but that in view of the fact that the fishing industry claimed that beatsters and net menders came within the scope of the fishing industry not only would the fishing industry have to be convinced that beatsters and net menders were within the scope of the Rope, Twine and Net Trade Board, but that the Minister of Labour would have to be able to show that the work of beatsters and net menders was in fact a part of the rope, twine and net trade. If, however, beatsters and net menders could not be brought within the scope of the Rope, Twine and Net Trade Board, the possibility of applying the Trade Boards Acts to the fishing industry might have to be considered."

The report of this Conference was discussed at the next meeting of the Trade Board held on the 22nd June, 1921, and it was agreed that the Ministry be informed that the Board unanimously and emphatically adhere to the opinion already expressed that both beatsters and net menders are included within the scope of the Trade Board, and in drawing up the proposed new rates in conjunction with the new grading beatsters were included.

The Minister of Labour, however, refused to confirm the new rates until beatsters were struck out. Consequently employers of this class of workers are at liberty to pay any rate of wage their workers will accept, whilst a worker deemed by the Ministry to come under the Rope, Twine and Net Trade Board has to receive a minimum wage of 32s. per week.

The employers' side of the Board desire me to emphasise again the fact that there are a greater number of female workers engaged in this class of work—outside the scope of the Trade Boards Acts—than the whole of the female workers within the scope of the Acts.

The Scottish net manufacturers particularly ask me to point out the inaptitude and the unfairness of the application of the Acts.

It should be noted also that the outworkers or homeworkers are almost entirely in country districts. The work is taken to them often a distance of 20 miles. They are paid on completion of the job at their own homes when the work is fetched. No machinery is involved, and there is no contract of service; the employer gets his work done as and when the worker thinks fit. During the hay and harvest seasons these outworkers or homeworkers are often employed on the land.

Scope.

The question of scope which is now entirely decided by the Minister of Labour is one which is continually causing difficulties and has been largely dealt with in stating the position of the beatsters at considerable length.

It will be apparent that whilst the Minister of Labour claims that all questions of scope shall be finally decided by him, there is bound to be friction. It is perfectly obvious that scope is a matter which should be left to the Trade Board itself to decide seeing that the Board is composed of practical representatives of the industry, and therefore such injustices as have been dealt with in connection with the matter of beatsters would have been prevented.

The employers' side and the workers' side of the Rope, Twine and Net Trade Board are of the unanimous opinion that the Board should decide questions of scope, but with regard to any question of scope which affects any other of the Boards, they consider general meetings of such Boards should be held, and, failing agreement being reached, the question should be submitted to an Industrial Court for an expression of opinion.

It is not necessary to labour the point, but three decisions made by the Minister of Labour might perhaps be cited in order to prove how impossible it is to expect harmony in an industry or in an individual firm whilst these matters are settled by the Minister of Labour:—

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(1) The Minister holds that workers engaged in cleaning machines in a rope, twine and net factory are outside the scope of the Board. The Board expressed the opinion that they disagreed with this decision which is at variance with the custom of the trade—the trade having always held that for workers engaged in manufacturing processes the cleaning of machines is regarded as a process necessary to manufacturing.

(2) The Ministry of Labour, at a meeting of the Board, held on the 4th May, 1921, is reported to have held that an errand boy employed in a warehouse was within the scope of the Board, but that an errand boy employed on outside errands was not within the scope of the Board.

The absurdity of the first definition for an errand boy will be seen by reference to the plan produced which shows a warehouse situated about three-quarters of a mile away from the main works—and this warehouse itself is entirely outside the scope of the Trade Boards Acts, because it is merely a packing warehouse apart from the factory or workshop in which the articles coming under the Rope, Twine and Net Trade Board are made and re-made.

(3) The third case to which I should like to draw particular attention is that of halters, of which I produce a specimen.

In the manufacture of these halters the rates of four Boards operate, namely, the Jute Board, the Flax and Hemp Board and the Rope, Twine and Net Board, and the Made-up Textiles Board—and then there is a process, namely, that of "eyeing," which does not appear to be covered by either one of these four Boards.

These halters in various sizes are largely manufactured by the country rope-makers and are to be found in every agricultural market throughout the United Kingdom, and yet in as small an article as this four if not five Trade Boards apply, different rates of pay operating in each case.

Labels have been attached to the halter showing the parts which come under the different Boards. I shall welcome cross-examination relative to this and hope to prove as a result, that if this were the only case, I should have abundantly proved that the decisions of scope should be settled by the Trade Board itself and this responsibility be entirely taken away from the Ministry of Labour.

This point will again arise under the question of overlapping.

Grading.

The next point is with regard to grading, that is to say, endeavouring to fix the varying degrees of skill in the trade and describing the processes as fully as possible in the vernacular customary in the various districts.

After a full discussion of this matter at a Board meeting of the Rope, Twine and Net Trade Board, held on the 5th May, 1921, it was decided to form a committee, consisting of 10 members of each side of the Board, to consider and report to the Board within two months a suggested grading for all workers, male and female, within the scope of the Rope, Twine and Net Trade Board, and to make recommendations as to the minimum rates they would suggest as applicable to the grades proposed.

This committee duly sat, and the grading drawn up was unanimously agreed by the 10 employers and 10 workers forming the committee. The whole trade was graded into four sections, and the committee considered they had solved a big problem in having been able to unite the various branches of the trade in an industry with so many sections.

The essential point of the grading was that there should be a definite rate of wage for each grade, and that as grade 4 was considered the lowest, or covered the least skilled worker, this should have a flat minimum rate applicable to it. The employers' proposals allowed for a difference between each grade of 1d. an hour or 4s. per week of 48 hours for each male worker 21 years of age and over, and on the women's rates a difference of ½d. an hour or 2s. a week of 48 hours between each grade.

The whole balance of this detailed grading (as referred to in a previous note) was entirely upset when, at the suggestion of an appointed member, in consequence of the two sides of the Board failing to agree a rate, and the appointed members practically saying that they would not vote for the employers' proposals (which of course naturally stiffened the backs of the workers who stood out for their proposals in full), in order to secure the appointed members' vote the employers had to agree, as far as female workers were concerned, to amalgamate grades 3 and 4.

Of course the committee and the members of the Board present understood the position, but it has been impossible to explain satisfactorily to the 600 firms covered by this Trade Board why the system of grading was introduced, when the same rate of wage, as far as female workers are concerned, applies to grades 3 and 4, and thus the grading scheme, of which the committee had such great hopes with a view to securing uniformity throughout the trade, was entirely upset at the very outset.

Members of the Board who know what they wanted and how to get at it were unable to prosecute their ideas entirely through the action of the appointed members. The Grading Committee therefore in the eyes of the trade, to whom, as I have said, it is impossible to explain the whole circumstances, have been made to look ridiculous, and I consider it my duty to make, as the chairman of the committee, this full explanation, in the hope that it will reach the trade at large, because the greatest possible thanks of the trade as a trade are due to the Grading Committee for the very difficult task they undertook and the thoroughness with which they performed the work.

Inspection and Prosecution.

It is a matter of common knowledge that in every trade, unfortunately, disloyal and unscrupulous employers will be found, and Trade Boards were perhaps welcomed by loyal employers as a means of quickly bringing the unscrupulous employer into line, and considered that when once a rate was fixed the Ministry of Labour, who control the inspectorate, would immediately investigate every complaint received, and if satisfied that the evidence would be forthcoming to prove that the rate had not been paid, immediate action would be taken against the offender.

Unfortunately this has not been the case, with the result that the loyalty of the good employer—paying the Trade Board rates—has been strained to the uttermost.

The Rope, Twine and Net Trade Board has a concrete case which they desire me to put before the Committee with a view to proving that the present machinery at the Ministry of Labour is altogether too cumbersome to bring a defaulter to book within a reasonable time, and it will be appreciated by the Committee that when wrong is done no time should be lost in seeing that the wrong-doer is prosecuted and justice done.

It is submitted that the system of inspection is unsatisfactory and unfair owing to the small percentage of inspectors to the number of firms under the Trade Boards Acts.

I would also say that the reports of inspectors are often widely divergent as the following case will prove.

The wages books of a certain works coming under the Rope, Twine and Net Trade Board were inspected

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in the autumn of 1920, and the inspector's report was that the rates of pay fulfilled the conditions laid down by the Board. In the spring of 1921 a different inspector visited the same works and reported to the local manager that the rates of pay in a certain department were grossly inadequate, and advised him at once to get into communication with his directors and have the matter put right. Between the time of the visit of the inspector in the autumn of 1920 and the visit of the inspector in the spring of 1921, there had been no variation in the rates fixed by the Rope, Twine and Net Trade Board; the employers in this particular case had not altered the rates of pay in the particular department referred to—yet in spite of this fact there are the above-quoted reports of the two Ministry of Labour's inspectors—from whom employers have no appeal except to the Law Courts, and that at the instance of the Ministry of Labour. The employer in this case had a return made out of each individual's earnings for three months, which showed the earnings to have been *more per worker* than the Trade Board's piece-work basis time rate then in operation.

I will now put before Committee facts showing the *inordinate* delay which occurred before a prosecution was finally made under the Rope, Twine and Net Trade Boards.

In August, 1920, complaints were lodged with the Ministry of Labour that a firm was paying its workers from 33½ per cent. to 50 per cent. below the Trade Board rates fixed for the workers. In November, 1920, certain pressure was brought on the firm by the Ministry of Labour, and, as a result, £29 was refunded to the workers, but the Trade Board was not notified of this.

In January, 1921, further complaints were lodged with the Ministry of Labour concerning the same firm, but no acknowledgment was received from the Ministry. In March, 1921, the matter was reported as being "in the hands of the Minister's Legal Adviser."

In April and May, 1921, questions were asked in the House of Commons relative to this matter, and were reported in "Hansard" as follows:—

April 6th. "Mr. J. Jones, M.P., asked the Minister of Labour whether his attention had been drawn to the communications that were forwarded to the Ministry regarding the non-payment of rates of wages laid down by the Rope, Twine and Net Trade Board by a firm in . . . resulting in at least two visits and inquiries by inspectors of the Board during the months of August and December, 1920; whether he is aware that no replies have been received regarding these communications, and whether in view of the proved evasion of the Trade Boards Act by firms who are paying less than the wage fixed by the Trade Board, immediate and effective steps can be taken to enforce compliance with the said Act and thus remove an unjustifiable handicap upon competing firms who conform to the law by paying the rate of wage fixed by the Trade Board?"

Dr. Macnamara: Complaints have been made to the Department with respect to a firm at . . . and visits of inquiry were paid by inspectors in the months mentioned. It is true that no written reply to the communications has been made, but the correspondents in question have been interviewed. The reason for the delay in the case has been the difficulty of determining precisely the liability of the firm under the Trade Boards Act. Steps have, however, been taken to obtain the payment to the workers concerned of arrears of wages due to them and to ensure that in future the wages paid reach the statutory minimum."

May 4th. "Mr. William Thorne, M.P. To ask the Minister of Labour if he is aware that a firm of rope and twine makers at . . . refuse to pay the rate of wages fixed by the Rope, Twine and Net Trade Board; if he is aware that the firm in question were members of the . . . Association, and as such had

agreed to pay the rates agreed upon between the association and the trade union, and afterwards sanctioned by the Rope, Twine and Net Trade Board; if he is aware that the firm is only paying 26s. 11d. instead of 33s. 1d., the agreed rate; if he is aware that other firms in . . . who are paying the rates agreed to by the Trade Board have stated that unless the Ministry of Labour insists upon the firm paying the agreed rate they have threatened to reduce the rates of pay, and if he can state whether his Department intend taking any action against the firm so as to make the employers carry out the decisions of the Trade Boards Act.

Dr. Macnamara: I am aware that a firm of rope and twine makers at . . . have paid certain of their workers at a rate less than the minimum rate fixed by the Rope, Twine and Net Trade Board and that in certain cases the underpayment was of the order stated in the question. I have no information upon the other matter indicated in the question relating to the firm, nor as to any proposed action by other firms in . . . Arrears of wages appear to be due in respect of two types of work. These arrears have been paid to the workers engaged on one of these types of work, and I am in communication with the firm regarding the other."

At the meeting of the Rope, Twine and Net Trade Board, held on the 4th May, 1921, the whole question of the non-payment of rates was discussed, and it was agreed that the Minister of Labour be urged to take drastic action in respect of all cases of non-payment of the rates, and, further, be informed that the Board had appointed a small deputation which would be glad to wait on him to put before him particulars of cases of infringement and the views of the Board as to the seriousness resulting from the non-payment of rates being allowed to continue with impunity.

This deputation was received by the Ministry on the 2nd June, 1921, when action was promised, in regard to the specific case with which I am dealing, *within seven days*. On the 16th June the Minister was asked what progress was being made. On the 18th June the Minister replied that there would be a *new inspection*, and I have reason to believe that between June and July there was a further inspection. On the 12th July the Ministry were again asked what action they were taking, and *no reply was received*. On the 18th July the Ministry was asked to give a reply to the letter of the 12th, and on the 25th July the Ministry was again written to and the seriousness of the continued delay pointed out. . . . On the 26th July the Ministry replied that the matter was in the "*hands of their legal advisers*." On the 28th July another letter was sent to the Ministry saying no progress had been made, and on the 4th August the Ministry had to be asked for a reply to this letter. On the 5th August the Ministry replied that the matter was in the *hands of their legal adviser*.

I do ask the Committee's careful attention to the Ministry of Labour's part in this matter, particularly seeing that the matter had been laid before them by the Trade Board itself, and that the Ministry had received a deputation consisting of equal numbers from the employers' side and from the workers' side relevant to this case.

The prosecution finally took place in September, 1921, and the Trade Boards Quarterly Gazette, covering 1st July to 30th September, 1921, on page 10, reports that a conviction was secured in respect of 46 cases. The firm have given notice of appeal on one account, and the appeal is to be heard on 4th January, 1922.

I will give another instance of the ineffectiveness of the inspection and prosecution branches of the Ministry of Labour. At a meeting of the Rope, Twine and Net Trade Board, held on the 4th May, 1921, a direct application was made from the Board to the Minister for an inspection, and on the 21st June, 1921, no action having been taken, the Board again requested the

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Minister of Labour to reply relative to the application for an inspection. On the 5th October, 1921, no reply to either of these having been received from the Ministry of Labour, it was resolved to ask the Ministry of Labour the number of complaints that had been received by them during the year and the numbers of visits that had been made by inspectors as the result of such complaints made either from the Rope, Twine and Net Trade Board, or from employers or workers who came within the scope of that Board, and at an administrative committee of that Board, held on the 8th November, 1921, the following letter received from the Ministry of Labour was read:—

1st November, 1921.

"Sir,—I am directed by the Minister of Labour to refer to your letter (R9730/21) of the 13th October, asking for information as to the number of complaints received during the year ending 2nd April, and the number of visits paid by inspectors as the result of such complaints. In reply I am to say that, with the limited clerical assistance available during the period referred to, it has not been found possible to keep a record of complaints received and investigated.

The Minister regrets, therefore, that he is not in a position to furnish the Board with the desired particulars. I am, however, to say that arrangements have been made which will make it possible in future to supply the Board with the information asked for.

I am to add that, as requested by the Committee, arrangements will be made for the officer who is in charge of the inspection work to attend a future meeting of the Committee, and to request that the Department may be furnished with information as to the time and date when it is desired that the officer should attend.

I am, Sir,

Your obedient Servant,
(signed) J. S. Nicholson."

The employers' side of the Rope, Twine and Net Trade Board are unanimously of opinion that the Chief Inspector and the Legal Adviser should be at the offices of the Trade Board and directly under the Trade Board, and after careful discussion with the workers' side of the Board, the employers and the workers submit as agreed between them that the present supervision of the operations of the Trade Board by the Ministry of Labour is defective and should be brought to an end; that the organisation of the Trade Board should be centred at the Trade Board offices with the present secretarial staff and with the addition of the Chief Inspector and the Solicitor to the Board.

The employers' side of the Board desire me to emphasise that in their opinion there should be co-ordination between the present inspectorate and that of the Home Office, the National Health Insurance, and the Trade Board.

Further, although not wishing to add to the present number of inspectors on the grounds of expense, they consider that when a case of evasion of rates has been discussed at a Trade Board meeting an inspection should take place forthwith, and if the employer be found to be evading the Act in any way, an immediate prosecution should follow, the employers' side of the Board being convinced that one prosecution is better than ten inspections.

The employers' side of the Board would also like me to direct the Committee's attention to the provision of the Trade Boards Acts whereby the employer is liable to a penalty, whereas there is no penalty whatever on the worker, who is allowed to go scot free, although, presumably, by accepting a lower rate than that fixed by a Board he also breaks the law.

Overlapping.

In so far as the Rope, Twine and Net Trade Board is concerned, although closely allied with the Jute

Trade Board and the Flax and Hemp Trade Board (because of the similarity of the processes), the employers have never been able to get the rates that were being fixed for these Boards considered in conjunction with their own.

On the 9th March, 1920, a meeting of representatives from both sides of these three Boards was held at the Ministry of Labour, and Sir Robert Horne (Minister of Labour then) presided. (I have already referred to this meeting under the heading District Committees.) The question of how far co-ordination of the work of these three Boards might be effected was discussed at some length, and finally a further conference was promised, Sir Robert Horne particularly stipulating that Mr. Besso, of the Ministry of Labour, should represent him at such conference, to report direct to him. This conference was held in York on the 23rd April, 1920, and to the surprise of the meeting no representative of the Ministry of Labour was present, and to this day no explanation has been given to either of the three Boards as to why the definite instructions of Sir Robert Horne, that Mr. Besso should represent him, were not carried out. As a result, it was agreed by the Rope, Twine and Net Trade Board "that a single Trade Board should be established for the three trades." No further meeting, however, since the York Conference has been held of the co-ordinating committee of the three Boards.

The jute trade, the flax and hemp trade, the rope, twine and net trade, and the made-up textiles trade all overlap to a very serious degree. It is perfectly true that the Ministry of Labour discussed the question of the Made-up Textiles Board with the Rope, Twine and Net Trade Board, but it was also evident from the commencement of the discussion that this was merely a matter of form, and that the mind of the Ministry of Labour had already been made up—that they would proceed with the formation of the Made-up Textiles Trade Board.

In order that this matter may be made as clear as possible to the Committee, I produce a plan of two actual works. In the line and twine sheds on the plan now produced, it would be possible to have the Jute Trade Board scale of wages applying in one walk, a Flax and Hemp Board scale of wages applying in the second walk, a Rope, Twine and Net Trade Board scale of wages applying in the third walk, whilst in another building the Made-up Textiles Trade Board rates might apply—thus it would be possible for these four Trade Boards rates to apply in one firm's works. In dealing with the question of Scope, I have already produced to the Committee a halter clearly showing this overlapping. The experience of the employers' side of the Rope, Twine and Net Trade Board would seem to indicate that if the Ministry of Labour finds that a material or process has been omitted from a Board on that material or that process they at once proceed to form a new Board.

As far as the Rope, Twine and Net Trade Board is concerned, the matter of overlapping is further complicated by the fact that there is also an Irish Rope, Twine and Net Trade Board with, again, different rates of pay for what are identically similar processes.

How is it possible to have industrial peace under such circumstances?

The tables of wages (produced) will show, perhaps, far better than any words of mine, the overlapping that exists.

I also produce a card showing raw manilla fibre, dressed manilla fibre and manilla yarn (this is a hard fibre). I also produce a card showing raw flax, dressed flax, flax sliver (soft fibre), and a card showing raw Italian hemp, dressed Italian hemp, and Italian hemp sliver (soft fibre), and a card showing raw jute, carded jute and jute sliver (soft fibre).

There is, as will be evident to the Committee, the greatest possible difference between the hard fibre and the soft fibres, and yet, as far as the Rope, Twine and Net Trade Board is concerned, these fibres are linked together.

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With regard to the Made-up Textiles Trade Board, the following letter received by the Rope, Twine and Net Trade Board is very instructive:—

26th August, 1921.

"Dear Sir,

I am directed by the Made-up Textiles Trade Board (Great Britain) to say that at a recent meeting they had under consideration the position in which a considerable number of firms in the trade are placed through the fact that they carry on work or engage in processes which come within the scope of the Rope, Twine and Net Trade Board (Great Britain), the Flax and Hemp Trade Board (Great Britain), and the Jute Trade Board (Great Britain).

The Made-up Textiles Trade Board understands that a joint or co-ordinating Committee of the three above-mentioned Trade Boards has been appointed for the purpose of considering how these difficulties caused by the overlapping of these Boards can best be met, and in view of the fact that they are closely affected by difficulties similar to those to be considered by the joint Committee, the Made-up Textiles Trade Board desire to ask that they may be afforded representation on that Committee.

Yours faithfully,

(Signed) F. POTTLEWELL."

The Rope, Twine and Net Trade Board, of course, agreed to the request contained in the above letter, but the co-ordinating Committee would have no power to influence the Ministry of Labour in any decision they had formed to create a new Board.

A certain association had explained to the Ministry of Labour that the manufactures of their members were covered in the main by the Rope, Twine and Net Trade Board, but that *very occasionally* they might make a tarpaulin, wagon cover or a few coal sacks. These manufactures are included in the scope of the Made-Up Textiles Trade Board. This clearly was a case where a little elasticity in the Rope, Twine and Net Trade Board might have got over the difficulty. Instead of this the Ministry of Labour insists that these firms also come under the Made-Up Textiles Trade Board, which is bound to lead to confusion.

I beg to submit to the Committee that it is absolutely impossible to continue a manufacturing business when the wages are subject to the rates of four or five Boards.

It might be well to survey the definitions of these Boards. *The Jute Trade Board* covers the preparing, spinning or weaving of jute, and any other fibre except flax and hemp, and the packing, despatching, warehousing, storing and other operations incidental thereto or appertaining to any of the above-mentioned work. *The Flax and Hemp Trade Board* covers preparing, spinning and weaving of scutched flax and hemp, and a mixture of scutched flax and any other fibre, and of a mixture of hemp and any other fibre including waste, and the packing, despatching, warehousing, storing and other operations incidental or appertaining to any of the above-named work. Thus these two Trade Boards deal with specified fibre whilst *The Rope, Twine and Net Trade Board* covers processes, that is to say, the making or re-making of rope, cord, lines, twine, lanyards, nets, and the bleaching, tearing, hackling, carding, preparing and spinning of the materials required for the making or re-making of any of the articles above when carried on in the same factory or workshop as such making or re-making, and the mending of nets is specified. Many of these operations are excluded when incidental to or carried on in association with or in conjunction with defined operations which come under the *Made-Up Textiles Trade Board*.

I therefore submit that on the definition of these four Boards alone overlapping to a very serious degree with crippling effect to the trades is inevitable.

The Netting Trade.

I am particularly requested by the netting manufacturers of the United Kingdom to lay special stress on the fact that they as a trade have nothing whatever in common with the rope and twine trades, and to point out that as a trade they were never consulted until the Minister had decided to apply the Trade Boards Acts 1909/1918 to these industries. By every possible legitimate means they protested against their being included with the rope and twine manufacturers.

Although the netting manufacturers feel that on the grounds of expense they cannot make a particular point at the moment of there being a separate Board formed for this industry, they reserve to themselves freedom of action in the future, meanwhile loyally awaiting the decisions of the Committee.

Fully 75 per cent. of the material used in the netting trade is cotton, which is not covered by any Trade Board at all; doubtless from the reason that the cotton trade, both on the employers' and workers' side, is one of the, if not the, most highly organised trades in the United Kingdom.

The netting trade embraces three separate processes of manufacture.

There is the netting entirely made by power machines or semi-power machines; the netting made by hand machines, and the netting which is entirely made by hand independent of any machines, and this latter is chiefly done by the homeworkers or outworkers.

The bulk of the netting is, of course, destined for the fishing industry, and the fishing industry to-day is, as doubtless the Committee will be aware, in a most difficult position, in fact never in the history of the trade has there been so much unemployment in the netting end of the industry.

From records which have been made it would seem that in July, 1914, including outworkers, there were something like 3,970 workers employed in the netting industry, and in October, 1921, something like 2,800 were unemployed, and of those employed none were working full time.

The netting trade covers 16 per cent. of the total workers under the Rope, Twine and Net Trade Board.

As far as power looms are concerned, there is uniformity, but a great difficulty presented itself as far as hand machine braiders are concerned, because in Scotland the hand net loom has always been worked by female workers, whilst in England they have always been worked by male workers. After prolonged discussion between a committee appointed by the Trade Board composed of 5 representatives of employers and 5 representatives of the workers, an agreement was reached on what was deemed to be an equitable rate for the women workers of Scotland and the male workers in England, based on production, and the overworking required by women workers as compared with male workers, and the War Cabinet Committee's report on "Women in Industry" (published as a Blue Book in 1919) guided the Committee in their deliberations.

The Committee put forward a Notice of Proposal for 320 separate and distinct piece rates covering the whole range of hand netting looms both in Scotland and England, and these rates were proposed by a member of the employers' side of the Board, seconded by the chairman of the workers' side of the Board, and the proposal was sent forward to the Minister for confirmation and issue, subject to the two months allowed for objections to be received. At a meeting of the Board held on the 29th June, 1920, it appeared that slight adjustments were necessary in connection with 10 of these rates, varying from 7½d. to 2s. 0½d., and it was agreed in forwarding these to the Minister that the minimum rates of wages as varied and fixed should come into operation on the 16th July, 1920. At a meeting of

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the Trade Board held on the 29th July, it was recorded:—

10th July, 1920.

“ Sir,

I am to state for the information of the Board that the Minister of Labour has had under consideration the departures in the draft notice of fixing from the terms of the notice of proposal, in respect of hand machine braiding, mackerel and herring and pilchard mesh 18 and 21 rows per yard.

“ He is of opinion as at present advised that these departures constitute a substantial alteration of the terms of the Notice of Proposal. He regrets that he is accordingly precluded from confirming these rates, and in accordance with the desire of the Board he refers the whole determination back to them for re-consideration. He further observes that the alteration in certain cases involves a change in the former relative positions in the piece work list of the rates payable for the class of work in question, and if the rates are eventually submitted to him in substantially the same form, he would be glad of an explanation of the fact. I am to add that he would be glad, if the Board so desire, to send a representative to discuss the matter with the Board.

I am, Sir,

Your obedient Servant,

(Sgd.) F. W. LEGGITT.

To the Secretary,

Rope, Twine and Net Trade Board.

“ The Board received Mr. Besso, representing the Minister of Labour, who explained the grounds on which the Minister felt difficulty in confirming certain of the general minimum piece rates for hand machine braiders as fixed by the Board having regard to rates proposed by them. Discussion ensued, during which it was stated by the representatives of employers that the alterations in the general minimum piece rates proposed by them for hand machine braiders were made as a result of the working of the proposed rates which were voluntarily put into operation on 2nd April, 1920, experience having shown that the rates for sizes 18 and 21 rows required adjustment. It was also pointed out that the fact that the lowest general minimum piece rates occurred at different points in the English netting looms list and the Scottish netting looms list respectively was to be explained by the fact that in the case of the Scottish netting looms different machines were employed for the larger and smaller meshes of net, whereas in the case of the English netting looms the same machine was used throughout whatever the size of the mesh. It was agreed that a letter (the terms of which were subsequently approved by the Board) should be sent to the Minister of Labour explaining the reasons as set out above for the difference in the general minimum piece rates proposed by the Board and those fixed by them for the making of meshes 18 to 21 rows to the yard.”

It will be seen that on an extremely small alteration of this description the Ministry summoned a Board practically for this purpose only, the cost of which to the country must have been close on £400, and they also jeopardised the harmony which should exist between employers and workers, as the employers had agreed with the workers that the Minister should be asked to make the rates effective as from the 16th July. The rates actually came into force on 13th August, 1920.

This is a concrete case of the hopelessness of the administration of the Trade Boards Acts to an industry of this description where officialdom and red-tapeism clashes with the business man.

The hand braiders or outworkers have already been dealt with under the heading of “ Beaters,” but

it is necessary to draw the serious attention of the Committee again to the fact that if the present Trade Board rates apply to the outworkers, and the vast body of beaters and net menders are still held to be outside the scope of the Acts, the outworkers branch of the industry must be definitely killed. As I have already mentioned, the work is taken to the outworker in his or her home, often 20 miles from the warehouse. The work is fetched and payment is made at the home of the workers, and there is no contract of service as far as these workers are concerned; therefore the argument that establishment charges are saved where homeworkers are employed does not hold good in this trade.

At least 75 per cent. of the netting trade is export, and although I propose dealing with the question of export in relation to the Rope, Twine and Net Trade Board later, it is well in passing to say that no branch of the trade has been so penalised with regard to its export trade as the net end.

Although it may be somewhat outside the terms of reference of your Committee, my Lord, I have been asked, if possible, to direct the Committee's attention to a grave injustice as far as the Scottish net manufacturers are concerned who employ outworkers. The Board agreed in March, 1920, to report to the Minister of Health that the unit of work for female outworkers in the rope, twine and net trade should be fixed at 24s. At the meeting of the Board held on the 18th May, the Insurance Department of the Ministry of Health agreed to the fixing of a unit of work of 24s. for female outworkers engaged in the rope, twine and net trade, and the question having been raised as to whether the Ministry of Health's Insurance Department applied this to Scotland, it was agreed to request the Ministry to allow the unit of 24s. to operate throughout Great Britain.

At the meeting of the Board held on the 29th June, 1920, it was reported that a letter had been received from the Ministry of Health, saying the Department only had authority to fix units of work for outworkers in England, but that the application for a uniform unit for Great Britain had been brought to the notice of the Scottish Board of Health and the Welsh Board of Health.

At the meeting of the Board held on the 29th July, 1920, no unit had up to that date been fixed for female outworkers in Scotland or Wales, and at the meeting of the Board held on the 15th September, 1920, the Scottish Board of Health fixed the unit at 16s. So that you have the Ministry of Health in England fixing 24s. as a unit, and the Board of Health in Scotland fixing the unit at 16s., whilst the Rope, Twine and Net Trade Board has agreed rates for the entire United Kingdom.

Position of the Rope, Twine and Net Trade with Regard to Export Trade.

The trade is mainly an export one. During the war, however, the trade (and more particularly the rope trade) was engaged in filling the requirements of the War Office and the Admiralty. At the conclusion of the war there was a very large surplus of ropes of every description which had to be dealt with, and while this stock was being disposed of, every possible effort was put forward by the rope trade to regain the export markets they had perforce been kept out of during the period of the war, and this also applies to the twine trade in all its branches.

The manufacturers in these trades were face to face with these accumulated stocks on a falling market. Flax which stood at £850 a ton has since fallen to £125 per ton. Manila hemp which stood at £69 per ton has since fallen to £39 per ton. Italiap hemp which stood at £139 per ton has since fallen to £57 a ton and a standard cotton largely used in the netting trade which stood at 62d. per lb. has since fallen to 24½d. per lb.—and yet against this there was a continuous rise in the Trade Board rates of wages from April, 1920, until the 14th November, 1921.

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With your permission, my Lord, I should like to table the following samples illustrating the range of the trade, namely, a sample of one of the finest manilla yarns spun, and a sample of a large manilla rope; a sample of one of the finest twines made and a sample of one of the largest twines made; a sample of one of the finest yarns spun and a sample of one of the largest yarns spun; a sample of one of the smallest lines made and a sample of the largest line made (the Rope, Twine and Net Trade Board has fixed the standard for a line and a rope, i.e., one and a half inches circumference and under being a line and anything over being a rope); a sample of the finest machine made netting and a sample of the coarsest machine made netting; a sample of the finest hand made netting and a sample of the stoutest hand made netting.

Owing to the whole of these manufactures coming within the application of the Rope, Twine and Net Trade Board, and the impossibility of making any individual arrangements with the workers, a vast amount of export business is undoubtedly lost, and as I have before stated it should be unnecessary for me to point out to the Committee that a market once lost is seldom or ever regained, and that it is almost easier in business to gain a new market than to regain an old one.

In a recent speech of the Prime Minister, reported in the "Times" on the 20th October, 1921, he made the following statement:—

"There was a case came before me the other day of a contract which was brought to a big firm in the North of England. The Germans were competing. The manager said he could not, whatever he did, and without any profit at all, come anywhere near the offer that was made. He went to his workmen. He put before them the tender of the Germans and what he could do, and he said, 'If you will meet me here upon this basis, I shall be able to tender.' The workmen agreed and the firm got the contract. I really entreat the responsible leaders of labour to consider that position."

Speaking, my Lord, with the full sense of my responsibility, and having personally investigated this matter throughout the trade, I can say with confidence that had the rope, twine and net trade been free from the Trade Boards Acts, and in the position of the firm whose case the Prime Minister quoted, there would have been nothing like the unemployment we have been faced with in this trade for the past 14 months.

Under the Trade Boards Acts, where a minimum wage is fixed, it is impossible for the employer and the worker to get together as was always the case in the past, and the result has been that order after order for the export market has been lost to this country.

I have every reason to believe that labour, that is, the workers in the industry, would have responded to any reasonable call made upon them to meet the conditions of foreign competition and the export market.

I can state a concrete case of an order for 25,000 nets which were offered a firm by their foreign agent. The firm was prepared to cut out profit entirely in order to keep the looms running, and had they been able to call their workpeople together, and in this instance it would have meant 15 per cent. below the Trade Board rate of wages, the order would have been secured, and would have meant employment for 60 looms for nine months for the skilled workers, to say nothing of the number of workers who would have been employed in unskilled processes. In the circumstances, however, the order had to go to Germany. The name of this firm and the fullest details are at the disposal of the Committee.

Another order for 2,500 nets which would have meant work for 50 workers for six weeks was lost and a French firm secured it, the English firm being unable to ask their workers whether they would ensure them getting the order by accepting in this case

a reduction of wages somewhat similar to that mentioned in the previous case.

Instead, therefore, of the employers being able to get into closer touch with their workers, they find themselves, since the trade came under the Trade Boards Acts, farther away from the workers than ever in the past—as far as being able to consult them relative to the general position of the trade is concerned.

Further, with regard to the export trade in flax goods, which undoubtedly is as badly off, if not worse than the other branches of the trade, large areas of land at the instance of the Ministry of Agriculture were laid down for flax cultivation during the war and factories for retting and scutching were erected. Whilst to-day the majority of the spindles in the flax trade are standing idle, flax in these retting and scutching factories is being prepared and exported to Czechoslovakia, where it is being spun into yarn and then largely exported to America. The nation sank a huge amount of money on the retting and scutching flax factories during the war.

In addition, the overtime rates that apply under the Rope, Twine and Net Trade Board seriously affect the export business.

For instance, the normal number of hours that may be worked in the textile portion of the trade under the Factory Acts are 55½ per week. The Trade Board fixes them at 48 per week.

It may be that a manufacturer had costed on an extremely slight margin, in fact, manufacturers in this trade to-day are costing at cost, profits for the time being being a thing of the past. A manufacturer gets sudden notice—and this is no uncommon thing at present—that a steamer has been fixed for a port and finds that it may be necessary to work a few hours overtime in order to secure shipment. The additional rate payable between the 48 hours and the 55½ hours is a serious handicap, and workers have definitely stated to me—that is to say, workers who know the necessity of making shipment when shipment is due, that they cannot see why the overtime rates should apply in the way they do.

The resuscitation of the export trade of the country is, it is agreed by, I think I may safely say, the whole trade, the most growing need of the hour.

I am convinced as a result of the evidence submitted to me by the various associations comprising the federation, and the employers' side of the Board, that under existing Trade Board conditions, with the inelasticity of the Acts, it is going to be increasingly difficult for this trade to hold the small portion of its export trade it now has, as compared with 1913.

I am prepared to state that when a definite order might be secured, employers in this trade would meet organised labour and the two sides would confer, and by mutual sacrifice arrive at an arrangement of wages whereby the order could be booked; but while you have fixed a minimum wage in any industry which allows of no inelasticity to meet the almost hourly changing conditions in the export markets, this would be an impossibility. The result of not being able to do this is short time and unemployment.

Trade Board relationship to the Ministry of Labour.

In the autumn of 1920, largely as a result of the rapidity with which new Trade Boards were being foreshadowed and the general unrest that was being caused in business circles, the Minister of Labour consented to meet a deputation from the Trade Boards of Great Britain on the 20th October, 1920, at which meeting the Minister, after very considerable pressure, and after he had secured the following resolution: "Recognising the good work Trade Boards have been able to accomplish and with a view to extending the operation of that work, we recommend that a committee be appointed by the Minister of Labour to make recommendations to the Ministry with respect to the work of Trade

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Boards and the administration of the Trade Boards Acts," consented to the setting up of this Committee.

The committee duly sat, under the chairmanship of Mr. Humbert Wolfe, C.B.E. Although the committee under its terms of reference (if the resolution quoted can be called such) were empowered to make recommendations to the Ministry with respect to the work of the Trade Boards, it would appear that the witnesses who gave evidence were entirely officials of the Ministry of Labour or of the Trade Boards.

The committee (the Trade Boards Administration Committee) drew up and presented a Majority Report, and a Minority Report was attached to same drawn up and signed by an official of the Ministry of Labour.

It is doubtful whether there ever has been a case which justified the saying, "A house divided against itself cannot stand" more than this, and to any careful reader of the report it is at once evident that the machinery of the Ministry of Labour is altogether too cumbersome.

The Majority Report contained a number of recommendations. On the 3rd May, 1921, the Minister of Labour called a further conference of employers and workers associated with the various Trade Boards, and at this conference said he was prepared to give effect to one recommendation of the Majority Report of the Trade Boards Administration Committee, namely, "That a Standing Advisory Committee be appointed to advise the Minister on the views of the Boards and on the general Trade Board position." This proposed committee, if set up, was supposed to ensure equality between the various Boards, the rural and urban areas, and Scottish interests were to be adequately represented, as also the employers, workers and appointed members, and yet, "The committee should consist of not more than 19 persons," three of whom were to be selected from the appointed chairmen, and of the other 16 eight were to be appointed from the employers' side of the various Trade Boards and eight from the workers' side.

On the 15th June, 1921, a general invitation was issued to the appointed members, employers' representatives and workers' representatives of the various Boards for a conference to be held on the 5th July, 1921, to nominate names for this Standing Advisory Committee, and with this invitation was issued a general statement to be considered in view of the forthcoming conference, which set out the following:—

"That the Minister of Labour desired to state that even if the present industrial uncertainty did not exist he might feel a real difficulty in adopting the report as it stood (i.e., the Trade Boards Administration Committee's Report). The report was clearly a compromise between two points of view."

Well, now, my Lord, I desire to point out that if the Report was a compromise between two points of view, these two points of view were held merely by two officials of the Ministry of Labour, the chairman who signed the majority report, Mr. Humbert Wolfe, and Mr. S. L. Besso, who signed the minority report.

So that if this were the only evidence I could submit, I would say with confidence, that this opinion of the Ministers, as definitely expressed, shows clearly the friction that existed within the Ministry, and fully justified the action of the employers' side of the Trade Boards when in conference on the 5th and 6th July, 1921, they passed the following resolution:—

"That this meeting is not prepared to proceed with setting up of the Advisory Committee on Trade Boards until the Minister of Labour has adopted the principal recommendations of the Majority Report of the Trade Boards Administrative Committee."

At conferences of the workers' sides of the Trade Boards held on the same days a similar resolution was passed:—

"The representatives of the workers' side of Trade Boards express their regret that the decision of the Minister of Labour on the subject of the recommendation of the Majority Report renders impossible their participation in the establishment of an Advisory Committee at this juncture, but express their readiness to assist in establishing the Committee subject to the adoption by the Minister of Labour of the recommendations of the Report."

As a result of these resolutions being passed the Minister of Labour decided he could not proceed with the appointment of an Advisory Committee, and the following is an extract from his letter conveying this decision:—

"The Minister has given his most careful consideration to these two resolutions. He has, however, already explained in detail the decisions which he has felt bound to take upon the Report and has fully explained the grounds upon which those decisions are based. In these circumstances, while it is his sincere wish to co-operate in the most cordial way with the Trade Boards in the administration of the Acts, he is unable to vary his previous decision. He naturally much regrets that the two sides are unable to agree to nominate members to the Committee. To attempt to set up a Committee in face of this attitude could not but end in failure. In the circumstances, the Minister would not propose to proceed further with its constitution."

It will be seen therefore that no useful purpose could be served, in the circumstances, by the appointment of the proposed Standing Advisory Committee, and the decision arrived at in conference between the employers' and workers' side of the Rope, Twine and Net Trade Board is fully justified—

"That the Rope, Twine and Net Trade Board should act as the governing body for the industry with the function of determining the industrial conditions of the trade (subject to the laws of the land) and with powers of legal enforcement,"

and, furthermore, as a necessary corollary—

"That if the Board became the governing body it would of necessity control the administrative machinery, i.e., the question of dividing the Board, say, into a rope section, a twine section or a net section; the questions of districts, out-workers, grading and overlapping."

In other words the Board should become a Board and not merely an advisory committee to the Ministry of Labour—in fact, entire divorcement from the Ministry of Labour is desired.

I am particularly asked by the employers' side of the Rope, Twine and Net Trade Board to protect emphatically, provided the reports in the "Times" of the 13th, 14th and 15th of October are correct, against the evidence of Mr. Humbert Wolfe, Principal Assistant to the Ministry of Labour.

In the first case, against Mr. Wolfe's assertion that "he did not know of a single strike or lock-out arising from any decision of a Trade Board," I have already dealt in my earlier evidence with the unfortunate strike in the Liverpool area.

In the second place to the statement of Mr. Wolfe that the abolition of Trade Boards could not be contemplated while wages were still paid in exceptional circumstances, which, deducting the general advances to meet the increased cost of living, brought them back to the old sweated rates of 1½d. and 3d. an hour for the abolition of which the Act was passed, when Mr. Humbert Wolfe as a permanent official of the Ministry of Labour should have known that the first rates fixed by the Chain Trade Board when it was established were 5d. an hour for adult males and 3½d. an hour for adult females. For the Lace and Net Trade Board when first established, 2½d. an hour for adult females, and for the Paper Box Trade Board,

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when first established, 6d. an hour for adult males and 3d. per hour for adult females. And Mr. Humbert Wolfe's evidence in this respect, my Lords, largely confirms the opinion that the employers' side of the Rope, Twine and Net Trade Board have held from the very start, that rather than have it a Trade Board and a governing body in the industry, the Ministry of Labour would keep it a Wages Board, and at the same time the employers' side ask me to emphasise their opinion that it is no part of the duty of a civil servant to say what is a sweated wage. They regard this as a matter for Parliament, and Parliament only, to decide.

Conclusions.

In presenting the foregoing statement I have endeavoured to keep the terms of reference fully in front of me, and trust that I have not submitted any statement which the committee will regard as being outside these terms of reference.

The statement may appear rather lengthy, but having regard to the number of sections covered by the Rope, Twine and Net Trade Board, and the fact that I am representing all these sections, it has been necessary for me to deal with the different points very fully, and I am sure the committee will appreciate the responsibility of my task.

The recommendations suggested have been made with a view to benefiting the trade as a whole, both from the employers' and workers' side.

I have endeavoured to deal with actualities rather than generalities, and to this end have given concrete instances to support my criticism, and have made all possible references and illustrations to prove my statements.

The employers' side of this Board ask me *emphatically to say that it is their considered judgment that the quickest and best way to restore prosperity to the industry is the immediate removal of all Government control in any shape or form.* In my statement I have given certain pledges on behalf of the employers which should be evidence to the committee that the employers have thought out schemes which could be applied, either collectively, or individually, without the necessity for any Government interference.

I am further asked to point out the enormous strain there is upon employers in attending meetings of Trade Boards, administrative committees, and meetings of associations and federations which are the necessary consequence of the Trade Boards Acts. This strain is particularly felt when, as in the case of this Board, the employers' side is composed entirely of working employers.

To attend Trade Board meetings, distances, often of 500 miles, have to be covered each way by many employers. If the proceedings of the Board last more than one day, in many cases four days' absence from home is entailed, and if the proceedings only last one day an absence of at least three days is often entailed. On more than one occasion, after the conclusion of a Board meeting at which little has been done a workers' representative has said to me "far better that we had both stayed at home looking after our jobs!"

On the grounds of expense, I would point out that there is very considerable anxiety on the part of employers as to the amount of money that is being spent on Trade Boards. Various replies to questions in the House of Commons as to the cost of the Boards to the country have given it from £80,000 per annum to £100,000, and yet in a recent letter from the Ministry of Labour, dated 15th July, 1921, it is suggested that certain alterations in the forms of notices in respect of rates of pay (*produced*) would mean a saving of £5,000 a year, although this appears to the employers to be only a trifling item in Trade Board expenditure.

In these days, when economy in every branch of industry and life is imperative, if the country is to be kept going at all, the employers' side of the Board have decided that if their amendments were adopted, and the Trade Boards Acts were

administered by the Trade Board itself—apart from the extra staff which it would be necessary to add to the present staff at the Trade Board Offices—they would be prepared to pay the whole of their expenses on the condition that the workers' side also paid their expenses.

After consultation with the whole of the trade as far as possible, and after considering letters from all parts of the country which in the main speak in the terms of strongest protest of the present administration of the Trade Boards Acts (copy of these letters can be produced if the committee so desire), I am asked to press for:—

Immediate amendments on the lines indicated, but if it will take any great length of time to bring these into effect:—

That the Trade Boards Acts, in so far as the Rope, Twine and Net Trade is concerned, be suspended for two or three years

and, failing this, the employers' side of this Board unanimously decided that I should urge:—

That the Rope, Twine and Net Trade be withdrawn from the scope of the Trade Boards Acts, 1909-1918.

The following are the amendments which were unanimously agreed by the employers' side and the workers' side of this Board:—

- (1) That the rope, twine and net trade should act as the governing body for the industry with the function of determining the industrial conditions of the trade (subject to the laws of the land) and with powers of legal enforcement.
- (2) That the present supervision of the operations of the Trade Board by the Ministry of Labour is defective and should be brought to an end, and that the organisation of the Trade Board should be centred at the Trade Board Office with the present secretarial staff with the addition of the chief inspector and the solicitor to the Board.
- (3) That if the Board became the governing body it would of necessity control the administrative machinery, i.e., the question of dividing the Board, say, into a rope section, a twine section or a net section; the questions of districts, outworkers, grading and overlapping.
- (4) That the Board should decide questions of scope, but that in so far as any particular question of scope affected any other Boards, provision should be made for joint meetings of such Boards and that, failing agreement being reached by the Boards on such question, the question should be submitted to an Industrial Court for an expression of opinion.
- (5) That in constituting any Trade Board, care should be taken to see that both sides of the Board consist of a satisfactory number of members actually engaged in the industry.
- (6) That the Board should appoint its own chairman by agreement.
- (7) That when a rate is passed by the Board by agreement it should come into force forthwith, that is, within a month.

In addition to the above amendments agreed by employers and workers, there are the recommendations of the employers, which are embodied in the foregoing statement.

Finally the employers' side of the Board ask me to state that it is their desire to have placed on record that, as far as the Rope, Twine and Net Trade Board is concerned, they have always received from the officials at the Trade Board Offices the greatest possible attention. There has been great promptitude in dealing with matters, and efficiency of a very high order is apparent in the organisation. From the experience of the employers on this Board,

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however, they are unable to say the same with regard to the Ministry of Labour. It is the fact of this efficiency on the part of the Trade Board officials that has guided the employers in the recommendations they make, that the whole operation and administration of the Trade Boards Acts should be centred at the Trade Board Offices with the present Trade Board staff and the necessary additions.

EDWIN J. WOTTON BUCKPITT,
Chairman of the employers' side of the
Rope, Twine and Net Trade Board and
of the Rope, Twine and Net Manufacturers' Federation.

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3365. *Chairman*: You are Chairman of the Employers' Side of the Rope, Twine and Net Trade Board?—That is so.

3366. You are also a Member of the Flax and Hemp Trade Board?—Yes.

3367. The Rope, Twine and Net Board is selected from members of certain associations which are concerned in that trade?—Yes, and outside members who are not associated with any associations, but the associations are federated in one federation.

3368. I think, since this Inquiry was announced, there has been a meeting of the associations representing employers?—Each one of the associations has held independent meetings, there have been two meetings of the entire federation, representing the nine associations, and then there was one meeting to which the whole trade was summoned, consisting of the associations, the federated members, and the members who were not connected with any association and consequently were not in the federation.

3369. That was a meeting held on 18th October last?—That is so.

3370. At that meeting, I think, you were selected to give evidence on behalf of the whole trade?—That is so.

3371. Have you also held meetings of the workers' side of the Board?—We have held two meetings of the workers' side of the Board. When I say the workers' side of the Board, that requires a little qualification; the two meetings were held with 10 representatives of the employers' side and 10 representatives of the employees' side who were appointed to consider the terms of reference of your Committee; so it is best to say that they were appointed by both sides of the Board. They were not the entire representation of the workers. The workers' side and the employers' side had appointed 10 representatives from each to confer and to see whether any point of agreement could be reached.

3372. Did you find yourselves in agreement on any point?—We found ourselves in agreement on many points, which I have embodied in the statement which I have sent to your Committee.

3373. We will take this statement as part of your evidence. You have made a careful statement of the main points, and you may treat it as being in and read by us.—Then I take it I shall be cross-examined on that statement.

3374. Questions will be asked you on the statement.—Quite so.

3375. You summarise the negotiations for forming the Board, and insist especially upon the view that the net trade should not be included in the Board?—Yes, I think that is fully contained in the statement which I have sent in to the Committee. I think it should be evident to the Committee that in the formation of this Board the net trade were never consulted and never considered; and it is on behalf of the net section of the trade that I have to emphasise that objection. The position is somewhat difficult in that in this Board, as I have endeavoured to show in the statement which you have, three, if not four or five, distinct trades were embodied in one Board without any consultation of the trade as a whole.

3376. *Mr. Poulton*: When you say the net trade were never consulted, do you mean individuals were

not consulted, or the association was not consulted?—There was no consultation either with individual net manufacturers or associations in the net trade, and the first intimation we had so far as the net trade was concerned, came by the courtesy of the British Hemp Ropemakers' Association, who had got to hear that the new Trade Board applying to the Rope Trade was going to be called the Rope, Twine and Net Trade Board.

3377. And, so far as you know, no one had a letter from the Ministry of Labour stating that they were going to widen its scope?—There was not any widening of the scope; that is as it was originally started. The Board has not been widened. This was the original Board, the Rope, Twine and Net Board. There was no widening of the scope, but that is the original Board as decided upon by the Ministry of Labour, and I am perfectly confident that no net manufacturer had any direct knowledge, or had been summoned to any meeting, until we applied to the Ministry of Labour for a conference.

3378. *Chairman*: I am told there are two associations in the net trade.—There is the Bridport Manufacturers' Association, which embraces the English end of the netting trade, although there is the name of a town tacked on to the association—it was so called because of the trade being located there very largely, but it represents the English net manufacturers—and then there is the Scottish Manufacturers' Association.

3379. The Bridport Association had not been formed when the investigations were being made locally?—One of my difficulties has been to find out when any investigations were made. When we attended at the Ministry here and protested, we were told that investigation had been made, but I am afraid they were years ago.

3380. I think you yourself have been seen?—Some years before I had been asked if it were possible to divide the twine trade from the rope trade, but there had been at that time no specific definition of a rope.

3381. Perhaps we need not go into this detail; at all events, you think that they were not properly heard or consulted?—Yes.

3382. Then you make a statement about the many meetings which you held and representations which you have made, which, I am afraid, did not lead to much?—They led to the formation of the Board.

3383. I mean, your representations did not lead to much?—That is so.

3384. Then there is a point about the beatsters; perhaps you will explain to the Committee exactly what a beatster is. They are female workers, are they not?—Yes, and there are some male workers whom we call lumpers as against the term beatster for the female worker. I have not specialized on the lumpers' side of it because they are a comparatively small body.

3385. Beatsters are employed by boat owners, are they not?—Yes, and by people who own net lofts in big fishing centres. At the end of the fishing season the fleet of nets is taken out of the boats, and if the owner be a big enough man he will have a net loft of his own, but if he is a small man he will send his nets to a man who has a net loft, where these nets are overhauled and the necessary repairs done in order that the fleet of nets which has been fishing for a season, and which consists of anything from 20 to 50 or 75 nets, may be thoroughly overhauled and repaired.

3386. Are all those repairs done in the lofts?—Yes.

3387. Are not some done on the shore?—Very few. On the south coast of England there are certain foreshore rights where the fishermen use the foreshore, but in the big North Sea herring fisheries the volume of nets is very big, and it would be necessary to do the work in lofts because the foreshore work would be subject to weather conditions. The beatsters' business is a business that is going on all the year round.

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3388. I gather that your feeling is that these beatsters ought to have come under the Board?—The history is rather a long one.

3389. I am trying to put it shortly, and that is the result of it, that these beatsters, you think, compete with the ordinary Rope, Twine and Net Trade?—They compete most seriously with the net people. A very big business has sprung up in taking disused fishing nets and turning them into garden nets, and nets for putting round tennis courts, and so on, and for various other things. Originally that was a netting trade, and there was a very big proportion of it done by *bonâ fide* outworkers in the netting trade; but now the beatsters, through not coming under the Board, are increasing their trade very largely and new businesses are being started for buying up old fishing nets and turning them, as we claim, into a practically new net for a new purpose by mending them up and selling them for use for garden nets instead of fishing nets, which was their original purpose.

3390. You consider it is unfair that that should be done at an unregulated rate of wage, while ordinary workers are regulated?—Yes, and the proof of that is that to-day practically the whole of the outworkers who are scheduled in the country are out of work, and have been for nearly a year, while the beatsters' business is an increasing one; in addition to which there are something like 12,000 or 13,000 women normally in this trade, and there are quite 13,000 beatsters who are outside it. The result is that you have the operatives penalised (and I say it advisedly) by a Trade Board, while you have a great number of women at the mercy of any wage any employer chooses to offer them.

3391. I suppose the opposition comes from the boat owners?—The position that the Ministry have taken up on the point is extraordinary, if I may say so. We were originally told that the beatsters would come under the Board: that was emphasised by our own appointed chairman, presumably in consultation with the Ministry. Following that we had a correspondence which has extended now over nearly two years, various definitions have been proposed, and the last bombshell we got from the Ministry here was that the fishing boat owners might object. But we had objected from the start, and our objections counted for nothing, while apparently, now the fishing boat owners' objections are strong enough to prevent justice being done.

3392. *Sir Arthur Pease*: Do any of the fishing boat owners have men who go to sea in the fishing season, and mend the nets during the other part of the year?—There would be very few, and in any case we should not class them as beatsters or lumpers: they would not be within the category. Those people who mend nets and go to sea, presumably, would be paid by the boat owners, and there would be very few of them, and they would not be included. What I am speaking of is a *bonâ fide* process of remanufacture. I will endeavour not to labour the point at all, but part of the trouble arose perhaps during the war, when the price of these nets got to such a very high pitch. As a rule a man would renew his fleet in three years, he took one-third of a fleet each year for three years, but prices got to such a pitch that it paid him better when he could have his nets re-made into garden netting, tennis stop-netting, and so on, to clear out the fleet, and a new business has grown up in beatstering or re-making and mending disused fishing nets.

3393. *Mr. Poulton*: You say that it becomes a serious competitor with you, and that it ought to be brought within the four corners of the Trade Board as well as the other?—If the Trade Boards for the trade are to continue, that certainly should be brought in.

3394. *Dame Adelaide Anderson*: Is it on the ground that they are employed by the fishing trade that they are excluded?—It is difficult to find out exactly the attitude of the Ministry, because they have shifted their ground a great many times. It is diffi-

cult to find out exactly what they mean. We have received deputations from the Ministry at the Trade Board and have discussed the thing until we are tired of it. At one time they say they are in the Board and at another time they say they are not. Then we are going to have the order amended so that they shall be included—but it will be noticed that we have never budged from the original position. This is an important point on which the employers and the workers on the Board have been unanimous ever since the Board started.

3395. *Chairman*: This conversion of fishing nets into garden nets and nets for other purposes is done, as I understand you, mainly in these beating lofts?—It is done in these big net lofts.

3396. By some big firms?—No, it has been done by a great many small firms which are now getting big. It can be done by any man. At present a man can take a room and buy 50 disused fishing nets, bring them into that room, put a lot of beatsters to work on them and turn them out as garden nets. He can do that in the centre of a town without coming under the Rope, Twine and Net Trade Board.

3397. Is it done by homeworkers at all?—In Scotland the bulk of it is all taken home, but in England it is done in net lofts or other buildings.

3398. Have you any figures comparing the wages that those people get with the Trade Board wages?—The last figures we had were supplied by Mr. McConnell on the trade union side of the Board, and he said that they were running in the Lowestoft district now at 18s. At that time our rate in the Trade Board for an unskilled woman was 36s., while to-day it is 32s.

3399. *Dame Adelaide Anderson*: Originally, I suppose, the name of beatster was applied to a worker working in the fishing industry?—That is so.

3400. And it got transferred to the workshops where they are making these new nets out of old ones?—Yes, so far as I remember, and I speak with 37 years' practical experience, there have always been beatsters in any fishing port of any size.

3401. Are you aware of the fact that beatsters as originally working for the fish curing industry by a decision of a court were declared to be unregulated by the Factory Acts?—That is so.

3402. There was a case taken to Court by the Factory Department?—That is so.

3403. That was a decision of a Court, not a Departmental decision.—Exactly. We raised that point when we were petitioning against the formation of the Trade Board, and it is interesting to note that we were told by the Ministry in this building that the wages paid to beatsters were one of the reasons, if not the main reason, why after their general inquiry they decided to apply the Trade Boards Acts to the industry.

3404. *Sir Arthur Pease*: What was the difference between the rates of the beatsters and the other classes of labour, before there was a Trade Board?—I should say that they were quite equal.

3405. There was no differentiation?—Not so far as we know, at any rate, competition from beatsters was not felt, and I should say, judging by the rates that we had in force before there was a Trade Board, that they were absolutely even.

3406. *Mrs. Lyttelton*: So that the rates in the rope trade were too low? You say that the beatsters are too low now?—No, one does not admit that the rates in the rope trade were too low; I am not admitting that they were too low. I am admitting that the beatsters were on a level with the Rope, Twine and Net Trade.

(After a short adjournment.)

3407. *Chairman*: I want to put one point to you about the beatsters of whom you were talking. You distinguish between those who are mending fishing nets as fishing nets, and those who are converting them into nets for other purposes?—Yes, most certainly. I was going to ask your permission to refer to the question which Dame Adelaide Anderson put to

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me on that, namely, that according to a judgment of a Court the beatsters did not come under the Factory Acts. We do not complain so much about that part of the beatsters' work which is *bona fide* work connected with the fishing boats and with the fishing boats only, but what we do say is that, owing to the existence of the Rope, Twine, and Net Trade Board a trade is springing up of mending and repairing those nets, and that is what we object to.

3408. That is what I understood.—That is our objection to this. As a matter of fact, in Scotland it would be very difficult to apply it to the whole of the net menders, because as a rule they do the whole of that net mending by taking it home; but this is a growing industry owing to the beatster or net mender not being included within the scope of the Board, and that is our main objection.

3409. Were you not mistaken in saying that the Ministry intended to include, or expressed the intention at the beginning of including the beatsters?—If you will allow me, I think I can find the full reference to that.

3410. I mean before the Board was formed?—May I refer you to my statement. What I say refers to an interview which we had at the Ministry. Mr. Besso, of the Ministry of Labour, stated to a conference of both sides, manufacturers and workers, that net menders were, in the opinion of the Ministry, included in the draft Order.

3411. Does not that mean persons who were converting fishing nets into nets for other purposes?—No, because we were very explicit all the way through that they had to be included. We should never have withdrawn our objection, which I understand was a valid objection, but for that.

3412. Your objection was that the persons who converted fishing nets into other nets ought to be included. That is the objection?—No, at that time we were dealing with beatsters as a whole.

3413. I understood from what you said just now that you did not raise much objection as regards the people who simply mended fishing nets for fishing purposes?—You will remember that the Board has been sitting nearly two years, and during that time we have learnt a great deal about different processes in different parts of the country. At that time we were dealing with the position, particularly so far as Scotland was concerned, with the boat owners; but at the time when Mr. Besso attended the Board we were insistent that all beatsters should be included within the scope of the Board.

3414. I daresay you were, but what I am putting to you is that you are mistaken in saying that the Ministry ever said that the one reason for forming the Board was the position of those beatsters in the proper sense, that is to say fishing-net menders?—I can only say that that is what we were told. My memory is quite clear on the point that we were told so.

3415. Then we must leave it there.—I point out in that same paragraph that Mr. Besso said that the Order should be amended so as to make these workers come under the Board. That was a definite promise made on the 7th July, 1919.

3416. I am told that that meant the net coverers, if I may so call them. You did not take the same view?—I should like to say that that has often happened, that a conference has been held, or a meeting of representatives of the Ministry of Labour and the Board has been held, and apparently both sides have gone away with a different definition of what really has happened.

3417. That does happen sometimes. Now we will go on. You tell us that the rope trade is a very ancient trade: I can well believe that. In fact, I think you trace it back to Egypt?—I do.

3418. Have you had any trouble hitherto in agreeing with your workers as to wages?—So far as we have been able to find out there has never been anything approaching a dispute in the industry.

3419. *Lord Weir*: In the net part of it?—No, the rope, twine or net.

3420. In all three?—Ycs.

3421. *Chairman*: Nets used to be made by hand entirely, used they not?—Originally the whole of the netting trade prior to about 100 years ago was a hand trade.

3422. Does net making by hand still go on?—Yes, there is a very large amount of hand net making now, in which it is estimated that there are something like 1,580 regular women workers on hand braiding.

3423. Do they work in these rope walks?—No, in their own homes. They are outworkers: there is very little hand net braiding done in factories.

3424. You have a photograph there, have you not, or some photographs showing some of these smaller rope walks?—Yes.

3425. *Dame Adelaide Anderson*: Is not the hand net making chiefly done in Dorsetshire?—Yes, and in Scotland. These are the photographs (*some produced*), and they perhaps need a little explaining. These are two rope walks in the Peak District of Derbyshire, where they work in caverns. There are no factories there at all, but they are the actual caverns, and they have been running for over 250 years.

3426. How are they lit?—By ordinary oil lamps. They have been in the same family for 250 years.

3427. *Lord Weir*: Have you any foreign competition?—We knew nothing about foreign competition at all in the Home Market Net Trade until this Trade Board came in.

3428. *Chairman*: These other photographs are of sheds more modern, are they not?—Yes. My idea was to show the country districts in which a great many of them are situated, and I come to that again under the heading of wages, the agricultural rate and the country rope makers' rate, in my statement. There is an interior view of one rope walk, with a small body of employees, but unfortunately this manufacturer got his employees to dress up in their best for the photograph. I would rather have had that photograph in their working costume.

3429. *Sir Arthur Pense*: What are the ropes doing as they go through a long shed like this?—The yarn is laid down the shed and the ropes are made coming up through the shed. You get a length of yarn, then it is made into a strand, and then from a strand it is made into a rope. I produce a sample of rope which will perhaps illustrate that. Here is a sample of rope which consists of three strands. (*Examined.*)

3430. You have handed in arms of the Guild of Ropers?—They were on Tyneside and were established about 500 years ago, as far as the records go. *Hutchins'* History of Dorset records that seven ropers left Bridport to go to Gt. Gidding-on-Tyne to start the roping industry in 1588. I see it reads, "Let Hemp bind those that Honour won't," so you can imagine how shocked we were when we had a Trade Board put on us.

3431. *Mrs. Lyttelton*: When was the order for halters for hanging given to Bridport?—I think about 1500. I think it is on the Bridport Coat of Arms. "May he be stabbed with a Bridport dagger" is the version.

3432. *Chairman*: The date of the Charter is 1253?—Yes, and tradition says that we held it from King John's time. At any rate, we have an established Charter from 1200.

3433. The Bridport dagger is a dagger of rope?—The Bridport dagger means the halter with which a man was hanged.

3434. You have some suggestions to make for amending the Trade Board Acts, and you say if those amendments were made it would be possible to work them, as I understand. Let me go, first of all, to the constitution of the Board: what do you say about that?—On the point of the constitution of the Board we are in agreement with the workers' side of the Board that the principle of appointed members should be abolished, and we further agreed that the Board, always assuming the Board continues to exist, should appoint its own Chairman by agreement.

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3435. Would that be a Chairman from outside?—We hardly went as far as that. There is a difference of opinion as to whether it would be possible to take a man from the trade. At any rate he should be a Chairman appointed by the Board and not an appointed Chairman.

3436. Would you give him a casting vote?—We would give him a casting vote.

3437. Then I think the workers suggest assessors?—The workers apparently had the idea that in Admiralty cases the judge has two admirals, I believe, to sit with him as assessors.

3438. They may be admirals or captains?—Yes, or captains; and the workers' side had the idea that there might be two practical men in the industry, one from the employers' side and the other from the workers' side, who might sit as assessors.

3439. They would be chosen from outside the Board?—Yes; but we consider that there would be great difficulty there, because presumably the assessor would have to be a man who had retired from the trade, otherwise it would be difficult to get rid of the idea of bias.

3440. And after all the whole Board are assessors to the Chairman?—That is so.

3441. *Sir Arthur Pease*: I presume the idea of that is to deal with points that are not quite clear from the evidence, upon which you want to get a little technical information?—That was the idea of the workers' side. We on the employers' side do not think that is necessary.

3442. *Chairman*: Failing agreement, what do you suggest?—Failing agreement, the employers' side of the Board consider that having the Industrial Court established on which they understand there is a panel, industrial matters could be referred by the employers' side to that Court, so that if a deadlock were reached we could go to the Industrial Court and state both sides, their decision being binding just in the same way as one would go to arbitration.

3443. Would it not be the same thing if you had a Chairman with a casting vote, as if the Industrial Court were to decide?—We are in this difficulty: we have already a Chairman, and suppose we are anticipating trouble the Chairman hears both sides, but both sides may take up a position that the Appointed Member or Members cannot follow. If that is so, nothing happens. We are assuming that something of that sort might happen, and then we suggest, in order to safeguard the position, that we should go to the Industrial Court.

3444. I understand your suggestion, but would it not be much simpler to have a perfectly independent Chairman with a casting vote, who must give his vote one way or the other?—We have not found this operate with the Appointed Chairman who may take up the position that he will not give a vote either way.

3445. Has that ever happened?—It has happened on the Flax Board, of which I am a member.

3446. It is rather a heavy undertaking if we are going to have the Industrial Court giving decisions in the case. It means that the Court has to be informed of the facts, and it means calling evidence and so on, at a very great expenditure of time and money?—We do not accept that. In the ordinary procedure of a Trade Board the whole matter would be thrashed out on the Board, and there could then be short concise statements of the facts submitted by both sides to the Industrial Court. We have never considered the idea of calling evidence. Our idea was that the two Chairmen, one from one side and one from the other, would merely state the case.

3447. That is really arbitration?—We imagined that the Industrial Court was for that purpose.

3448. *Sir Arthur Pease*: Do you mean to say that the Chairman of a Board cannot suggest a middle course but he has to give his casting vote either one way or the other? Suppose he considers the employers' proposal unreasonable, and the workers' proposal unreasonable, must he vote for one or the other?—He has no power under the Act to take a middle course.

3449. He is only one, and unless he can carry one side or the other on his middle course, he cannot do it?—That is so, and that is where the unfortunate deadlocks arise. That is the whole trouble.

3450. Is he not an arbitrator?—I am speaking now of the case of our own Chairman. He says he is not an arbitrator, and he lays it down very strongly. He says he is merely foreman of a jury, and that we have to convince the jury. I claim, as I have said, that a jury has to give a verdict, but he says no; and therefore you get what has almost reached the pitch of an eternal trafficking to and fro; you come back and you re-state your case to your appointed members, who have not the power to take a middle course, and say, we decide so and so.

3451. *Chairman*: Do you want the Industrial Court to have that power?—That is what the employers' side authorise me to say. We would go to the Industrial Court.

3452. You would give the Court power to give such decision as they liked?—I would give the Court absolute power. Suppose there were a difference of, say, 2d. an hour between the employers and the workers, if the Industrial Court said, "We will make it 1d." or "We will make it 1½d." I would give them that power after both sides had stated their case; but not for one moment do we anticipate calling evidence or anything of that sort: there would simply be the Chairman of each side to state the case.

3453. Are your employer members all working employers?—We have not a representative of the trade who is not a working employer; in fact, I do not think there are any employers in the Rope, Twine and Net Trade who are not working employers daily engaged in their business.

3454. Does the same thing apply to the workers' side of the Board?—On the workers' side of the Board I think we have seven Trade Unions represented, and there is a tendency to get over-representation by Trade Union representatives. We on the employers' side ask that there should be a limitation of 25 per cent. of the workers' side of the Board's Trade Union officials. We submitted that to the workers, and I got accused of gross impertinence for dictating such a thing.

3455. This only comes from the employers' side then, of course?—That is so; but I would point out that we did reach an agreement that in constituting any Trade Board care should be taken to see that both sides of the Board consist of a satisfactory number of members actually engaged in the industry. That is the vote of the employers and the workers; so it is only a small point.

3456. It is a question of proportion really?—Yes. We are under agreement that there should be a correct proportion but on the employers' side they are all working employers.

3457. *Lord Weir*: Have you many non-Unionists in this trade?—I can only say that I have endeavoured to get from our Trade Union representatives on the Board what proportion of our trade they consider they have in their Unions, and I never have succeeded in getting it; but I should say that very few in the trade are in Trade Unions, in the country districts particularly. The difficulty, of course, is that if you had one Union governing the industry you would not have much trouble possibly, but where you have a great many Unions which have nothing in common, there is difficulty. For instance, in a country district in Somerset the workers are linked up with an Agricultural Labourers' Union, while in London we get a representative of the Dockers' Union sitting on the Board, and a woman representative of the National Union of General Workers.

3458. The reason I asked you that is because you say that the workers' side of the Board had flatly declined to sit with a non-Union man.—That is so, they will not.

3459. Then it would be difficult to get adequate representation if you had a large number of non-Union members?—It is impossible to get it. I did

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not know you had reached quite so far as that in my *précis*, but I should like to be allowed to state that case clearly. In the case of the employers' side the Ministry have always insisted that notwithstanding the fact that we have all these Associations and Federations, outside manufacturers must have representation. The Ministry selected them without telling the Board anything about it, and without asking us. Those employers came and we naturally welcomed them. We asked the Ministry if they would not see that non-Union members were represented, but the workers' side would not have it. A non-Union worker got on the Board from Hull; she was a very capable woman, a woman who from the start showed that she knew her work. She sat twice; the matter got talked about, and at the next Trade Board meeting I challenged the Chairman of the workers' side of the Board to know why this woman was not attending, and he said that they were not going to sit with her and they were very sorry they ever had. They found out that she was a non-Unionist.

3460. She had been appointed by the Ministry?—That did not matter; she could not sit because the workers' side will not allow her to do so, and they take up that position to-day, so we have no representation of what might be some of the very best class of workers that we have who happen to be non-unionists.

3461. *Chairman*: Had this lady of whom you are speaking, who had been sitting, been nominated by a union?—No, I understand that she had been nominated by an employer who was complaining that the outside firms had not got any of their representatives.

3462. Is there not also another lady member who is not nominated by a Union?—Do you mean on the workers' side?

3463. Yes.—No, she is a unionist, the woman representative of the home workers, a Miss Spiller.

3464. You say she is a unionist?—Yes, most certainly. I had no idea that that would be mentioned, but now that that case is mentioned I may say that two or three names were put forward of non-unionist workers who were far better representatives of the out-workers' section of the trade, which is the worst organised section of the trade, than Miss Spiller; but the Ministry sent down and inquired into the position, and they selected her on the spot because the Union put her name forward. She is distinctly a member of the National Union of General Workers. I guessed her name right away if I am correct in my surmise. You may take it, and I say this quite distinctly, that there is no non-unionist representative on the workers' side of the Board, and the workers' side of the Board have specifically said that they will not have it.

3465. You have dealt with the appointed members?—Yes.

3466. *Sir Arthur Pease*: You do not know the proportions of the trade unionists and non-unionists?—The only possible way in which you could get that would be from the trade unionist representatives on the Board, and their officials; and I have tried all I know to get the information, but cannot get it.

3467. But you consider that there is a large proportion of workers outside the unions?—I am certain there is.

3468. *Chairman*: Now we will pass on to the district committees, which you deal with in your evidence. Have you any district committees in the rope trade?—I am afraid it has been an impossible task in the time at your disposal to run through this statement.

3469. On the contrary, I have read it carefully, and most of us have.—I am honoured: I could not get it into shorter compass, I am afraid. With regard to the district committees, we withdrew the valid objection which the net end of the trade had made to the formation of the Trade Board on the distinct promise that we should have two district committees for Scotland and one for England. That did not come to anything.

3470. The English one would be for Bridport and district, would it not?—Yes. In the Bridport district not only had we good organisation on the manufacturers' side, but we had local agreements with our workers on all points which the Trade Board afterwards covered.

3471. *Lord Weir*: Did you not obtain these committees?—We had no possibility of obtaining them.

3472. Why?—I want to make it perfectly clear that we had lodged a valid objection to the Act being put into force; that means to say there would have had to be a public inquiry; we withdrew that because we were assured in this building that we could as a matter of course have district committees. We were not conversant with the Act or with the working of it, but we accepted that, and then at the first meeting of the Board, after the opening of the proceedings, I quoted the promise that had been given to us, and the Appointed Chairman said that the matter of district committees would be reached later, but our business was to apply a minimum wage.

3473. *Chairman*: Before you get to that, you said you were distinctly assured that there would be district committees: were you not told that the formation of district committees would be a matter for the decision of the Board when established, but that the Minister thought there would be little probability of the Board refusing consent to the appointment of district committees?—We were certainly told that it would be a matter for the Board, but we were led distinctly to believe that it was only a question of our applying and that the Board had never been known to refuse a district committee. Those are the exact words which were used to me personally at that conference in this building.

3474. I was quoting from a letter which was written on the 5th July, 1919: "I am to add that the formation of separate district committees in the Bridport area would be a matter for the decision of the Board when established, but in view of the position obtaining in that area there would seem to be little probability that the Board would refuse to consent to the formation of district committees."—That is so. That was a formal letter following the conference, and the point was emphasised at the conference that the idea of there being any difficulty was simply absurd. There could not be any difficulty.

3475. That letter is quite clear, is it not?—Yes, but I point out that that letter followed the conference, and we had gone back to our constituents with our report of the conference.

3476. Did you object to that letter as not representing what had happened?—We objected to that letter at the Trade Board meeting following, and we have laboured on the district committee matter right through.

3477. At all events you applied, and at the first meeting you say the matter was postponed?—Yes. May I point out that the only possible advantage of a district committee on the formation of a Board would be in the differentiation of the rates, but the Chairman ruled that our first business was to pass a minimum rate.

3478. *Lord Weir*: Did you persevere? Did you raise it again at the next meeting?—Yes, we again raised it at the next meeting.

3479. What was the objection that time?—We were told then, "If you can do this, go back to your own particular district and see what can be done." We went back to our particular district, and had a local meeting of the workers and the manufacturers, at which we not only drew up a scale of wages, but we drew up a scale of the different degrees of skill in the trade for the first time in the history of the trade; and we came back with absolute unanimity in that district to the Board. The Board said, "Capital. Good work done: now we will proceed as a Board, and there will be no necessity for you to have any committee, because we will adopt your plans," and the Board graded at this

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second meeting (I think it was) the trade for the country, and the rates applicable, practically on the decisions at which the local conference had arrived.

3480. *Chairman*: So you got the benefit of a district committee?—We did not get the benefit, because we were unable to get a different rate: we could not get a different rate from the country districts as apart from the towns or the cities, because when we went back we had only a flat minimum rate for the whole country to build on, and we built on that.

3481. Do you still think that district committees should be established?—So far as Trade Boards are concerned, our considered judgment is that district committees are useless: they are unworkable under the Act.

3482. Why is that?—First of all, there has to be agreement, and the workers in no circumstances will entertain district committees. Notwithstanding the arrangement that we were able to make in that particular district, which worked without a hitch for 18 months, when we again approached our workers and asked them whether they would put forward another arrangement which would bring up the district arrangements similar to the one which had worked very well for 18 months, we were told that the workers had now decided that they were going to think nationally, and would not for a moment entertain districts; and we have never been able to get the workers' side of the Board to consider districts. We found that even if we had districts it would be simply a waste of energy, because you would have Trade Boards with an appointed Chairman sitting in districts having to go over the whole matter again when it got to the main Trade Board, being unable to do anything, having no executive power. A district committee under the Act, as we interpret it, would be merely an advisory committee for that district reporting to the main Trade Board. The whole matter would have to be gone over again, and it would be quite competent for the Trade Board to reject any suggestions put forward by a district committee?—That is true—if it is not outside the evidence at the moment, I may say that I am a member on the employers' side of the Trade Board which sits in Edinburgh, where the employees distinctly said that they would sooner accept the proposition which was then on the table of *ad. an. hour less*, provided the employers would scrap the idea of district committees.

3483. So we may put that aside?—I think you may put the question of district committees aside, as the Act stands at present, as absolutely unworkable in the Rope, Twine and Net Trade, though we consider that there should be a differentiation between the towns and cities and the agricultural districts pure and simple.

3484. We shall come to that later?—Yes; but that cannot be got by the district committees.

3485. *Sir Arthur Pease*: That differentiation would be made by the Central Board, do you mean?—The Trade Board itself would have to agree it, but the principle at present has not been adopted, I think, by any Boards, for the simple reason that as a rule the so-called minimum has been too high.

3486. *Chairman*: I believe it has been adopted by at least one Board.—I am sorry, I did not know that.

3487. I mean differentiation as between London and country towns?—Was that done on a population basis?

3488. I believe so.—Then I did know it, but that is comparatively recent.

3489. About a year ago?—Yes.

3490. Then you do think, I gather, that there might be a division into sections?—We have nothing in common in the rope trade, the twine trade, or the net trade; there is nothing at all. We are a body of employers and a body of workers with no interests really and truly in common; but there are a great many firms which do a little of each, and that is the main trouble. So far as the rope trade, pure and simple, is concerned, there is no connection with the

twine trade, and the netting trade is absolutely remote from either.

3491. If you had a division, would you not have three rates, and have different rates in the same factory sometimes?—We have an idea that if we were left to manage our own business we could arrange that quite satisfactorily.

3492. When one is considering dividing into sections, one wants to know how you would get over that?—There is an important section which is also harrassed by the result of there being wire rope made in the same factory as this manilla rope. That does not come under the Board.

3493. I am not sure that you are right about that.—If wire rope is made in the same factory it does not come under the Board. May I read the definition.

3494. *Dame Adelaide Anderson*: Do you mean that the factory does not come under the Board?—The rope end of the trade comes under the Board, but the wire end does not.

3495. *Chairman*: I have the Order here, and it says "Excluding the making of wire rope, unless made in the same factory or workshop as hemp or similar rope," so it looks as if by the terms of the Order wire rope when made in the same factory as other rope does fall within the Order?—Yes, I am sorry, I am wrong there.

3496. I know it because we had it out, the other day, from another witness.—I am afraid I got wrong there, and I am sorry. They are different processes.

3497. We have had complaints from many quarters that you sometimes get three or four different rates operating in the same building, and that produces confusion and dissatisfaction, as one can quite understand. I suggest that if you had three rates for rope, twine, and net, you might have a similar grievance?—We do not say that there would not be difficulties, but we think that there would be less difficulties than there are at the present if that were possible; but it would only be possible, I would remind you, provided our recommendations were carried out. In existing circumstances it could not be done, but if we could be the governing body in the trade—you will remember we have been studying this matter on the employers' side very carefully—if we could be the governing body in the trade we think we could see our way clear to form a rope section, a twine section, and a net section.

3498. You would have to make some special rule governing the cases where two or more were combined together?—Yes, and that could be done provided we were a governing body suitable to the district concerned, but it cannot be done at present, because we have a flat rate for the whole country. It might be that we could agree on a rate for a composite factory embracing all three processes, possibly.

3499. You would have to consider which was the prevailing trade, or something of that sort?—Yes. We had an idea that the bigger end of the trade would govern the other proposition. We have carefully worked out that scheme, assuming that we were the governing body.

3500. Now let us pass to the methods of altering the rates. You say the period allowed for objections creates difficulties?—The period that is allowed for objection we consider should be wiped out altogether, and we have the agreement of the workers' side with regard to that.

3501. Do you say it should be wiped out altogether?—In actual practice the objections amount to nothing. I am speaking quite seriously, after two years on our own Board, and I say the objections amount to nothing.

3502. *Lord Weir*: Do you apply that to old rates and to new rates? Do you mean the fixing of first rates, and also variations in the rates? Would you wipe out that period for objection altogether?—Yes, I would wipe it out altogether. It is a physical impossibility to consider objections at the rate that some Boards get them; it could not be done. They run into thousands—not on our own Board.

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3503. *Chairman*: If a rate is so objectionable as to produce thousands of objections, would you be quite wise to confirm that rate without giving a chance of objection?—If a Board were properly constituted of proper representatives properly selected from the branches of the trade, and if the Board were the governing body for the industry with full powers, the Board should be capable of fixing a rate for the industry.

3504. We are dealing with unorganised trades. The Minister has to do the best he can in choosing persons to represent the two sides, but still he cannot get people to represent everybody, and there may be thousands and thousands of people who do not consider that they are represented on the Board. In those circumstances it is quite right that they should be bound by the rate without being given a chance of objecting to it?—I would only point out that in our own trade alone, if that were definitely to go forth, it would be quite possible to hang up a rate for years. It could be hung up almost indefinitely.

3505. But still, you must meet the point that it is rather hard on both employers and workers to be subject to a rate of which they have heard nothing, and to which they have not had a chance of objecting?—The whole thing is hard. It is hard to have a rate put on a trade which we claim is not an unorganised trade.

3506. I dare say it is, but we are now dealing with the question of machinery. We have got to that point. I could understand your saying that the period for objections ought to be shortened, for instance, that the time for objections should run from the moment when the rate is proposed, and not as it is done now from the moment when notice reaches everybody?—From the date of the notice of the proposed change.

3507. I quite see that, but if you propose to alter a rate, then you must give sufficient notice of the rate which is decided upon by the Board. It comes to the same thing—to run from the date of the proposal. That would, of course, shorten the time very much, and you might allow a less period than is now allowed, but as to abolishing objections altogether, is not that rather a serious thing to do?—We think not. The workers' side of the Board are in agreement with us in thinking that when a rate is passed by the Board by agreement, it should come into force forthwith. We suggest that it should be within a month, because it would take that long for printing, and so on. But may I point out that we have a very grave case of postponement of a rate in consequence of objections: that was the case of this 10½d. rate. There was a certain class of workers who came under a Munitions Award who were largely on one side of a factory, and there were workers on the other side of the factory who did not. The first lot of those workers had been brought under the Munitions Award of the 12½ per cent., which was afterwards confirmed by an Award of the Interim Court of Arbitration No. 410. It seemed that when the rate was fixed by the Rope, Twine, and Net Trade Board at 8½d., the workers under the Award who had been given 10½d. would drop too suddenly, consequently we said we would continue the 10½d. rate for four months, which four months would have expired, I think, in December, 1920; but the Chairman of the Board said, "No, you cannot make any arrangement of that sort; you cannot do it; there will have to be a new notice of proposal to vary." We debated the matter for a whole day, and eventually we had to give in, and a new notice was issued. This is one of the difficulties of conducting any business under the Trade Boards Acts, and really when it comes to applying business principles you are entirely at sea. Here was a body of business men and a body of workers in the trade who loyally agreed round a table that for four months they would continue to pay a certain class of workers 10½d. an hour, whereas the Trade Board had laid down a rate of 8½d. Any ordinary business man

would enter into that arrangement with his work-people, and the thing would be loyally and honourably kept to; but under the Trade Boards Acts the machinery, to say the least of it, necessary to legalise a small, every-day business operation of that sort is stupendous. The Chairman ruled that it was a notice of proposal, and the notice of proposal was issued; and what is now known as the famous R. 14 form in the trade distinctly sets forth that for certain classes of female workers who are employed on certain processes specified in the Rope, Twine and Net Trade Order it is a proposal to vary their rate for a period of time, namely four months. A notice of proposal somewhat in that form went out in my own Federation. It may apply to a very small proportion of workers, but in these trades, when it is so essential to get industrial harmony, I point out to those members of the Committee who are conversant at all events with factory life that the woman who was getting 8½d. immediately she saw that would say, "Well, I am 2d. an hour up." She did not stop to consider whether she was one of the special workers or not. This notice was posted as a proposal and taken as a proposal, and we had to call the attention of the Trade Board seriously to the fact that we had protested against its being issued as a proposal, but the Chairman had insisted, and it went forth, and now it was not clear that the only workers affected were those workers who had had that Award No. 410 applied to them. A pamphlet similar to this had to be issued pointing out that there was evidently a misapprehension amongst the workers, and that the only workers affected were such as came under that Award and so on in those factories.

3508. *Sir Arthur Pease*: By whom was that pamphlet issued?—By the offices of the Trade Board.

3509. *Lord Weir*: I have not followed this very well. As far as I understand it, you had a Trade Board rate of 8½d., and some other private arrangement with a section of your workers covering a 10½d. rate for a period of four months. The Trade Board rate is a minimum, so could you not have made outside the Trade Board some arrangement to pay 2d. extra to the people who were under your other agreement? The only legal rate was 8½d.?—May I point out that when the first Trade Board Notice went forth it read: "Without prejudice to any workers who are earning a higher wage," and may I go a step further. The notice read: "Without prejudice to workers earning a higher wage than the fixed rate of 8½d.," and there were already some workers under Award No. 410 who were getting 10½d. When that Award expired, which I think was in October of last year, they would automatically drop under the Trade Board to 8½d., failing any agreement. At that time there was a great element of suspicion in the Trade Board because we had not got to know one another, and we wished to legalise that 10½d. for four months.

3510. *Chairman*: When you say legalise it, you mean to make it compulsory on all the trade?—And thereby to legalise it.

3511. At any rate, legalising a private agreement by making that arrangement compulsory?—We wanted to make that rate compulsory on the trade. It was hung up for months and months, and finally, instead of its expiring in December, as we wanted it to, it did not expire until April, 1921. I want to point out not only the great trouble, but the suspicion that that created, because in April, 1921, we had just reached the end of 18 months' agreement of three 6-monthly periods, each one advancing, which expired in April. We had wanted that 10½d. to expire in December, 1920, but instead of that it expired in April, 1921. Our application for a reduced rate coming in in April, 1921, brought the 10½d. workers down bump as compared with the 8½d. workers, and we had wanted to benefit them by making it in two steps, December and April; but instead of that those who were getting 10½d. came down right away instead of having two slighter drops, with the

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result that in the Liverpool area to-day we are in the twenty-eighth week of a very bad strike, the worst strike that I have ever known in the history of the trade prior to a Trade Board being brought in.

3512. *Sir Arthur Pease*: Is not the rate below 8½d. now?—Yes, but my point is that the drop of these people who had been under Award No. 410 would not have been anything like so much if they had come down in the two steps at December and April.

3513. What is the rate now?—For the lower grade women it is 8d. There was only a 2s. drop.

3514. You have got a strike in this trade?—For 28 weeks there has been a strike in the Liverpool rope-making trade. There are three large firms mainly concerned, and every effort to bring about agreement has failed. I heard yesterday that it is possible that the services of the Chairman of the workers' side and my own may be required at a final arbitration, but up to now we have not been able to bring the employers and the workers together.

3515. Is it a strike against the decision of the Trade Board?—Yes, it is a strike against the decision of the Trade Board. The past history of the strike is that owing to that 10½d. rate running on until April when we had wanted it to expire in December, the Liverpool Trade Union representative on the Trade Board came into a conference as to a reduction of wages and flatly said that whatever we decided about the reduction he was going to keep his people up to the rate that they had been getting, namely, 10½d. The result was that although we arrived at an agreement by a majority as between the employers' side and the workers' side, he left the meeting and went straight back to Liverpool, and before the proposals for the new rate were considered he had called a strike, knowing that those proposals looked like going through.

3516. *Mr. Layton*: One question with regard to that 10½d. I suppose if you had not had the 10½d. rate made legally enforceable by the Trade Board you might have got certain firms giving it and others not giving it?—Our impression was that the moment we arrived at agreement on that Board we should have recorded this on the minutes, and that would have been sufficient.

3517. Do you think the firms would have loyally abided by it?—The whole of the firms paying that 10½d. were on the Board and they agreed to it with the workers. I do not think there were any firms which would not have paid it. I put it to the Chairman, might we record this on the minutes as an ordinary business transaction, and he said No, we must issue a notice of proposal.

3518. *Chairman*: There is nothing to prevent you paying higher wages. What he meant was that you could not make it a Trade Board Order unless you went through the Trade Board procedure.—It is extremely difficult for business men to adopt methods of that kind. At any rate, we were not allowed to do it.

Chairman: You were not prevented from paying the wages, but you were not allowed to treat it as a Trade Board Order.

Mrs. Lyttelton: You had to treat it as a Trade Board Order.

3519. *Chairman*: I mean you were not allowed to treat the agreement as a Trade Board Order without going through the proper steps?—That is so.

3520. *Sir Arthur Pease*: Was there any question about the price you would get for your material if it was not sanctioned by the Trade Board?—I do not think any question of that sort arose at that time.

3521. You know what I have in my mind, do you not?—Yes.

3522. Certain prices were fixed for materials according to the wages?—That was not in my mind at all.

3523. *Chairman*: Have you something to say about minimum and standard rates which you could put shortly to us?—Yes. Our experience is that the rates which are fixed now are not minimum rates in the accepted sense of the term; that is to say, if you fix a flat rate for the whole country, unless that flat rate

is fixed low enough to enable one of the worst equipped and worstsituated factories in the country to pay that wage it must of necessity pay a wage which becomes more or less a maximum or a standard rate. In our own trade it has become, I am rather inclined to think, a maximum. We are in this difficulty, that at the present moment in all country districts throughout England you have an agricultural rate of wage on a 50-hour week of 36s. or 38s. by agreement. The photographs which I handed in, I think, will be in your memory. On one of them there is a hedge shown, and on one side of that hedge there may be a man earning 36s. for a week of 50 hours. It is in the middle of a country district, and it may be taken as typical of hundreds of little rope factories throughout the country. On one side of that hedge there is a man working 50 hours a week for 36s. or 38s., which, by agreement with the farmers, is the agricultural rate, while the minimum, that is to say, the compulsory rate, of the Rope, Twine and Net trade up to the 14th November was 60s. for 48 hours' work, and not 50 hours. The rate has now dropped to 52s. as from the 14th November, but up to the 14th November our minimum for the Rope, Twine and Net trade was 1s. 3d. an hour, or £3 a week of 48 hours.

3524. *Lord Weir*: In making that comparison do you suggest to us that if they had a Trade Board on the same lines as your Rope, Twine and Net Board they would not have fixed a 36s. rate, but they would have had some higher rate?—Judging by my experience on the two Trade Boards on which I sit, I do not think it would be possible to suggest anything of the kind. I think the Appointed Member would immediately have said, "I am not entertaining such a rate at all."

3525. *Chairman*: Such a rate as 36s.?—Yes, such a rate as 36s. or 38s.

3526. *Lord Weir*: It would have been more?—It would have been infinitely more under any Trade Board system.

3527. *Chairman*: Is there any great difference between the cost of living of the agricultural worker and the cost of living of the rope worker?—So far as we can get the evidence, it is generally accepted that one lives considerably cheaper in a country district than in a city. As regards housing alone, it would cost very much less in the country. If you take rents in London, the average to-day would probably be about 18s., and I think it may be safely said that there are not hundreds, but thousands of small country cottages occupied by ropemakers in the country which range from 5s. to 5s. a week, or from 7s. to 8s. a week at the most in small towns.

3528. I am comparing the 52s. with the 36s. Would the cost of living of the man with 36s. be substantially less than that of the man who gets 52s.?—They are living side by side. The whole of the country ropemakers' labour is recruited from the agricultural labourer class.

3529. Then if the rate is fixed on the cost of living it should be the same, or nearly the same, as that fixed for the agricultural labourer?—Yes, but I cannot find that a Trade Board rate is fixed on the cost of living. We have had from our Appointed Chairman a series of figures in which he has interpreted or endeavoured to interpret the sovereign of to-day as compared with the pre-war sovereign; but in ordinary business usage that cannot be done. The purchasing power of a sovereign in one household is very different from what it is in another, and in the country districts it may be taken that the agricultural rate is the rate which is, practically speaking, applicable to whatever little industry is situated in that country district. In the bigger towns the rate is governed by the bigger businesses. For instance, on Tyneside the rate payable will be governed more by the wage that is being paid to the ship worker in the shipyard, and you get the same thing in the Liverpool district and in the Milford Haven district, and the rate of wage in a rope works placed in Birmingham will be governed by the rate of wages in the biggest industries in Birmingham. It is, therefore, quite clear that the rope

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workers in a country district will be governed by the agricultural rate of wages payable in that district.

3550. *Mrs. Lyttelton*: Is the agricultural rate quite a fair comparison, because it is very often mixed up with other things, sometimes houses, sometimes milk, vegetables, and all sorts of things which come into the rate, so does not that prevent it from being quite a fair comparison?—I would not in any shape or form put forward a suggestion which would not bear the strictest investigation, and I do not think it is unfair to say that the average country rope-makers' employees would certainly get all the advantages that an average agricultural labourer gets.

3551. So you think that your parallel is a fair one?—Yes, it is, for this reason, that in most country rope works the employers, in my experience, before the Trade Board rates came in, had always managed to find odd jobs for the men, when bad weather stopped their working, in the same way as a farmer would for his men; but now our experience of the last two years has been that in those works in bad weather the workers are simply laid off, because where a man could have paid a wage of 35s. or 36s. a week he cannot afford to pay 43s.

3552. *Dame Adelaide Anderson*: What proportion of the industry is in the country? Is it only a small fraction?—It is very difficult to say exactly, because of the scattered nature of it. I have a Bradshaw map here which I have ruled off, giving the number of firms under the Trade Board in different counties, and if I run through this perhaps it will be helpful. I show here the actual number of firms and the counties. (Same handed.)

3553. *Chairman*: We want to get to the bottom of this, and you are giving the best information we have. Did you say the rates are not fixed according to the cost of living: by what are they fixed on the Boards on which you sit?—The history of rate fixing has been that a rate has been put forward by the workers' side: there has been no reason given why that rate has been put forward, or at any rate I have never heard a reason given.

3554. When you come to argue about the rate what reasons are given?—From the workers' side it has been that they have taken certain rates. You can rarely pin them down as to exactly why they have put forward that rate as a rate. Then you get a certain number of weekly budgets showing what it costs to keep an average working man's home going. We had that in this instance which I am going to give now, where they put the rent at 18s. for the Millwall district of London. On the employers' side you have put forward what the trade can stand. When it comes to the cost of living, at the present time you will fully appreciate how extremely difficult it is to talk in terms of the cost of living, when you remember that for the past 14 months in this trade two or three days a week has been the utmost that the trade has been working. I am perfectly convinced that there is not a firm in the trade that has made a profit in the last 12 months. That is a serious statement to make, and I make it knowing the responsibility I am under.

3555. You make that statement for the purpose of showing that you must take not only the cost of living, but the profits of the trade?—The profits of the trade, and what the trade will stand, bearing in mind the competition which the trade has to meet. This trade, so far as the twine and rope end of it is concerned, up to comparatively recent times so far as the home market was concerned had competition from Germany and from Belgium in yarns, twines and ropes, but had not a great deal of competition as regards nets. It is a trade that has a very large amount of export trade. In the netting trade I think I am right in saying that something like upwards of 75 per cent. would be export. Those markets were lost during the war: we lost Australia, New Zealand, and the Southern Seas, because we could not ship, and Japan got the trade. We had the vast fishing in the North Sea, and in Iceland; and the salt cod which has been stored in Iceland, which was usually sent to Germany and Southern Russia, is there still to the tune of nearly two years' stock. Newfoundland and Canada are in identically the same position.

Newfoundland, so far as her stocks of cured fish are concerned, is in a worse position than she has ever been in in her history, and she is our oldest Colony, so it is a serious thing to say about her. The Russian and German markets are entirely closed so far as the cured fish trade is concerned, but they are entering into serious competition with the netting manufacturers in this country, and for the first time Dutch nets are being sold in the Lowestoft and Grimsby districts within the last three months. Orders for *bond fide* export are leaving our manufacturers and going to Germany and France. The rates of exchange are such that it is no good talking about them, and we claim that it is no good talking about the cost of living. The point is that we have lost our export trade as a trade, and we say that the rate laid down under the Trade Board has been a contributory cause of that loss. When we come to agree rates of wages, we want to approach it from the point of view of re-establishing a trade which is one of the oldest trades in the Kingdom, and I say frankly to-day that if we went to a Trade Board and suggested an agricultural rate of wages the Appointed Members would say, "We are not going to consider this."

3556. *Dame Adelaide Anderson*: To go back to the proportion of the trade which is alongside agriculture, I gather from that map that it is an insignificant proportion, because the majority are in the big towns in Counties such as Lancashire, London, Yorkshire, and so on, and there is a very small proportion alongside the agricultural workers?—Those that are in Lancashire are spread over quite a big country area, and in the West we have them spread right through Dorset, Somerset, and Cornwall, missing Devonshire, where there is very little. It is a comparatively small number compared to the whole.

3557. The great bulk of them are in towns, are they not?—They live all the way down there. You will find little country rope-makers in the neighbourhood of Market Weighton, Driffield, through the Wold towns, and in the Summer Bridge district there are quite a few.

3558. But they are quite small factories?—Yes, they are quite small factories.

3559. The great bulk of the works are in the towns?—Yes, the great bulk of them are in the towns, but there is a great number spread throughout the whole country. There are certainly something like 300 works, but they are admittedly very small. The average country rope-maker may be a man in a country district who has seven, eight or nine operatives.

3560. The wages on the whole have to be compared with those of other workers in the towns on the lines you have yourself suggested?—If we are going to continue the Trade Board rate, which we claim is not a minimum rate. I think we originally started this on standard and minimum rates, and it has led back to that. That is the point. If you are to have a minimum rate it must be a minimum rate which would apply to the smallest factory in the smallest town or in the remotest country place, and at present we have a flat rate which operates throughout the whole country irrespective of the situation of the factory.

3561. On that showing, the minimum wage for the work in the town would be determined not by what the worker needed, but by what the trade at any time could afford?—I should say that that is practically what governed it in the past.

3562. And what led to sweated wages?—I must strongly object to the statement that there were any sweated wages in this trade.

3563. I did not want to suggest that, but if you work on that principle alone, that is to say what the trade can afford, at a time of stress you might get down to sweated wages?—I do not know that there would be any more question of the worker being sweated than the employer. We are in the position to-day of having lost our trade, and at all costs it must be regained. It has been shown by the agricultural labourer what can be done in that direction,

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and I am not at all certain that if the employers and workers got together independently of the Trade Board the problem would not be to a large extent solved. The workers are as anxious as the employers to resuscitate the trade. There is a different feeling about altogether now from what there was many years back in this trade, and there is far greater unity in the trade than there was. At present we are 'hide-bound': we cannot make an agreement between employers and workers in these days at something a bit above the minimum rate.

3544. *Mr. Layton*: Then your arguments about export apply mainly to the town people here?—No, they would apply to the country people with equal force. There are a great many of the small country factories that have specialised on certain small special things for export, and they are collected in the country.

3545. *Mrs. Lyttelton*: Do they export direct?—Yes. For instance, in the netting trade you will not find any netting factories in a big town, and the netting trade is wide: it covers the whole world so far as export trade is concerned.

3546. *Dame Adelaide Anderson*: In a town like Grimsby, for instance?—There you will get export trawl wet trade, but the bulk of the nets will be used for home consumption, and you would not get such a huge business from Grimsby as you would from the Musselburgh area or from the Bridport area in the net trade.

3547. *Sir Arthur Pease*: Was there any differentiation between the rates of net makers and agricultural labourers before the war?—Before the war in our own immediate agricultural district (and I speak with first-hand knowledge of that district) it was practically an agricultural rate which was applied to the rope, twine and net factories. Subsequent investigation which I have made proves that the same thing happened in the Somerset area, in the Yorkshire area, and in the Lancashire area. Throughout Scotland it was absolutely regular, and there was about 1s. or 2s. difference. Of course, if there was a little country rope works it was quite possible that of two or three members of the same family one would be in a rope factory, perhaps, one with a farmer, and one at some other little industry, and therefore the rate generally applicable to the biggest trade in the district I claim is the rate that governs the trade within that district. If you have a country district, it is therefore the agricultural rate that governs it.

3548. There is one other matter which is not quite clear to me: you state that the whole of the net industry is in country districts, but the bulk of the rope and twine trade is in big towns?—The heavy rope and the twine trade, such as the parcel and shop twine trade and so on, would be in much bigger towns than the making of twine which would be used for the fishing net trades, because of necessity these (the rope and twine) are highly specialised branches which could not exist unless they were working close to the spot from which they were going to market their goods.

3549. *Chairman*: The ordinary rope walk, you have told us, is very often in a country district?—Yes.

3550. They want a good deal of space, of course?—Yes; a rope walk in the country will often be from 150 to 240 yards, and, of course, space in a town is valuable.

3551. *Lord Weir*: Did the Trade Board make any change in your hours?—Yes, and that was the most serious matter. The Rope, Twine and Net trade had been working under two Home Office schedules: we had had the textile side and the non-textile side; on the non-textile side we were working 56 hours a week, and on the textile side 55½. I understand that the law administered by the Home Office is that 56 and 55½ hours may still be worked, but the Trade Board fixed 48 hours, and made the time between 48 and 55½ or 56 overtime to be paid at an overtime rate.

3552. *Dame Adelaide Anderson*: The textile week is a 54-hour week, is it not?—It is 55½, I think. I came down to 53 hours. It varied a good deal in different districts; in the Newcastle district I find it was 53, but we voluntarily came down some years ago to 53. At the same time, I think we could work 55½.

3553. Those are the maximum hours?—Yes. It was 56 in non-textile and 54 in textile. At any rate, we came down to a flat 48, and the first two hours overtime would be paid at time-and-a-quarter, and after that time-and-a-half.

3554. *Lord Weir*: Was that a change?—It was an absolute change, and the result was that we adopted a 48-hour week, with a consequent fall in production and an increased cost of production.

3555. Was there any change in the actual overtime rates?—Previously the overtime rates had been a matter of arrangement.

3556. Then there was a change?—There was a decided change, because, as a matter of fact, on the workers' side there are a great many who do not approve of that overtime rate. The worker says: What I am looking at more, within reason, is the amount of money I get on the Saturday; I do not see why I should be confined to a 48-hours' week if I would like to work 56 hours.

3557. *Dame Adelaide Anderson*: In many industries they have not worked up to this maximum for years: it is only a maximum, is it not?—Yes.

3558. It is not a standard?—Just so. In many cases, it may be interesting to the Committee to know that we voluntarily came down some years ago to 52, and we found that at 52 we could maintain a 56-hours production, but we cannot do it with 48 hours.

3559. *Chairman*: We have already dealt with some of your important points, and we shall perhaps go faster now. We note what you say about the rates for young persons of both sexes, which confirms other evidence which we have had on the subject, and we note what you say as regards out-workers, with which I think you have already dealt in talking about the beatsters. Shall we now go on to page 20?—I should like to emphasize, if I may, without wasting the time of the Committee, the very serious position as regards unemployment amongst out-workers, and the fact that nets are now coming from Holland and Denmark, which are the equivalent of out-workers' nets so far as trawl nets are concerned, for the first time in the history of the trade into Lowestoft and Grimsby.

3560. That is all connected with the rate of pay, of course?—Yes.

3561. With regard to scope, you say it should be left to the Trade Board itself to decide; but where you get a question between the Trade Boards you must have some other tribunal, must you not?—Yes, we have agreed with the workers' side on that. The workers' side and the employers' side are in agreement that the Board should decide questions of scope, but so far as any particular question of scope affects any other Boards we think provision should be made for joint meetings of such Boards, and if agreement is not reached by the Boards on such question it should then be submitted to the Industrial Court for an expression of opinion.

3562. That, if I may say so, is very intelligible?—We have reached agreement on that with the workers' side.

3563. Then we need not labour that point. With regard to grading, your paragraph really comes to this, that a proposal which was approved by the Board was not confirmed as a whole, but had to be modified in material particulars?—Yes, in order to secure the vote of the appointed member.

3564. That confirms what you said just now.—Yes, exactly, and I think it might be read in conjunction with that. Now may I apologise for a slight typing error on page 23. Towards the bottom of that page, the thirteenth line up, I have got these words: "but the employers in this particular case had advanced the rates of pay in the particular Depart-

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ment referred to," and I have been told by that employer personally this morning that they were not altered, and the word "advanced" should be struck out and "not altered" substituted. I put this in my statement just as he sent it to me, but that is what he now tells me.

3565. That section of your evidence comes to this, does it not, that there ought to be, if these Trade Boards are to continue, a good deal more inspection and rapid prosecution in cases where there is a breach of the law?—So far as we are concerned, on both sides of the Board we are in agreement on that point, that one prosecution is worth more than ten new inspectors. We fully sympathise with the position of the inspectors: it is a most difficult position. There is one inspector to every four Boards working now, I think, and I do not see how it is possible for an inspector, no matter how painstaking he may be, to get into all the various little ins and outs of our trade.

3566. When you say "prosecution" you mean a successful prosecution, of course?—I most certainly mean a successful prosecution, but if the Trade Board were the governing body in the trade, and they had the facts stated to them and decided the matter as a Board, I venture to say that they would institute far more prosecutions with the likelihood of their being successful than there are under the present methods, judging by the experience we have had.

3567. Of course, you have to consider who is going to pay the costs of the prosecution?—We fully understand that, and so far as the trade itself is concerned, if it could run itself it would meet all its own expenses. We are not in any circumstances desirous of increasing costs, and I would point out in that connection that two or three prosecutions would not cost as much as two or three new inspectors would.

3568. The salaries of the inspectors, of course, are paid by the public: do you mean that the costs of prosecutions would be paid by private individuals?—If a prosecution is successful it carries costs with it.

3569. I daresay you know that the prosecution does not get all its costs?—I know it does not by any means, but I think the matter should be much further pressed.

3570. That means an alteration in the general law. I am rather trying to deal with the matter as things stand. Are you suggesting that every Trade Board should be at liberty to prosecute, and that the costs so far as they were not borne by the accused should be paid by the Board?—I think the matter would resolve itself into this, that if there were a few energetic, successful prosecutions undertaken, you would be able to wipe out the item of expense, because there would be no more prosecutions.

3571. That does not quite answer my question. I am asking what you are proposing: is it that the Trade Board should bear the costs, or that somebody else should?—We think that if the Chief Inspector and the Solicitor to the Board were at the offices of the Board (which they are not at present) and we had a case stated to the Board as a Board, we could then call in the Chief Inspector and discuss the matter with him: we could then call in the Solicitor and discuss the matter with him; and then if the Board were absolutely in agreement that it was a case for prosecution we do not think there would be much danger of losing the case.

3572. Then it does mean that you think the public should bear the cost?—We do.

3573. *Sir Arthur Pease*: But you think there should be consultation before a prosecution was undertaken?—We would not for a moment advise that the public should have to stand the cost of any prosecution which might be instituted: we only suggest that course when the Board has been consulted. I am laying stress on the fact that I think the Board ought to be the people in consultation with the Chief Inspector and the Solicitor to the Board, who should decide whether a prosecution should be undertaken.

3574. You think the prosecution should be undertaken with the assent of the Solicitor to the Board,

or something like that?—Of course, somebody must consider the matter from a legal point of view.

3575. Yes. I do not for one moment think the Board would take it upon themselves to do anything which the Solicitor did not advise.—I am taking it that they would put themselves in his hands as clients.

3576. *Dame Adelaide Anderson*: The most important point is to get the evidence gathered before you can proceed to prosecute?—I am only dealing with my own cases, not hypothetical cases. There all the necessary evidence was forthcoming on the Board from both sides.

3577. And the witnesses?—The whole thing.

3578. *Mr. Layton*: You continually emphasize that you are speaking on the Employers' Side: is there a difference of opinion about this?—No, I think there is no difference of opinion on the question of prosecution. I think, if anything, the workers feel more strongly on this question of prosecution than the employers. But we have reached agreement on this, that we want to be the governing body for the industry with the function of determining subject to the law of the land the industrial conditions of our trade, and that we should have the Secretarial Staff, the Chief Inspector, and the Solicitor at the offices (which is not the case at present). That means practically that we are in agreement on those matters.

3579. *Chairman*: You suggest that there should be co-ordination between the inspectors, the Home Office, the National Health Insurance and the Trade Board?—It does seem that when one puts forward a suggestion one is met with the question of expense, but we are all on the economy side to-day, if we can effect economy anywhere, and it seems to the average employer that he has a Home Office Inspector calling on him, a National Health Insurance Inspector calling on him, and a Trade Board Inspector calling on him, and he feels that there might be some sort of co-ordination. There is a separate piecework inspector at the Home Office who is chiefly inspecting piecework rates throughout the country, and it seems to us that their knowledge would be most valuable from a Trade Board Inspector point of view.

3580. *Dame Adelaide Anderson*: Without evidence as to particulars being given you cannot proceed to decide whether the rate is paid or not?—Just so.

3581. *Chairman*: You mean that the Factory Inspector or the Home Office Inspector might take as an additional duty the investigation of Trade Board questions?—I think there might be co-ordination between the Inspectorate without largely increasing the staff of Inspectors. It is really bearing upon this question of inspection and prosecution. You might say that if you are going to do that you must largely increase your Inspectorate; but it would appear to us as manufacturers that you have the Inspectorate, if it is properly co-ordinated.

3582. You mean that the total expense would be less than if you had a separate body of Inspectors?—Yes. I think it might well be done.

3583. *Dame Adelaide Anderson*: Do you know that it was originally suggested that that should be so at the time of the first consideration of Trade Boards?—No, I did not know that. I had not heard it.

3584. *Lord Weir*: Do you agree that the training of the Home Office Inspectors and the character of the work which they do at present would fit them very well for this Trade Board work?—Most certainly.

3585. *Sir Arthur Pease*: I suppose in a well-organised firm it would take comparatively few minutes to find out that the wage rates were all right, would it not?—If the firm were well-organized and had proper records, which they are bound to keep under the Trade Board Acts, it would be a matter of a very short time. The trouble is, if I may say so, that it is the well-organised firms who keep good records, and so on, who get inspected very often.

3586. My point was that if you had one Inspector for the three duties really his time is occupied in going from one place to another?—That is so.

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3587. And that the actual work of inspecting the books for this extra purpose would take a very short time, as a rule?—If a Home Office Inspector called upon an ordinary normal visit to a well-organized factory with proper records, and so on, it would amount to very little to do the Trade Board end of the inspection at the same time.

3588. Of course, if things were not kept in good order it would take a long time, anyhow?—Yes, but any Inspector then would have a rough time, whether he was a National Health Insurance Inspector or any other Inspector.

3589. *Dame Adelaide Anderson*: Are you aware that a certain amount of co-ordination of the kind has already been attempted—that the Home Office in enforcing the Particulars Clause invited the co-operation of local authorities?—Yes, I know that. You mean the Piecework Particulars Clause?

3590. Yes.—Yes, quite so; because, if I remember rightly, that originated with the question of the names of all out-workers in villages being filed with the local authorities of the district.

3591. So that there is co-operation in existence already; there are precedents?—Yes, which to our mind could be largely extended.

3592. *Chairman*: You have some suggestion to make about the worker not being penalised. Do you press that?—I rather press that. It does seem distinctly unfair that the whole of the penalties under the Act should be on the employer. The employer gets the class of worker that he deserves; that is my experience. If a bad employer tries to pay a lower rate than he gets a bad class of worker, and I would stop the bad class of worker as well as I would stop the bad employer. There are all these notices put up throughout the whole factory, and every penalty in these three columns right across the bottom is on the employer, and there is nothing on the worker. How are you going to stop a bad employer if you are going to let the worker take the rate that he may offer?

3593. *Mrs. Lyttelton*: Some people would think that that was the penalty on the worker already.—I must confess that I cannot see that the worker is under a penalty if the worker voluntarily accepts it and covers up an employer who does not pay the stipulated rate.

3594. *Chairman*: He would not have much to pay his fine out of. On the question of overlapping, you have made some observations which I have read very carefully, and I think you have got some exhibits to show us on this matter.—I will endeavour to shorten that as much as I possibly can, but on overlapping the points are mainly these: that you have got three Boards, the Jute Board, the Flax and Hemp Board, and the Rope, Twine, and Net Board. I think the Committee might like to see these fibres (*producing exhibits*). There you have the raw jute, the carded jute, and the jute sliver, and I have repeated that in raw flax, dressed flax, and flax sliver; raw Italian hemp, dressed Italian hemp, and Italian hemp sliver; raw manilla hemp, prepared manilla hemp, and manilla yarn. In so far as those fibres are concerned for the processes in connection with the jute, you have got a Jute Board, and you have got a Flax and Hemp Board, which covers those fibres in so far as preparing and spinning are concerned; but if you begin to make a twine, or make a line, or make a rope, or make a net out of any of those, you are then under a Rope, Twine, and Net Board, so that you have got three Boards which are hopelessly overlapping. I produce a plan of an average rope, twine, and net factory in which you have all these sections; I have not marked them, because it will be obvious. If they are separate buildings, and there is a spinning mill over *here*, and there is another mill over *there* in that direction, although it may be in the same field or the same district, they will be on the premises to which the Trade Boards Acts apply—when done on these premises.

3595. Would the same man spin and also make the rope?—Exactly. The whole of those processes in

those sets of fibres would be interchangeable, but you will find that in dealing with soft fibres, such as jute, flax, and Italian hemp, you have a class of worker who is not connected in any shape or form with the worker on the hard fibre or the heavier fibre, as illustrated by that manilla sample which I am showing you now. Then I produce two plans of two factories—there are some of them in the country—which are engaged in working all these fibres in these different processes; and there are separate rates of pay applying throughout different parts, not exactly of the same factory but of the same firm. Then, according to a quite recent decision—I have illustrated it here by an actual firm who have their warehouse three-quarters of a mile away from their main works—the warehouse itself would not be under the Board at all, and yet there would not be an employee in the warehouse of that firm who would not have relatives working in the mills attached.

3596. But are not the processes quite different? The process of spinning is one thing, and the process of rope-making is surely another?—Yes, quite so, but the process of spinning being carried on in the same place in which you are making the rope comes under the Rope, Twine and Net Board. That is the point.

3597. Is it carried on in the same building?—In all probability it would be carried on in a building which very likely would have the same roof; it might be an extended roof. It would be possible to have one big spinning mill—there is one illustrated here—which would have a cantilever roof covering the whole. One might be a jute mill, one a flax mill, and the other might be a manilla spinning mill.

3598. Would there be any transfer of labour from one to the other?—There is a considerable amount of transfer of labour; the labour is interchangeable. My point then is that there is no co-ordination between the Boards at all, and you have got all these different rates of pay applicable. The fibres are more or less identical; they are fibres which are used for making lines, or twines, or ropes, and ultimately some of it, but only a small proportion of it, goes into nets. At least 75 per cent. of the netting trade is cotton, and that is not covered by a Board at all. You have these Boards working, and every male unskilled worker to-day in the jute trade you have got to pay 43s. 9d. for a 48-hour week; in the flax and hemp trade you have got to pay 48s. 6d., and in the rope, twine and net trade you have got to pay 52s. since November 14, and up to November 14 you had to pay 23. In the made-up textiles, which is closely allied to it, you have got 53s. There is now a Sack and Bag Board, which is also allied to it, which I do not think has yet fixed a rate; and then you have the Rope, Twine and Net Trade Board for Ireland, which has been sitting since April 21, 1920, and has not yet fixed a rate for male workers.

3599. Are you suggesting combining these Boards, or what?—I am saying that it is impossible to have industrial harmony in the trade—in fact, it is impossible to continue the trade where you are working these different fibres while you have these different rates applied by different Boards.

3600. There has been a Conference between the Boards, has there not?—We had a Conference at York, and we there passed resolutions that each trade should include within the Order governing the trade all the processes ancillary to the things carried on in the trade.

3601. There was a Co-ordinating Committee, was there not?—Yes, the Co-ordinating Committee had that one meeting, and they are going to meet again in January of next year; but in the meantime I would like to point out that we have been labouring under this disadvantage all this time, and competition now has been very seriously accentuated by the rate in the country districts in Ireland being fixed at 54d. for women, or 22s. per week, and 6d. in Belfast, or 24s. per week. In the jute trade

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we have 28s.; in the flax and hemp trade 28s.; in the rope, twine and net trade we have 32s.; and in the made-up textiles 29s.; and this 22s. rate for women spinners in the Irish country districts has had the effect of shutting down a good deal of the trawl net industry in England. Trawl nets are now being bought from Ireland more cheaply than they can be made in England. The Irish pay a trifle more for making the net, but this 54d. rate for women has brought the price of the trawl twine which they put into the net down to such an extent that they can put the net on the market in Grimsby, Lowestoft and the Hull district at less than the cost of the twine to the English manufacturer.

3602. *Lord Weir*: Is that sufficient to keep out Dutch competition?—We have not yet known how that is going to affect us, but the Dutch is coming in at about the price at which the Irish is coming; but the English manufacturer is out of it.

3603. Do you mean that the Irish conditions would enable you to meet the foreign competition?—I think so. This information has only come to hand during this last week since I prepared the bulk of my statement. This particular bit as to Ireland is not in the statement. I have had it all authenticated. It only reached me a couple of days ago officially, but it will be perfectly obvious that dealing in the same article, in the same fibres, with a differentiation of rates from 22s. to 32s. for women, that is quite sufficient to put the 32s. manufacturer out of business.

3604. *Sir Arthur Pease*: Is the netting which comes from Holland made in Holland, or does it come from somewhere else?—No, it is made in Holland.

3605. Are you sure of that?—Yes, I am perfectly sure.

3606. *Lord Weir*: You mentioned Denmark?—Yes, there is some netting coming now from Denmark. That is quite a new thing. I do not know how long that is likely to last. There always has been some competition from Holland, but Denmark is something quite new. There has been Dutch competition on the Continent, but I have never known any Dutch goods come into England until now.

3607. Your competition was from the Germans, was it?—You cannot estimate anything about German competition now, really and truly, because of their rate of exchange.

3608. But is it taking your work?—So far as our netting trade is concerned I refer later on in my statement to a definite order for 25,000 nets which did go to Germany, which we could have taken in this country; and we could have taken it if we could have got even a little higher rate than the present Irish rate. But to our knowledge that went to Germany.

3609. *Mr. Layton*: You say it is a French firm?—A French firm and a German firm; I think I refer to both. Will you tell me on which page of my statement it is?—

3610. It is on page 34.—In the paragraph before you will see that I say "In the circumstances, however, the order had to go to Germany."

3611. *Dame Adelaide Anderson*: You would not suggest that the rates in England should be governed by these rates in other countries?—Not for a moment, but I would say that the rates should be fixed bearing in mind what competition they had to meet. You could not say to-day, for instance, that the rates should be fixed proportionately to Germany; it would be an impossibility.

3612. Or even to Ireland?—Ireland I am not so certain about. I very strongly object to a city like Belfast getting off with 6d. and a country district with 54d. for women workers.

3613. Do you mean that that is fixed by a local Board?—No, it is fixed by the Rope, Twine and Net Trade Board for Ireland. If there is a substantial portion of an industry in Ireland, they only have to make application and they get their own Trade Board.

3614. *Mr. Layton*: You say that the trade is mainly an export one? Can you tell us what proportion is export?—In so far as the netting trade is concerned, I

think I said that about 75 per cent. pre-war would have been export, and there is a very big export trade in the rope and twine trade.

3615. You cannot give the figures there?—I am advised that it might be safely said that between 55 and 60 per cent. of the rope and twine trade pre-war was export trade.

3616. Taking the netting trade, is it possible to do anything else but to have your wages governed by the price at which continental countries can compete? You said just now in answer to Dame Adelaide Anderson that you could not be governed by continental prices. If three quarters of your trade is export, can you do anything else?—We could at any rate get appreciably nearer, because at any rate for English netting as well as for English ropes and twines you could get a better price than the average foreign maker, if you were somewhere near it.

3617. *Mrs. Lyttleton*: We make it better perhaps?—Yes. I could always get a better price against a continental maker.

3618. *Mr. Layton*: That gives you a permanent margin in your favour, but subject to that permanent margin are not your prices governed by the continental market to-day?—You cannot quite take the continental market as it stands to-day; it is abnormal. We have wiped that out really. If we got to something more normal we should certainly have to approximate to the level of wages on the Continent. But the only thing we have to go on is our pre-war figures.

3619. *Dame Adelaide Anderson*: My question was not directed to suggest that you should not take it into account, but really that you could not let that absolutely decide, because you might then get down to so low a level of wages that it would be undesirable for the country?—As a matter of fact if you take the German exchange to-day, your worker would work for you for a week, and owe you money for working for you. You could not do it.

Dame Adelaide Anderson: That is all I want to suggest.

3620. *Lord Weir*: On that very point you have spoken equally of competition from a country with normal exchange like Holland, and a country like Germany?—Yes, I was asked to emphasise that point. That was borne out by a statement on the other side from Mr. Layton. I was coming to that in a moment. The funny part of it is that you have got a country with a normal rate of exchange like Holland, which for the first time in the history of the trade is able to send in goods. We are bound to buy all this raw material, and I take it that Holland is buying the raw material at the same price as that at which we are buying raw material, and therefore we of necessity draw the conclusion that the difference is purely a wage one.

3621. *Dame Adelaide Anderson*: Or skill in managing the factory?—That might be; but not for a moment are we going to admit that the Dutch are managing their rope, twine, and net factories better than we are.

3622. *Sir Arthur Pease*: Have you been troubled by having heavy stocks which prevented you competing?—I do not know that the heavy stocks have prevented us from competing. Practically every manufacturer in the country at the time of the Armistice, largely owing to following departmental Government advice, was chock full of raw material, particularly in a trade like this where the whole of the raw material was brought overseas. It was necessary, and therefore we all held abnormal stocks when the Armistice came, but we scrapped immediately. There was no question of holding stocks for higher prices. I would like to say that the trade, as a trade, from the very moment when there seemed some prospect of regaining the markets which we had been cut out of during the war, went "all out" for those markets. They were prepared to meet anything to get the trade back.

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3623. But, having these heavy stocks on your hands made it more difficult to meet the market?—It meant loss after loss, and on the top of that loss we got this Trade Board operating with a rising scale of wages for 18 months. During the whole time we were face to face with a drop in raw materials, which I think I have emphasised in my statement.

3624. *Chairman*: I think you have dealt with your recommendations on page 37 about the Trade Board acting as the governing body for the industry, and we come to your conclusions. I see a passage underlined on page 39, asking for the removal of all Government control in any shape or form. You mention there the strain and the expense upon the employers of attending these Trade Boards?—Yes.

3625. Is that serious?—It really is extremely serious in the case of a Board like this. Take my own case, if you will take that as practically typical of the average manufacturer, except that I have not the distance to travel except when I go to Edinburgh. I cannot attend a Trade Board under 3 days' absence from home, and the whole of the time you are away things are waiting for you when you get back. It may take four days. In the case of my going through to Edinburgh, it certainly means four days, and then it meant two nights in the train out of three, for which the Ministry of Labour do not pay, according to Treasury instructions.

3626. I suppose the Trade Board work throws some amount of work on your staff in the business?—In so far as staff work is concerned, it has now reached such a pitch that my own private secretary practically devotes herself to Trade Board work. The expense of these Trade Boards is extremely serious.

3627. *Sir Arthur Pease*: If it is a fair question, can we have some indication of the size of your own business?—Do you mean my own firm?

3628. Yes?—In what way?

3629. You say that the work in your firm takes so much time to do. A small firm would take much less; that is the point?—Yes; but I am taking it that Viscount Cave's question to me was as to employers who were attending the Boards. If you take the average employer who would be attending Boards, it does not matter much whether he is a small firm or a large firm; the point is that he is away from his duties, and he is not looking after his own work, independently of the money which he would naturally be out of pocket over it. You have to form small Associations, all of which costs money; you have then got to form a Federation of those Associations, because when the Trade Board is formed the Ministry say: "Very well, if you want representation on the Trade Board you have got to get into some association, or you have got to get into a federation"; in other words, you must organise. If we had not these associations and the federation, where would the trade be? The Ministry would simply select from different parts of the country representatives of the trade. If you got associations and a federation you can put forward to the Ministry names of suitable people as representatives on the Trade Board.

(The Witness withdrew.)

Mr. JAMES MILLER THOMSON and Mr. JOHN CHALMERS, called and examined.

Mr. Miller Thomson handed in the following statement as his evidence-in-chief:—

I am Secretary and Treasurer of the Edinburgh and District Aerated Water Manufacturers' and Beer Bottlers' Defence Association and in that capacity have been in close association with the Aerated Water trade for the last twenty years. I also act as the legal adviser of the Scottish Federation of Aerated Water Manufacturers' and Bottlers' Associations. The Associations constituting the Federation and the number of members belonging to each Association are as follows, viz.:—

Name of Association.	Number of Members.
1. Aberdeen Aerated Water Trade Association	18

3630. *Mr. Layton*: You are not complaining of having to organise, are you?—I am not complaining at all about the organising, but I do think that the trade would be better left to organise itself. It had in a great many cases organised itself, and I do not think that there should be compulsory organisation. I certainly complain of that.

3631. *Dame Adelaide Anderson*: You do not complain of the motive for organisation?—I have failed yet to discover the motive in this particular instance. I really cannot find it.

3632. But in fact as a result of the establishment of the Board the trade did begin to organise?—There was an organisation existing in the trade which has been largely extended as the result of the Board being formed.

3633. *Chairman*: We have your conclusions tabulated on pages 40 and 41. You give seven which are agreed to by both sides?—I have particularly marked those which have been agreed to.

3634. You wish to add that you have always received from the officials at the Trade Boards Offices the greatest possible attention?—Certainly. I say that that is largely because they are in constant contact with the Board, whereas the officials of the Ministry of Labour were only reached by such a roundabout way, and after such a length of time.

3635. It is the personal element which does it really; you are able to discuss matters with them?—That is so.

3636. *Mrs. Lyttelton*: I want to go back for a moment to the District Committee question. I want to know whether you feel that the system is not workable because the workers object to it, or whether you think that supposing their objection were done away with, it is unworkable because of the tremendously widespread nature of the industry, and the distances which separate those engaged in the industry? I want to get at what your real objection is to the District Committee?—Apart from the fact that the workers objected, I am confident that you could not under existing circumstances work District Committees satisfactorily.

3637. *Chairman*: Thank you. We will not forget your other points which I have not put to you. We are very much indebted to you for coming here.—May I emphasise that one paragraph, that: "The employers' side of the Board ask me emphatically to say that it is their considered judgment that the quickest and best way to restore prosperity to the industry is immediate removal of all Government control, in any shape or form," and that if we cannot get the recommendations which we have put forward *en bloc*, we would press with all the power we can use for a suspension for a period of two or three years, and failing that that we think the trade should be removed from the scope of the Act altogether.

I have to thank you, my Lord, and the Committee for the patient hearing you have given me.

Name of Association.	Number of Members.
2. Dundee and District Aerated Water Manufacturers' and Beer Bottlers' Defence Association	44
3. Dumfries and Galloway Aerated Water Manufacturers' Association	12
4. Edinburgh and District Aerated Water Manufacturers' and Beer Bottlers' Defence Association	38
5. Glasgow and West of Scotland Aerated Water Manufacturers' and Beer Bottlers' Defence Association	84
6. Perth and District Aerated Water Manufacturers' and Beer Bottlers' Trade Defence Association	30

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Most of the individual members of the Associations are engaged in the manufacture and sale of aerated waters only. A considerable number of the members are engaged in the bottling of beer on a wholesale scale as well as in the manufacture of aerated waters, and some are engaged solely in the bottling of beer. There are few manufacturers in Scotland of aerated waters who are not members of one or other of the local Associations comprising the Federation. The Associations control the Bottle Exchanges which in recent years have done so much to effect economies in the trade.

I have been deputed by the Federation to give evidence before your Lordship's Committee. The Chairman of the Federation, Mr. John Chalmers (William Leitch & Co., Ltd., Edinburgh) is also present but as he has not been well I have been asked to make the statement.

The Aerated Waters Trade Board for Scotland was established on 8th January, 1920. On 11th March, 1919, a Trade Board for the Aerated Waters Trade was established for England. It was as a result of representations made by the Federation that a separate Trade Board was established for Scotland. A copy of a Memorandum that was prepared by the Federation at that time, dated 26th February, 1919, and submitted to the Ministry of Labour, is produced. The Scottish Manufacturers were opposed to the establishment of a Trade Board for the Industry, but when the Order was made they assisted the Ministry of Labour in getting it constituted. When they were asked to suggest names they put forward as the representatives of the employers' part of the Board, the names of *bonâ fide* manufacturers only. These were accepted by the Ministry, but when the names of the employees' side of the Board were obtained it was ascertained that only a few *bonâ fide* workers were on the list, the other names being those of Trade Union leaders, who knew nothing about the trade, but had devoted their lives to the study of rhetoric and the polemics of industry. The manufacturers were advised that the appointments made by the Ministry for the employees' part of the Tribunal were competent, and accordingly they insisted upon the appointment of their legal adviser as a member of the Board. To this the Ministry ultimately agreed. One of the manufacturers retired, and I joined the Board in his place. The implied compliment, that I was nominated to counter-balance the experts of the opposition, was one that I could not but recognise. The appointed members were Professor Baillie, C.B.E., Miss M. G. Cowan, and Professor D. H. McGregor.

The first meeting of the Board was held on 5th February, 1920, with Professor Baillie in the Chair. Miss Cowan was also present. The Federation are quite satisfied with the selection of the Appointed Members. Professor Baillie has proved a good Chairman and Miss Cowan has been equally satisfactory, but notwithstanding their efficiency the performance of the Board has been a complete failure. The Federation is of opinion that the failure is due, not to the personnel, nor to the machinery of the Board, but to the fact that statutory regulation of wages is fundamentally 'unsound.'

Before dealing with the grounds for this opinion it will be proper to state the wages fixed by the Scottish Board. The First Wage Order took effect as from 14th June, 1920, and was as follows:—

Section I.—Male Workers.

	Per hour.
s. d.	
For workers under 16 years of age ...	0 4½
" " of 16 and under 17 years of age ...	0 5½
" " " 17 " " 18 " " "	0 6½
" " " 18 " " 19 " " "	0 7½
" " " 19 " " 20 " " "	0 9½
" " " 20 " " 21 " " "	0 11½
" " " 21 years of age and over ...	1 2

Section II.—Female Workers.

	Per hour.
s. d.	
For workers under 16 years of age ...	0 4½
" " of 16 and under 17 years of age ...	0 5½
" " " 17 " " 18 " " "	0 6½
" " " 18 years of age and over ...	0 7½

It was also declared that the normal hours of work in the trade were to be in any week 48, provided that all hours worked by a worker on Sundays and on generally recognised District Holidays, not exceeding six in number in any one year, were to be regarded as overtime, to which the overtime rates were to apply. The overtime rates were fixed then as follows:—

- (1) For all time worked on Sundays and on generally recognised District Holidays, not exceeding six in number in any one year, the overtime rate shall be equivalent to double time, that is to say, twice the minimum rate otherwise applicable;
- (2) For all time worked in excess of 48 hours in any week the overtime rate to be equivalent to time-and-a-half, that is, one-and-a-half times the minimum rate.

The hours of work which female workers and young persons are allowed to work are subject to the provisions of the Factory and Workshops Act, 1901.

Before these rates came into operation the workers put in an application for an increase on the rate of wages payable to male workers of 21 years of age and over of 1d. per hour, and for female workers of 18 years of age and over with not less than six months' experience in the trade of ½d. per hour. This application was given effect to and the rate of wages as from 18th October, 1920, were accordingly as follows:—

Section I.—Male Workers.

	Per hour
s. d.	
For workers under 16 years of age...	0 4½
" " of 16 and under 17 years of age ...	0 5½
" " " 17 " " 18 " " "	0 6½
" " " 18 " " 19 " " "	0 7½
" " " 19 " " 20 " " "	0 9½
" " " 20 " " 21 " " "	0 11½
" " " 21 years of age and over ...	1 3

Section II.—Female Workers.

	Per hour
s. d.	
For workers under 16 years of age...	0 4½
" " of 16 and under 17 years of age ...	0 5½
" " " 17 " " 18 " " "	0 6½
" " " 18 years of age and over—	
(a) who have not completed six months' employment in the trade ...	0 7½
(b) who have completed six months' employment in the trade ...	0 8

The basis of overtime rates remained as originally fixed but of course, owing to the increase affecting male workers of 21 and over and female workers of 18 and over with not less than six months' experience in the trade the result was an increase. These rates are still in existence.

IN THE OPINION OF THE SCOTTISH FEDERATION THE TRADE BOARD HAD NO EVIDENCE UPON WHICH IT WAS ENTITLED TO FIX THE FOREGOING RATES AS MINIMUM RATES OF WAGES IN THE INDUSTRY. No enquiry was made as to the minimum rates of wages being paid in the trade or in any other trade at the time when the rates were fixed or prior to the War. No evidence was collected as to the numbers of employers and employees in the trade, the number in each class or grade, or as to whether the employees were satisfied or dissatisfied with the wages that were being paid to them. Notwithstanding vigorous protests made on behalf of the employers, the proceedings took the form of a fishwife-like haggle between the two sides which ended by a vote on the irreducible figures of the contending sides, the determination being by the appointed members. Some figures were agreed to,

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because they inevitably followed the result of earlier votes. To the argument that the Trade Board was not a Conciliation Board but was legislating, as it were, for the whole country, the answer was made that all the other Trade Boards in the country, without exception, adopted the haggling method of procedure. This was confirmed by the Secretary of the Board, who professed to know the procedure of other Boards. The Board did not attempt anything like a scientific enquiry into the facts of the industry. The trade union leaders on the Board contributed some excellent sentiments in support of the claims they made, but no facts. The rates fixed cannot be said to be ideal rates, particularly in view of the high cost of living at the date upon which the rates were fixed, but the submission of the Federation is that there was no evidence whatsoever before the Board to justify the rates as minimum rates. It may be said that it is more than doubtful whether the Trade Board, however it proceeded, or whether the most sapient of Arbiters could reach a sound conclusion on the question to be determined. No one has ventured to define the phrase "minimum wage." The Trade Board Acts do not define it; but it is reasonably clear from what has been said that the rates fixed by the Aerated Water Trade Board for Scotland (and it is believed those of other Boards) have not been reached upon any interpretation whatsoever being given to the meaning of the phrase, or any consideration given to the scope of the enquiry that should be made in order to reach an interpretation. In fact, no enquiry of any kind was made.

There has been no meeting of the Aerated Waters Trade Board for Scotland since 23rd September, 1920. Regulation 10, of the Regulations, applicable to the Aerated Waters Trade Board for Scotland, reads as follows:—

"10. At the end of one year from the date of the establishment of the Trade Board the Members representing the employers and the Members representing workers shall retire from the Board." As THE BOARD WAS ESTABLISHED ON 8TH JANUARY, 1920, IT IS DOUBTFUL IF IT HAS ANY LEGAL EXISTENCE AT THE PRESENT TIME. It is suggested that Regulations 12 and 16 may apply to over-ride Regulation No. 10, but Regulation No. 12 is expressly stated to be 'subject to Regulation No. 10,' and it is difficult to see how a Board may continue in existence for such a long period without members.

The Central Executive of the Scottish Federation recently considered its attitude to the question of Trade Boards and decided to invite the constituent associations to consider the question and intimate their views. These associations all passed unanimous resolutions disapproving of the regulation of wages by a Trade Board. The Central Executive again considered the matter and resolved that evidence should be given before your Lordship's Committee, and it was remitted to the chairman of the Federation and myself to appear to-day and give evidence accordingly.

The reasons that induced the associations and the federation to pass the resolutions were many and various. In order to test the matter more closely, the secretary of the Federation sent out a questionnaire addressed through the local secretaries to individual manufacturers. This questionnaire was directed particularly to getting some facts as to the effect of the Trade Board Regulations upon the numbers employed in the industry, and in particular whether it had been found necessary to dispense with work people whose earning capacity was low. The replies all disapproved of the Trade Board regulation of wages, but were rather argumentative than helpful with data. This, however, is not surprising because, while the industry is undoubtedly languishing at present and is really in a very bad state, there are many contributing causes. For example the imposition of the Table Water Duties has had a most disastrous effect upon the trade, particularly in Scotland. The members seemed to think there was no room for argument. They knew that the

operation of the Trade Board was injurious and that was enough. From a communication I received from the secretary of the Glasgow association, dated 26th October, 1921, I gathered that the council of that association, which has the biggest membership of all the associations, and which contains some of the largest makers in the trade either in Scotland or in England, found that the operation of the Trade Board was so irksome that they were determined to risk prosecutions rather than abide by its findings. I have that letter here and shall read it, if desired, as it makes very clear what is thought of the Trade Boards in Glasgow and district. I am glad to say, however, that other members dealt with the question a little more in detail and I have several specimen replies here which show how the trade has been affected. A firm in Kilmarnock writes: "We, of course, have been working with the minimum of hands and now that we are in the quiet season instead of being able to keep them employed we are dispensing with a few of them in rotation." A firm at Ardrossan writes: "I had to dispense with three of my workers regarding the high wages I had to pay." He goes on to say that he is not in favour of the "Board of Trade interfering with our trade in any way. I think they have ruined it between short hours and high wages." A firm in Newton Stewart writes: "We have to state that as a result of the standards fixed we were compelled to reduce our staff by 25 per cent. The rates as fixed are 30 per cent. above the rates previously ruling in these districts where costs of living are low and it is manifestly absurd to standardise wages according to age and without having regard to costs of living as between city and rural areas. Furthermore the working day, beyond which hours overtime rates are necessary, is absolutely inadequate in summer time." There are many other communications on the same lines.

On behalf of the Scottish Federation I am instructed to state that they are so opposed to the operation of the Trade Board system that they urge the repeal of the Trade Board Act of 1918 in its entirety. If that view does not recommend itself to your Lordship's Committee or to Parliament, they would desire that the Aerated Water Trade in Scotland should be withdrawn from the operation of the Act. They give the following reasons, viz:—

I. THE ACT RECEIVED LITTLE OR NO CONSIDERATION EITHER IN PARLIAMENT OR IN THE COUNTRY WHEN IT WAS PASSED IN SEPTEMBER, 1918. Parliament was told that it was the policy of the Ministry of Labour to have Trade Boards in industry where there was no adequate machinery for the effective regulation of wages throughout the trade. There was no evidence produced that the workers wanted any regulations. Owing to the shortage of labour at the time wages were quite satisfactory in most industries. The Act proceeds upon two assumptions: (1) That it is desirable to regulate wages; and (2) That labour is or may be unorganised in any industry in this country. Both assumptions are quite wrong. A brief sitting of a Trade Board very soon shows that even the most humble of industries is marvellous in its organisation and the complexity of its functions, and that the organisation of labour within it is as complex as the human organism itself.

The only possible explanation of the Act was that the nation was in the throes of the war, and military notions of regimentation and regulation dominated the Government's policy in everything. For a minimum of work a minimum ration was to be allotted. Such a policy may be justifiable in a military state but has no justification in times of peace. Such legislation may have been even necessary in time of war, but it is impossible to see how it can be regarded as progressive legislation in time of peace. I am sure that many historical parallels could be obtained to show that restraints on freedom of contract in labour are, like many other restraints, the inevitable consequence of war and are injurious in a truly industrial state.

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II. STATUTORY INTERFERENCE WITH FREEDOM OF CONTRACT DOES MORE HARM THAN GOOD. Let it be granted that the object of the Act is to improve the status of the humbler classes of workers. I have every sympathy with the unskilled worker. I find from experience that his sphere of work is the dumping ground of all the Trade Unions. A man, while refusing to work at his own trade for less than his Trade Union rate of wages rarely hesitates to engage himself in other pursuits if these are available. But the real question is, is it possible by an Act of Parliament to determine permanent rates of wages. Surely these are determined by other causes. This was illustrated during the war when the remuneration of labour went up by leaps and bounds because so many men were engaged on active service. Similarly I have read that when the Black Death removed a great proportion of the population wages became so high that Acts of Parliament were passed and penalties imposed to keep them down. Needless to say these attempts at regulation quite failed in their object. "Where the demand for labour is great wages cannot be kept down, and where it is small they cannot be kept up." If that is so, is it not inevitable that any artificial interference will do harm? This has been seen in agriculture, and has resulted in the repeal of the Corn Production Acts and the abolition of the Agricultural Wages Board. The futility of endeavouring to regulate wages in agriculture is easily demonstrated. As soon as the cost of cultivation deprives the farmer of an adequate return on his capital, land goes out of cultivation. Everyone sees at a glance that high wages in agriculture result in no wages. Hence the prompt repeal of the Agricultural Wages Board. The effects of regulation of wages in other industries are not so manifest but they are identical. The proposition is simply this, that if manufacturers cannot pay the wages provided they must go out of business, become bankrupt, or raise their prices. Whatever they do, the community suffers, including the general wage earners. It may be said that this does not apply to a luxury trade, and that the Aerated Waters Trade is a luxury trade, but that is not so. The great bulk of aerated waters sold in this country are sweetened beverages which have a certain food value, and the working classes are by far and away the largest consumers of these beverages. In many industries there is what might be called an "industrial thirst" which is quenched by the consumption of aerated waters. Again, it is a convenient beverage for lunch taken at a man's work. Before the war these beverages were cheap, potable and portable. Unfortunately, owing to the imposition of the Table Water Duties and other statutory inflictions on the industry the output is enormously reduced, but it would be quite wrong to regard the industry as one that might never be missed. If the trade is suppressed probably beer will become more popular with the working classes in Scotland, or it may be that we shall import more foreign aerated beverages.

III. THE TRADE BOARD DOES NOT, AND CANNOT FROM ITS CONSTITUTION, FUNCTION AS AN INTELLIGENT REGULATOR OF WAGES. I have alluded to the haggling methods adopted. These would perhaps be not so dangerous if they were voluntary. It is the compulsion of the uninstructed vote of the appointed members that leads to inevitable futility.

IV.—THE FIXATION OF WAGES BY THE TRADE BOARD IS INJURIOUS TO THE EMPLOYEES. The Aerated Waters Trade is a seasonal trade. The demand is much greater in the Summer than in the Winter. Even in Summer the demand is spasmodic. A spell of very warm weather very soon exhausts the stocks of the manufacturers. The restrictions of the Factory Acts on overtime must be observed. The further restraints of the Trade Board are intolerable when a busy period comes along. A manufacturer must face inefficiency or a prosecution. It is felt that the new Act will increase the tendency to drive the small maker out of the trade, because of the resources possessed by the large maker to meet emergencies. The Act has not been in force for sufficient time to enable reliable evidence to be obtained on

this point except that it may be said that the expression of exasperation towards the Trade Board seems to be more vigorous among the smaller men. Several of our most successful makers are men who have come from the ranks, and were lorry drivers and salesmen in their youth. The meticulous regulation of wages by the Trade Board is the last straw that is going to kill an industry which, until 1915, had been useful and progressive. The Finance Act of 1915, which introduced the new Table Water Duties, had a most disastrous effect on the trade. The Duties are 4d. per gallon on all sweetened waters and 8d. per gallon on all unsweetened waters. The result was an immediate average reduction of about fifty per cent. on the sale of aerated waters by manufacturers. The trade in beverages is finding new sources of supply. The Italian ice cream merchant now makes on his premises and sells beverages otherwise than in bottle upon which it is impracticable to collect the duties. The caterer at social functions makes and sells still lemonades and other like beverages which escape the duties. It has never been suggested that the Italian ice cream man or his employees should be made subject to the Aerated Water Trades Board, but his competition cannot be met if he has a free hand. The soda fountain is also a keen competitor which has defied the ingenuity of the Excise as to how its product is to be taxed. There are many other injurious effects of the Table Water Duties which need not be mentioned here, but sufficient has been said to justify the statement that the additional burden of the Trade Board is likely to bring to ruin the Aerated Water Trade as presently established. The excellent weather in the South of England during 1921 created a particularly good demand for beverages, which has rather obscured the issue. Generally the demand in England is of longer duration and more uniform than in Scotland.

The demoralising effect of liability to quasi criminal prosecutions for breaches of Orders that may be quite absurd must be most injurious, and subjection to the system of spies that becomes necessary is most hateful.

Further, manufacturers as employers of labour at the present time are too valuable to the community to have to spend their time in meetings of Trade Boards and all the consequential meetings of employers and so on, involved in the matter. The need of the present moment is employers. Probably after they have been reduced in number and efficiency Parliament will think it meet to grant subsidies to encourage them!

V. THE TRADE BOARD IS ALSO INJURIOUS TO THE WORKER. The general principle is capable of demonstration on broad lines, but it is not so easy to produce facts or data to support a particular case. What one can say with confidence is that the manufacturers, as practical men, know that the operation of the Trade Board is hurtful to the workers in their industry. Old or inefficient workers have to go. Larger reductions of workers now take place in winter than formerly. Some factories have met the situation by working "short time." The plant is not fully employed. The efficient worker, as well as the inefficient worker, suffers by "short time." The on-cost-charges are necessarily greater in proportion to the output. Uniformity of wage implies the taxation of the efficient for the benefit of the inefficient. It results in large additions to the ranks of the unskilled worker. The efficient worker has less for his own children when he has to contribute to the support of the children of the inefficient. He has less for their education and training, and they go to swell the ranks of the unskilled, or the less skilled workers. This is true of all taxation of the efficient for the benefit of the inefficient, but when it takes place at the source, in the wages given, it is particularly objectionable. The good worker gets a lower wage because the poor worker has to get one above his deserts.

VI. DEFECTS IN MACHINERY. I understand that other witnesses have spoken to manifest defects in the machinery of the Trade Boards. I have alluded to the outstanding objection to its mode of working, but apart from that there is no doubt that the machinery of the Trade Board is bad. It would be a

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marvel in legally constituted official establishments if its machinery was good. It is bound to be bad, and, as vested interests associated with it increase, it will get worse. Already there is a small army of people who are making a living in connection with Trade Boards, and it is possible I may be neglecting my own personal interests in not offering myself as a professional Trade Boarder. The Federation have read the recent Report of the Enquiry on Trade Board machinery at which evidence was submitted mainly by Officials of the Ministry. It is painful reading. In fact, it is nauseous. Pages of print are occupied in the discussion of the difference between "Tweedledum" and "Tweedledee." The mass of printed, typographed and typewritten matter that reaches me as a member of one small Board is horrible, and I am told that I get off very easily. The cost of compilation of the so-called Trade Board Gazette would pay the wages of some factories for a year.

IN CONCLUSION, I may be asked if it is not the case that the standard of wages in the trade in Scotland prior to the war was very low, and indeed so low as to justify the trade being classed as a sweated industry. The answer is in the negative. While the figures were low, they were fair in comparison with those paid in other like industries for the class of work obtained, but great improvements had taken place and were taking place. The labours of Mr. John Chalmers, the President of the Federation, and other pioneers of the Bottle Exchange system succeeded in reducing trading costs immensely. The adoption of a Bottle Deposit scheme in the decade before the war still further improved matters. I believe that in successfully piloting this scheme Mr. Chalmers and his friends in the trade did more for the workers than the Trade Boards can or ever will do. If the trade had not received such hard knocks from legislation, I am confident the improvements in the condition of the worker would have continued.

It may also be asked, has your Federation any suggestion to offer as to how the economic pressure on the poor unskilled worker is to be averted or lessened? As I have said, I have great sympathy with the unskilled worker, but I am afraid there can be no final relief so long as the population is too great for its means of subsistence. But the production of the means of subsistence is being retarded. The condition of the unskilled worker has been made much harder by the Trade Disputes Act of 1906. It means that a well-organised body of workers can always make a strike in a factory effective against the inroads of other labour. That may appear to be a good thing for the organised worker, but, as a matter of fact, it is disastrous to him and to the unskilled worker who is denied opportunities of work. I could give several illustrations from my own personal experience, but perhaps one will suffice. In a large business in Edinburgh which is engaged in a form of metal work there is valuable plant that is so efficient that it can turn out and complete the most intricate brass work, screws, and so on with little or no help from the attendant. Young girls can attend to these machines and do other work in brass. They did so in large numbers during the war. They do so no longer. The Trade Unions say "No." The Trade Disputes Act of 1906 makes their position impregnable. The result is that work that would employ dozens of girls in Edinburgh is not done. If it were permitted, probably the same number of men would be employed in directing the work as are presently employed in tending the machines that are presently worked. The Scottish workman has a great deal of latent capacity for direction which is thus unemployed, and he is left to the soul-destroying job of tending machines which could be looked after by young girls whose contribution to the income of the home until their marriage would be very valuable. The employment of these girls in brass work would also relieve the congestion of labour among the bottle washers of the Aerated Water Trade.

THE SCOTTISH FEDERATION ACCORDINGLY RESPECTFULLY SUBMIT THAT THEY HAVE MADE A CASE FOR

THE RECONSIDERATION OF THE TRADE BOARD ACT OF 1918 AND FOR ITS REPEAL. If it is thought advisable to keep it on the Statute Book, it is respectfully suggested an Amending Act should be passed withdrawing the almost absolute power given to the Minister of Labour to place and keep an industry under a Trade Board whether those engaged in it wish it or not.

3638. *Chairman*: You are a Writer to the Signet, Mr. Miller Thomson?—(Mr. Thomson): Yes.

3639. You are the Secretary and Treasurer of the Edinburgh and District Aerated Water Manufacturers' and Beer Bottlers' Defence Association?—That is so.

3640. You come here to give evidence on behalf of the Scottish Federation of Aerated Water Manufacturers?—Yes. That is a Federation of half-a-dozen Associations in different centres—Aberdeen, Dundee, Dumfries, Edinburgh, Glasgow and Perth.

3641. Most of your members are engaged in the manufacture and sale of aerated waters?—Yes; aerated waters only.

3642. Some of them also bottle beer?—Yes.

3643. The Federation is representative of those engaged in those industries?—Yes.

3644. The Aerated Waters Trade Board for Scotland was established on January 8, 1920?—Yes.

3645. And the Board for England in March, 1919?—Yes.

3646. I think the Scottish manufacturers were opposed to the establishment of the Trade Board?—Very strongly.

3647. But when it was formed they did their best with regard to it?—Yes.

3648. Are the employer members of that Board actual manufacturers?—With one exception; that is myself.

3649. Does the same apply to the workers' representatives?—No. That was a grievance at the very outset. The Ministry of Labour accepted the suggestions of the manufacturers, and nominated all the manufacturers who were put forward, who were *bona fide* manufacturers, but when we learnt the names of the workers' representatives we found that most of them consisted of Trade Union leaders, and the manufacturers thereupon pressed that they ought to have some other representatives added, and one of the manufacturers withdrew in order to allow me to sit, but we only got that after some trouble.

3650. They thought a little extra weight was required?—It was very complimentary.

3651. You have, of course, three appointed members?—Yes.

3652. What do you say as to the success of this particular Trade Board?—I think, if I may say so, that this Aerated Waters Trade Board for Scotland has been a complete failure, and the conclusion that the employers' side of the Board has reached is that the failure is not due to any defect in machinery, but it is fundamentally bad. The whole system of fixing wages in an industry like this by a Trade Board seems to be a physical impossibility.

3653. Before you give reasons for that, have rates been fixed?—Yes, rates have been fixed, and you will observe that these rates are very closely differentiated as regards ages in the case of both male workers and female workers. In fact, I understand that an aerated water manufacturer has now to examine the birth certificates of his workers, and it so happens that there is a good deal of heartburning in the works between one worker and another. Simply because a girl happens to be a year older than another she has to get a very much higher rate of wages, although she is probably less competent.

3654. The rate of wages rises according to age up to the age of 21 in the case of men?—Yes.

3655. And 18 in the case of women?—Yes.

3656. The normal hours are 48 as fixed by the Trade Board, are they?—Yes. For instance, a girl who is over 17 and under 18 years of age now gets 26s. per week, and over 18 years of age she gets 32s. per week.

3657. How do those rates compare with those which were paid before the Trade Board?—I think one may

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say that those were the maximum rates being paid in the trade at the time. They are very much higher than the pre-war rates, but they were substantially the best rates that were being paid in the trade.

3658. *Lord Weir*: You do not object to the actual rate; it is to the system upon which these rates have been fixed that you object?—We do object to the rates, yes. We think the rates are absurd.

3659. *Sir Arthur Pease*: You object to the rates as minimum rates?—Yes.

3660. They are really standard rates?—They are really 'maximum' rates.

3661. Well, standard rates?—It is very difficult to know what a standard rate is. I think a lot of these words will require definition. There are very few aerated water manufacturers in Scotland who pay any of their employees higher rates than these wages; in fact none of them, so far as I know.

3662. *Mr. Layton*: But before they were fixed there was a graded scale below this level?—There were people who were paying less.

3663. Why?—They were paying the economic rate for the time being.

3664. Do you mean that they were in different districts where rates were lower?—Yes, different districts—different centres. They were probably getting a different quality of labour, or there were different demands. One finds certain centres where there was a large demand for female labour, and they had to pay more.

3665. There is no difference in the character of the work done in the different works?—Not substantially, no.

3666. *Chairman*: On what kind of evidence are those rates fixed?—No evidence at all.

3667. What was the process?—I have described it in my paper here as a form of fishwife haggling. It was just a case of the representatives of the workers putting forward a claim which they did not support in the slightest; in fact, when they stated their claim—and it was stated with a great deal of oratory on the part of one of the representatives of the workers—I asked deliberately if that was his case, and he said it was; and I suggested, therefore, to the Chairman that we had no case to answer. After a good deal of talk he invited us to state what our views were, and we did so, and then it was a case of going out of one room and into another, and coming back and meeting the Chairman, until finally everybody got exhausted, and the Chairman told us he would support a certain figure if we moved it, and then that was carried. I think another rate was put to the vote, one against the other, and so on. There was no evidence, no inquiry whatsoever as to what the rate should be.

3668. Was reference made to the cost of living?—Yes, there were some rather extraordinary figures submitted, but they were not vouched in any way.

3669. And was reference also made to the existing rates of wages?—I think the only case that was quoted by the other side was the case of a co-operative society which paid certain rates of wages, and that those were the wages which ought to be fixed in the trade.

3670. *Mr. Layton*: You say there was no inquiry. Would not that be really a matter for your own representatives on the Board to put forward a statement of the local variations and matters of that kind?—That was exactly where we found ourselves at variance with the Appointed Members, because we made a special motion that it should be remitted to a committee consisting of a representative of the employers and a representative of the employees, or one or two representatives on each side, to make inquiries into the actual facts of the industry; because it was quite impossible at that first meeting to investigate all the facts. But that motion was rejected.

3671. Did you ask for a postponement in order that you might prepare your case?—Not to prepare our case, because we were just in the same position as the other side. All we could do was to tell them

what we knew about our own particular industries, what the individual members knew. We stated certain facts about the trade—what wages were being paid and so on—but there was no scientific inquiry about the thing. I am not surprised at that; I do not think it is possible to do it.

3672. I should like you to pursue that. You do not think it is possible to have a proper inquiry?—Not a scientific inquiry as to what the wages should be from time to time. The Trade Board would have to sit all day and every day. My own impression is that in a trade like this—and I have been engaged all my life, more or less, in advising industrial people—every trade has an organisation so complex in its character that you would require almost a Jean Henri Fabre to analyse it and set it forth and determine it.

3673. But you would normally expect to set out a case where there is a matter of this kind coming forward, probably a written statement of the case, showing variations of wages and other evidence bearing on the capacity of the industry to pay?—We could tell them what we thought from our individual experience the wages should be at that particular juncture; but that is not evidence.

3674. But you could have submitted evidence?—Well, I say that it would require to go on for weeks before you could get a really scientific investigation as to what the wages should be. You would have to have a knowledge of the price being obtained for the goods, the cost of distribution, the effects of competition, and so on.

3675. But if the only information which the Appointed Members have before them is the unsupported opinion of the labour people, who say that such and such should be the wage, and the opinion on the other side, again unsupported by evidence, is it possible for them to do anything but engage in a process of bargaining?—I agree that it is quite impossible for them to do anything else.

3676. But you think there is no remedy for that?—I do not think there is any remedy.

3677. *Sir Arthur Pease*: But would not it be quite impossible for you, before you went into the conference, to get some of the leading rates?—We did so.

3678. The rates in the different districts and the different positions in the works, and to have laid them before the Board not as opinions but as evidence as to the existing state of things?—We did tell them what the existing wages were in certain districts and in certain areas, but that does not exhaust the subject within a hundred miles.

3679. Then it becomes simply a question of whether there is going to be an increase or a reduction of those rates, does it not, or a minimum which is covered by all those rates?—If it is to be a minimum, of course, the question of the word "minimum" arises, and with all respect I think that that question was not considered at all, as to what it was we were to set out to determine.

3680. *Mr. Layton*: But there are certain obvious lines of evidence. Supposing the employees say the wages should be 50 per cent. above the figures which you quote as being the current wages, there must be evidence as to the general conditions of trade, and as to profit, and so on?—But we were living in such abnormal times that the inquiry then was more difficult than usual.

3681. *Dame Adelaide Anderson*: Was it not possible to adjourn for a short period until certain members had explored the question?—I should have suggested, of course, that the first question to consider was, what do you mean by a minimum wage—but we never even considered that.

3682. But I mean as to collecting evidence?—With regard to collecting evidence as to what a minimum should be, I suggested that this committee of inquiry should proceed—and I moved accordingly and the motion was lost—to find out what the pre-war rate of wages was; that we should find out the current wages, what goods were being sold pre-war as compared with then, that we should find out the

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possibilities of foreign competition, what the export trade was, and so on—whether we should be able to buy our raw materials in the immediate future as cheaply or as dearly as we were doing then.

3683. *Mr. Layton*: And was that ruled out as irrelevant, or what?—It was ruled out as likely to delay the action of the Board.

3684. *Sir Arthur Pease*: Then your complaint is really that this Board as it is performing its duties is not giving sufficient time for considering what the wages should be before it gives a decision?—I have made inquiry about the action of all other Trade Boards, and I find that they all move identically in the same way, that there is not a Trade Board which has proceeded into the facts of the particular industry; and I should say if the Appointed Members were cross-examined as to their knowledge of any particular industry as to the prices ruling in the trade, as to what the raw material was costing, and so on, without exception they would be found totally ignorant of all these questions.

3685. But why could not you have had all this evidence ready before the Board?—Because, of course, we had only assembled there as a unit for the first time—each individual member assembled as individual units.

3686. If you had another examination as to the minimum wage you could go to a Trade Board now very much better prepared than you could then?—Undoubtedly; but, with all respect, I think that the inquiry is almost a hopeless one to legislate for the future, even after a scientific inquiry.

3687. *Mr. Layton*: How many meetings were held before you arrived at a proposal?—We met once, and adjourned till the following day, and fixed the proposal the second day. We did not fix it, mark you, by agreement; there was no agreement about the rate fixed.

3688. No; but the haggling was repeated on the second day?—Yes, and reached a conclusion.

Dame Adelaide Anderson: The next day!

3689. *Mr. Layton*: Never having seen one another before as a body—as an organisation?—Precisely.

3690. *Chairman*: Did not you ask for some more time to consider?—We made the motion I have mentioned, that the thing should be adjourned and a committee appointed.

3691. The Board met for the first time on the one day, and fixed the rate on the next day?—Yes; that is almost universal; I think it is the common experience. I do not know of any Board that has proceeded otherwise.

3692. *Lord Weir*: Do you really mean that a Board meets for the first time and settles a rate for the whole country, a minimum rate, without more than 24 hours' consideration?—I believe that that has been the common experience in the National Union of England. The English Board, I think, did the same thing.

3693. But surely there is some mistake, because I see the first meeting of the Board was on the 1st of February, and the first rate fixed was 14th June?—Effective.

Mrs. Lyttelton: That is the approval.

Chairman: That is the approval, after the time for objection.

Witness: It became effective afterwards.

Chairman: We have had Boards that have taken months of haggling.

3694. *Sir Arthur Pease*: But the point is that as far as the Board is concerned it is fixed in two days?—Yes.

3695. The Board as a Board are committed to that as a proposal, and the objection cannot then come from within the Board; it has to come from outside?—Yes.

3696. And if there are objections sustained by anybody else, then that would be reconsidered?—Yes.

3697. But that would mean a delay of another four months?—I think so.

3698. *Lord Weir*: It would be rather of interest to know if this rapid rate which you fixed held against

all the objections; or did the objections overrule it?—We did consider objections, which were brushed aside, of course, at the next meeting.

3699. So that this rapid rate held against all the objections?—Held against all the objections, yes. Of course, we were in a rising market at the time.

3700. *Mrs. Lyttelton*: Was the rate very much higher than the employers wished?—No; I think that it was not very much higher; 1d. an hour for female labour, I am told.

3701. *Dame Adelaide Anderson*: On the whole, what was the rise?—There was a rise; the rates were rather higher than the old rates, or were they about the same?—I think about 1d. an hour for female labour was substantially the average increase.

3702. For women and girls?—Yes.

3703. And for men and boys?—(*Mr. Chalmers.*) There were very few men and boys employed in the factories in Scotland; it made very little difference there.

3704. *Chairman*: That may be the explanation of the short time taken?—It was really in connection with the female labour that we were fighting. We met that morning at 10 o'clock, and we finished at half-past seven; we started at 10 o'clock the next morning and sat till 3.30, and then were were absolutely tired out, and the appointed members told us if we would agree to so-and-so they would vote for that. We were not content, but we simply did that because we thought they would go no further. They knew nothing about it. They said, "We have statements from the one side and the other, and although we cannot prove either, if we do not do this we will do the other."

3705. *Sir Arthur Pease*: Were the rates much different in the different parts of Scotland before?—Yes, they were.

3706. And they were all put to one rate?—They were all put to one.

3707. *Mr. Layton*: Have the rates since been varied at all?—No. On page 5 of my memorandum before these rates came into operation the workers put in an application for an increase of 1d. an hour, and that was given effect to on 18th October, 1920.

3708. *Lord Weir*: Mr. Thomson, apart from what you have told us about the fixation of the rate, you started by saying the Board was a complete failure?—(*Mr. Thomson.*) Yes.

3709. Now how is that instanced?—By the fact that they failed to fix a minimum wage at all; they have not executed their function.

3710. That was the meaning you wished to put on it?—Yes.

3711. *Mr. Layton*: Have these rates been current throughout as the actual wages paid?—Yes.

3712. And did the actual wages paid not go higher than these figures on the rising market you have spoken of?—No; I think the tendency of the rate fixed by the Board was really to stabilise the rate in all factories at these figures. If formerly they had been higher they came down to that. There may have been one or two exceptions, but the tendency was to make it the standard general rate for the trade.

3713. *Chairman*: Are the rates too high?—They are distinctly too high at present.

3714. Have you proposed a reduction to the Board?—There has been notice given, but at present the Board is evidently in a state of suspended animation, because no new members have been appointed.

3715. Do not they go on until new members have been appointed?—That is rather a curious point. I must say I have been asked to offer an opinion in law on the subject, and I have had great difficulty in making up my mind. It depends upon the regulations governing the Trade Boards.

3716. But have not you been advised by the adviser to the Labour Ministry that until new members are appointed the existing members continue?—Yes, but we cannot see how he reaches that conclusion upon the Regulations that have been issued. There are two Clauses in the matter—or, rather, three: Regulation 10, which says that all the members shall retire

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at the end of one year; that meant they all retired automatically on the 8th January, 1920; Regulation 12, which says that, subject to Regulation 10, the members shall remain for a year; and then a still further Regulation, Regulation 16, I think it is, which says that the Trade Board shall continue in existence until dissolved by Order of the Minister of Labour; but, of course, if all the members have retired it is rather difficult to see how they can continue in existence.

3717. Have you got the Order there?—Yes. (*Copy handed to the Chairman.*)

3718. However, you have given notice, I understand, to revise these rates?—Yes. No new members have yet been appointed.

3719. I think you had better try it, Mr. Thomson. —We have sent the communication for the new Board.

3720. Then why do you say the Act is a failure so far as your Board is concerned?—I thought I had given the answer, my Lord, that we have not fixed minimum wages, and that it is causing a great deal of complaint throughout the industry. I have received numerous replies from all over the country that the rates fixed and the conditions fixed are leading to the dismissal of employees and the working of short time, and so on.

3721. You have information to that effect, have you?—Yes.

3722. Have you any material here supporting that?—Yes. We sent questionnaires throughout the whole trade; but first I may say that each individual Association throughout the country, in Aberdeen, Dundee, Dumfries, Edinburgh, Glasgow, and Perth, has considered the question very carefully, and they all passed unanimous resolutions against the continuance of the Trade Board. They found that it worked such hardship upon industry and such inconvenience with regard to their employees; and then following upon that I sent out three questions to the local secretaries and asked them to say how they had reached those resolutions, and how the Trade Board had operated to the disadvantage of the trade; and I found that, while the questions were answered directly by a great number, most of the replies I got were rather argumentative than otherwise; but they were all unanimously of opinion that the Trade Board operated badly.

3723. What I wanted to know was, have you any evidence of any trouble being caused by employees being discharged?—Yes, I have several cases.—I do not think there would be any objection to my putting in the letters—where they have said individual persons have been discharged.

3724. If you would make a copy of those for us and send it in to the Secretary, you can leave the names blank if you like; we assume that you have the original letters.—I have the originals here in several cases. The Glasgow Association apparently find themselves so exasperated with the position that there was a disposition, evidently, to disregard the operation of the Board altogether.

3725. That would have to be settled with the police authorities. Then you have some reasons, I understand, and your wish, or the wish of your Federation is that the 1918 Act should be repealed?—Yes.

3726. Or that you should be withdrawn from it?—That is so.

3727. You give your reasons for that: first, little or no consideration was given to the matter in Parliament or in the country when the 1918 Act was passed?—I think that is so, because although we were evidently very much interested, I do not think that we knew anything about this Bill when it reached the final stage. We were all interested in other matters at that time.

3728. We will take that as a short statement of what you have given us here.—Yes.

3729. You say: "Statutory interference with freedom of contract does more harm than good."—Well, that is really our experience. We find that the fixing of uniform wages tends to the dismissal of the inefficient. It also tends, of course, to the efficient

man getting less than he deserves, because if an employer has to pay wages to the inefficient at a higher rate than he ought to pay, then, of course, the efficient man gets less, and so on. It seems to me that the complexity of the question is so great that it is very difficult to legislate for a whole industry in this way.

3730. *Dame Adelaide Anderson*: If the inefficient are driven out, does not that leave the field free for the efficient? Does not that, at any rate, whatever its demerits may be, leave the field free for the efficient ones?—With all respect, the inefficient one is driven out, but it means that they are not always all driven out; there are always so many workers of less capacity than others, and they must get the standard rate.

3731. *Sir Arthur Pease*: Do you mean that there is less effort made to be efficient?—It means that both the efficient and the half-efficient get the same rate.

3732. And as a consequence of that there is not the same effort to become efficient?—Precisely; that is, of course, one of the moral effects, but it also means that the employer, if he has to pay an inefficient man the same wages as an efficient man, the efficient man does not get the reward of his capacity.

3733. *Chairman*: You give as an instance the Corn Production Acts?—Well, that is an illustration, I think; and, if I may say so, I would adopt in connection with the comparison of the minimum wage of the agricultural labourer and the wages of the aerated water manufacturers the evidence given by the preceding witness, which I heard. A great many aerated water manufacturers are in rural districts, and it is a local industry to a great extent, and the class of employee that they have is drawn from the agricultural people. The minimum rate of wages in the agricultural industry, I think, might be applied to the aerated waters trade. One finds this, of course, too, that the fact that the Agricultural Wages Board went by the board, or has been repealed, goes very strongly to show that this system of regulating wages by a Wages Board is quite unsound and quite hopeless; but the hopelessness or the defect of it as a system is more readily seen, I think, in agriculture than in any other industry; you can trace the effect of it more quickly, and that was demonstrated in the House of Commons, I think, when the Wages Board Act was repealed. I should like to adopt almost verbatim as part of my evidence the speech of the Minister of Agriculture when he introduced the Corn Production Act Repeal Act, and the reason is this—that if you are paying higher wages than the agricultural industry can stand, then land goes out of cultivation. Everybody sees it at once: higher wages mean no wages right away. The question, however, unfortunately, is more complex in a factory; the conditions are very much more, as it were, covered up. A man may say: "I know that my factory is being injured by this regimented rate," but it is very difficult to put your finger just on the spot as you can do in agriculture, and so prove that your industry is suffering.

3734. *Lord Weir*: I take it that what you mean by "injury" really is that the cost has gone up, the demand has stopped, and you get the unemployment. Is that the form of injury you mean?—I am looking at it from three different points of view as far I can. There is first the point of view of the employer; secondly, of the employee, and, thirdly, of the community; because, although one might think that this Aerated Water trade is a luxury trade, it is not really so, and particularly in Scotland; and, from the point of view of the manufacturer, it means that, if his costs of production go up his output goes down, his margin of profit goes down; and, after all, in the case of this trade I know for a fact that the living in it is not a fat one; it is a very moderate living whilst the aerated water manufacturer makes throughout Scotland.

3735. *Chairman*: Up to a point you can pass it on to the consumer?—Yes; but there is an economic limit, of course.

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3736. But if you pass it on too much, the consumer strikes and says, "No, I will buy no more"?—Yes, and that has been illustrated unfortunately for this particular trade, in a most ruinous manner since the introduction of the Finance Act of 1916, which imposed certain table water duties. It may not appear to be quite relevant, but it is in a way, because I think this Trade Board Act is the last straw, as it were, that is going to kill the trade altogether. I have been watching it very carefully. In 1916 duties were imposed of 4d. a gallon on sweet waters and 8d. a gallon on unsweetened waters. I am told that that Act is almost as heavy upon the aerated waters as it is upon excised alcoholic liquors; but the immediate effect of the passing of that Act was a reduction in the sale of all aerated waters throughout the country on an average of not less than 50 per cent. I believe that the reduction in the case of some manufacturers was much higher. (Mr. Chalmers): 75 per cent., I think. (Mr. Thomson): 75 per cent. in the city of Aberdeen. That, of course, was a very serious matter. The serious effect was not appreciated altogether by the manufacturers because of the readiness with which they were able to raise their prices. The wages were high; the working classes were making big incomes, and they did not mind paying more for aerated waters. We were able to keep up the price and the margin of profit, but that situation has now gone, and then comes along the stabilising of wages with the cost of production, and the tax remains, with the result that, at present, throughout the whole of Scotland the trade is in a very bad way.

3737. *Sir Arthur Pease*: But a very considerable proportion of the population at that time were leaving the country—I mean the male population—in 1915?—Yes; but the extraordinary thing was that the military camps and so on throughout the country, and the large wages made by those who were left, enabled a big circulation of money amongst the working class which enabled them to buy; but I agree that the actual consumption went down by 50 per cent.

3738. Could you tell us at all how much direct wages enter into the cost of production of mineral waters?—I could not tell you. Perhaps Mr. Chalmers might tell you. (Mr. Chalmers): From 25 to 35 per cent. In regard to your remark about the male population, I should like to point out to you that, while the war was going on, in the Scottish towns such as Edinburgh, Glasgow, Aberdeen and all those places, there were always great bands of men on leave, and they had full pockets, and they spent right royally all the time they were there.

3739. *Sir Arthur Pease*: The figures you gave come from the whole country?—Yes, but they were practically all over Scotland.

3740. *Chairman*: Has the Act had any effect upon the small manufacturers?—(Mr. Thomson): I think, unfortunately, there is a tendency on the part of the standardisation of wages to eliminate the small manufacturer, which I think is a great pity, because the small manufacturer has very often been a man who has driven a lorry himself, and has been a saving man and built up a little business and prospered, and, of course, he finds that he cannot afford to pay these wages; he has not got the same resources at his disposal as the big manufacturer who can carry stocks. The trouble about this industry is that it is a seasonal trade very largely, and we have a very short season in Scotland, and the small manufacturer cannot keep up stocks in the way a large manufacturer can; he may not have the space, or he has not got the money to stock it, and so on; and if he is hampered in the way of getting additional employment in the summer time, then, of course, he cannot carry on to advantage.

3741. *Dame Adelaide Anderson*: This trade is scheduled as a dangerous trade?—I cannot understand why it should be nowadays; in fact, we have demonstrated, I think, to everybody but the Home Office that it is no longer a dangerous trade, because we now fill at such a low pressure that there is no danger at all.

3742. You mean that the appliances have so improved?—Have been so improved, yes.

3743. Are those appliances within the reach of the small trader?—Oh, yes, I think so. Again, perhaps, I should appeal to my colleague Mr. Chalmers; but in Scotland I think there are very few of the old high-pressure machines to be found.

3743a. Are there very few accidents in these small places?—Yes; we have been going into that quite lately with the Home Office, and I had a meeting with the Minister quite recently, and he has now issued regulations for the first time under the last Factory and Workshop Act, which are very mild regulations indeed, and, I think, demonstrate that the trade is not a dangerous trade at all.

3744. Milder than the simple early rules?—Slightly, I think. (Mr. Chalmers): Very much milder.

3745. On the ground that there is much safer machinery?—(Mr. Thomson): Yes, it is all due to the fact that the bottles are now filled at a uniformly low pressure instead of being filled at high pressure. (Mr. Chalmers): It is not a much more elaborate system. The Chief Inspector in my factory less than a month ago pointed out to me that all low-pressure filling machines practically reduced the risk of accidents to vanishing-point. It was only in the outlying places where they were using old-fashioned bottles that there was any danger at all.

Dame Adelaide Anderson: I was only trying to find out whether the small trader was not to some extent handicapped by the low-pressure machinery.

3746. *Chairman*: You have spoken about the injury to the trader. Have you heard about the injury to the employee?—(Mr. Thomson): It has been curious that most of the evidence I have had has been in the direction of showing that men who were less efficient have been dismissed; men who were getting on in years and so on; and female employees who were not so adroit as others. Most of the evidence I have collected was in that direction.

3747. Sometimes I suppose short time is worked?—Yes. Of course it is only fair to say that the short time at present is not entirely due to the Trade Boards Acts, or it might be bettered much more quickly. The spending power of the working classes and the operation of the Finance Act have had an influence. (Mr. Chalmers): Prior to the Trade Boards Acts the bulk of manufacturers kept a regular staff all the winter and paid them; but now, owing to the heavy rate of wages and the reduced sales, and the increased cost of production, they are simply putting them all on to short time and only paying them for the actual hours they work. In some parts of Scotland at the present time they are not working more than two days a week.

3748. At this time of the year the trade is out of season?—Yes, but even during the season trade was bad. In my own case I have three machines, and I was only able to work one, and then only four days a week instead of six.

3749. That was partly due to the new tax?—It was due to the tax, high wages, the increased cost of distribution, and so on, and unless we can get prices down, including wages, I do not see how we can go on.

3750. *Sir Arthur Pease*: And the coal stoppage no doubt affected you?—The coal stoppage affected the trade greatly.

3751. *Chairman*: As to the machinery of the Act, do you want to say anything about that?—(Mr. Thomson): I have already alluded, of course, to the fundamental objection that there was no inquiry at all into the facts of the case to justify the findings of the Board, and it is really very difficult to know how the machinery of the Board could be improved unless, as I say, they sit from day to day and every day, and try to work out the figures that might be imposed upon the industry.

3752. Do you complain of the cost?—Certainly. If I may say so I see behind the scenes a little on the employers' side; I know the cost to the employers. The employers are not wealthy men, but it involves them having all sorts of meetings; they have a meeting first to consider what their motion should be, and they must get into step of course. They have then to

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appoint a Committee to represent them, and this Committee has to meet, and they go on having meeting after meeting about this Trade Board. That, I think, is most injurious to the trade as a whole, because it distracts them from their legitimate business.

3753. Were the wages paid before the Act very low?—Yes, unfortunately I think they were rather low, but I cannot say that they were lower, from what inquiries I have been able to make, than the wages paid in similar industries.

3754. Still, they were very low, I understand?—They were undoubtedly low.

3755. Has an effort been made to raise them?—Unquestionably. I am glad to say that without the Trade Boards Acts a great many improvements have been made in this industry through the co-operation of the employers; and if I may also say so in Mr. Chalmers' presence, it was due a great deal to the energy that he displayed as a pioneer in one or two different directions, particularly the establishment of bottle exchanges. Each manufacturer has his own stock of bottles with his name on. That, of course, meant that unless he could get them back they were lost for all time, and the system of establishing bottle exchanges resulted in enormous improvement in trading results. Then they established another system called the bottle deposit system, which also improved the trading results enormously.

3756. How did that affect wages?—Again, speaking from my own experience, the effect was that as the masters did better themselves from the results they were getting through co-operation, the employees also benefited.

3757. It appears by the Report of the inquiry into the earnings and hours—you know the Report of 1906—that in this trade female workers earning under 10s. a week of 54 hours were 5·8 per cent. of the whole, and that 97½ per cent. of the whole were earning less than 15s. per week of 54 hours. Those were very low wages?—Yes, unquestionably they were very low throughout the country, both in England and in Scotland.

3758. It was right to raise those wages?—Yes. (Mr. Chalmers): Immediately before the war the wages were from 10s. to 12s. per week; but before the Trade Board came along at all the wages had been raised to 22s. and 24s. a week.

3759. Lord Weir: So that normally under the 1909 Act you would not have expected a Trade Board to be set up for the trade?—Not at the time it was set up. There may have been some justification in 1906 under the old Act. We do not object to the old Act, but we object to the 1918 Act.

3760. Dame Adelaide Anderson: Then you would suggest that these rates which were actually fixed are too high?—(Mr. Thomson): Yes, much too high.

3761. They are not very high to look at?—I quite agree, but when one knows the state of the unskilled labour market at the present moment, the supply of labour unfortunately for this particular industry is extraordinarily large. (Mr. Chalmers): For instance, we are paying 32s. for female labour for washing aerated water bottles, and a beer bottler who is not inside this Trade is paying 24s. to-day. That also applies to vinegar bottles, coffee bottles, and everything else; they all come under the same rates. Why should the mineral water maker be compelled to pay the higher rate?

3762. These rates would apply to the bottle washer in your industry, according to age?—(Mr. Thomson): Yes, but Mr. Chalmers' point, I think, is that the man who bottles beer, and beer only, has employees who only get 20s. to 24s. a week. (Mr. Chalmers): That is for washing whisky bottles.

3763. Yes, or jam pots or preserved fruit bottles.—(Mr. Thomson): Yes. (Mr. Chalmers): Another thing in connection with the Trade Boards is this. I have kept all my employees even though they are over 18 years of age; but in a great many cases they are dismissing the girls when they come up for the full rate of wages, and are bringing in girls of 16 and 17 years of age.

3764. Lord Weir: That is so as to use them when they are cheap, because very little intelligence or skill is needed?—Yes.

3765. Dame Adelaide Anderson: You do not object to a minimum wage for very low paid industry?—(Mr. Thomson): Well, my instructions are to say that we object to the Trade Board in this industry fixing any minimum wage. Whether my Association would object to a minimum rate of wages fixed by some other Authority, I could not say.

3766. You say in your Proof that there is no final relief to be expected for the unskilled worker so long as the population is too great for its means of subsistence?—I am afraid that part of it is a personal view. I have asked my friends in this industry to suggest a remedy which they can put forward as an alternative to this Trade Board, which they abuse so much. I have asked if they have any other suggestions to offer to prevent the unskilled worker being reduced to the condition that he was in before the war; and I am afraid I got no satisfactory answer, except that they were quite hopeful that the female worker would never be quite so badly off as she was before the war.

3767. Even in an unorganised trade?—Even in an unorganised trade, because undoubtedly the public conscience is more alive to these matters, and it is hoped, I think, that the industry will improve and help the situation. As a matter of fact I think the best thing that could be done to raise the status of the worker would be to establish freedom of contract all round.

3768. Combined with some sort of support for the unskilled worker, I suppose? I mean the worker must have some means of living. Do you consider that they should have some sort of training?—I think it is like this. If the avenues to the higher branches of labour were opened, the unskilled labour market would be immediately improved. It is the demand for labour which increases wages; we have seen that throughout the war, that automatically a demand for labour increases the rate of wages. In the time of the Black Death, as I have read somewhere, when the population was so enormously reduced, the wages were immediately raised, and they rose to such an extent that Acts of Parliament were passed to penalise people who paid these wages. There have come within my own personal knowledge several cases where the unskilled labourer, both man and woman, through this fear of work has been the dumping ground of all the Trade Unions. I know of one case where certain men would not take skilled labour at less than the wages which had been fixed, and they took unskilled labour there and flooded the unskilled labour market. I know also a case of a joinery where the men would not work, although the employer told them quite frankly he could not give them certain rates of wages, and they then went to the unskilled labour market at the docks. I think, if one could realise it, that the best resort of the unskilled labour market's wages would be freedom of contract.

3769. But we had freedom of contract before the Act of 1909 as regards wages, and in those days you agree that the wages were terrible?—With all respect, I do not think we had freedom of contract; I think we had nothing like freedom of contract before 1909 because I think the situation was made even worse as early as 1906 when the Trade Disputes Act was passed.

3770. Did that affect woman labour?—It affected all labour, I think, and particularly unskilled labour. It affected it most seriously. From my own personal knowledge, I am aware of the fact because it means that every strike in a factory nowadays is bound to be effective as against the inroads of the unskilled labourer. The only thing that makes a strike non-effective nowadays is the endurance of the employer, since the 1906 Act.

3771. But I do not see the bearing of that upon the minimum wage for the aerated water people?—I say most emphatically that it has a bearing, because if the unskilled worker cannot improve his

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condition by going into another industry where the rates of wages are higher, then he has got to put up with what he can get.

3772. *Sir Arthur Pease:* You express a view that wages in these industries would be higher than they had been before the war; but do you think that is possible? Do not you think that every class of the community will have to take lower wages and lower salaries than they did before the war, having regard to the wastage of war?—Well, perhaps I might modify my view in view of what you say; I had not thought of that particular point at the moment. Unquestionably the loss must be made up somehow; but I would hesitate to ask the unskilled labour of the Aerated Water Trade to take less than they took before the war. After all, there is an economic limit in their case.

(The Witnesses withdrew.)

Mr. ALBERT SHAW and Mr. T. A. CUDDEPP, called and examined.

3776. *Chairman:* Mr. Shaw, you are President of the National Union of Mineral Water Associations?—That is so.

3777. I think your Union accepts the principle that employers and employees should meet together for the purposes of conciliation?—That is so.

3778. You have found that beneficial in the trades with which you are connected?—Yes. The consensus of opinion among the members of the National Union, which covers the whole of England and Wales, is on the whole that the principle of the Trade Boards is beneficial.

3779. Do you mean Trade Boards with compulsory powers?—No, I shall have to qualify that in a further observation which you may permit me to make later on. I think it is only fair to say that at a great conference of our trade which was held on November 22nd, where there were about 350 delegates present from all parts of the country, the subject of the Aerated Waters Board and its effects upon the trade was fully discussed, and eventually a resolution was moved and carried by an overwhelming majority in the following terms, "that, bearing in mind the spirit of the times, Trade Boards are a necessary evil."

3780. What is the meaning of that—what is the spirit of the times?—I am afraid I cannot quite look into the brain of the gentleman who moved that, but it found general acceptance, I know, with the bulk of the members present at that Conference. With the principle underlying we are in agreement—that some method of conciliation between employers and employees should be adopted in the carrying out, not only of the industry of the country generally, but also of our industry, and with that principle of meeting together and of conciliation we have no quarrel at all; we rather favour it. Our strong objection, of course, is to the manner in which the work is carried on, and having had the benefit of hearing Mr. Miller Thompson, I am bound to say that he has stated none too strongly some of the defects; and what we are out for as representing the makers of England and Wales is that those defects should be remedied—that they shall be wiped away in some shape or form—and when we can have those defects removed we are quite prepared to continue operations under a Wage Board as affecting our industry.

3781. What defects do you specially point to?—Well, first of all, many people tell me that the present cost of the upkeep of Trade Boards is altogether excessive and extravagant, and they feel very strongly about the cost with regard to the upkeep of the Trade Board in this industry.

3782. Do you mean the cost to the nation?—The cost to the nation.

3783. Do you know what it is?—I can only quote from a statement that was made in the House of Commons some little while ago, when it was stated

3773. But everybody will have to share this all round.—I agree, speaking generally.

3774. Not individually, but in every class?—Yes, but I think the unskilled workers of the aerated water industry and some other industries would be below the economic limit of contribution. (*Mr. Chalmers:*) In answer to your question, I think our view is that they will be absolutely unable to share in it. You cannot ask them to share in a thing which they are not able to do; and to drive them back to as low wages as they received in 1906 would be unthinkable.

3775. Even if conditions were the same—even if the cost of living were the same?—Yes, even if the cost of living were the same.

that the Minister of Labour admitted that the headquarters cost of the Trade Boards officials at the Ministry of Labour amounted to £45,000 per annum, and the salaries and expenses of the various Trade Boards to nearly £50,000 per annum. The contention of my friends in regard to my own particular Board is that those expenses are altogether too heavy, and that if the Trade Boards could be amended in the way that we would like to see them amended, there would be no need at all for this large sum of money to be spent.

3784. What is the next point?—I have in my mind, having been associated with our own particular Board, the great bulks of stationery and printing which seem to be coming to me almost by every post, until I get almost tired of receiving that amount of stationery and notices. It did strike me as a business man that I should certainly run my own business in a very different style from that. Our feeling is, too, that under what we would suggest as an amendment there would be no necessity at all for Appointed Members as appointed to-day. I remember the reference made by my friend, Mr. Thomson, to agriculture, and I feel quite sure that in our industry we would be able to have a Conciliation Board consisting of employers and employees without the official element, and we would be able to arrive at a satisfactory solution of the wage difficulty which would be satisfactory to our employees as also to the employers. I say this with some little experience. I am a Staffordshire man, and in my earlier days I had a great deal to do with the iron and steel trade of South Staffordshire, and for more than 25 years there has been in existence a Conciliation Board between masters and men in South Staffordshire; and the wages of the men have always been regulated by the fall or the rise in the price of iron and steel. They have no officials at all present, or any Government control, and during the whole of those 25 years there has never been a strike, or anything approaching it.

3785. Of course, there is a strong union there?—But the union, Sir, if I may say so, have nothing to do with it. There is an equal number of working men with an equal number of employers, and they have been able to sit for 25 years and regulate the wages of that particular industry in South Staffordshire without there being a single appeal to a strike or a lock-out.

3786. I understand that. I was putting to you that the men's representatives are appointed by a strong trade union. It probably goes with the trade union, so that helps to preserve peace in that case?—Yes. I want to follow that by saying that I personally, and the majority of the members whom I represent here, are not at all opposed to trade unionism.

3787. I quite follow that, but is there a Trade Union to which your employees belong?—Oh! yes.

3788. What Union is that?—The Mineral Water Workers' Union.

3790. *Lord Weir*: What percentage of the workers would belong to that Union?—I should think that quite 70 per cent. would belong to that Union, and let me say that the employers were very anxious that they should have a Union to deal with, because these people were being got hold of by half a dozen different Unions in the country, and we simply did not know where we were and wanted to have some one body that we could negotiate with and deal with.

3792. Those casual workers would not belong to the Unions probably; it is the permanent workers?—The permanent workers; that is quite true. Mr. Miller Thomson is not over-stating the condition of the trade —not one iota. I have been in business myself for thirty years, and I have never known anything so appalling with regard to unemployment in our industry as at this very hour.

3794. Are you proposing to reduce them?—Yes.

3796. You mention the time that elapses in dealing with wages?—We feel very strongly about that. Without my elaborating at all, you know that before you can get any revision at all at least four months must elapse. During that four months there might be quite a changed condition. You agree, say, in the month of November that a change must take place, but before that change can come into operation four months must elapse. During the interim there may be still other changing conditions, so that at the very hour when you commence to work under the revised rates you have then to commence to think about other revised rates. We have had an experience of that just recently, and we say that it is altogether unreasonable both to worker and to employer to think that such a time should be allowed to elapse as four months before you can make any alteration in the rates. It should operate in both ways, and we very emphatically contend that a month should be the maximum time allowed to elapse before action can be taken in this direction; in fact, personally I think it could be done in less than a month; but certainly the time should be limited to a month, because you give the same opportunity to the worker that you do to the employer, and they have equal cause of complaint as the employers.

3797. Probably you heard the evidence of the last witness as to the number of trade union officials on the Board. Do you support his view?—I absolutely support the views of Mr. Thomson with regard to that. We are up against the professional trade union element being so strong on our Board, and we say it is not fair. We do not agree with it at all; in fact many of these people come in and argue who have never been inside a mineral water factory. I know that they had never been inside a mineral water factory when they came on our Trade Board first of all, because I asked the question again and again of some of these people who were talking, and who had a great deal to say as to what they knew about a factory, and two of them had to admit that they had never been inside a factory, and did not know anything at all about the working of it. We

3798. *Sing, Arthur Pease:* But you do not object to them having a trade union representative to speak for them, do you?—Personally I do not object to them having one, but when it comes to half a dozen of them, who monopolise the whole of the time, and the real employees who knows the work sits there and does not speak, does not say anything at all about it, I do not think it is quite fair to the employers. The employers do not bring in trained professional men, I hope that you will sympathise with me in my position, having to follow a man like Mr. Miller Thomson, for instance.

3800. *Sir Arthur Pease*: Of course an employer is largely engaged in debating things, but that is not the worker's job?—Well, we think so.

3801. *Chairman:* Your remaining two points rather tend to an extension of the Board?—Either extension, or else you must sweep it away, if you are to be fair. You cannot continue unless you do extend it. If you do not do that, I think in common fairness

If you do not do that, I think it common fairness the Board should be swept out of existence. This is one of the strongest contentions in our evidence. Let me just put it in this way. The aerated waters trade bottlers; in fact, the two business sides of the board, the same business, have been run together section and the aerated water bottling section, but where that operates they must pay the rate of wages set down by this Board. But across at the other side of the street there is a man who is not dealing at all with aerated waters, but is bottling beer. He can pay just what wages he likes, and can run in competition with this poor mineral water manufacturer, who is compelled to pay the proper rate of wages; and we have tried again and again and again either to exclude the beer bottlers who are within our ranks as mineral water manufacturers, or else to include these people who are on the other side of the street. Even the employees on our Trade Board feel more strongly than the employers do against this injustice, and I think we took this up from the very first meeting that we had, and the Chairman of our Board, Sir Alfred Hopkinson, expressed himself very strongly about this; and a resolution was passed unanimously by our Board that this matter should be brought to the attention of the Ministry of Labour, and a copy of this resolution was sent to the Ministry of Labour on the 23rd July, 1920, it reads in this way: "That in the opinion of this Trade Board the operations of bottle washing, bottling and filling, and all subsidiary operations preparatory to the sale in bottles, jars or other similar receptacles, of cider, ale, stout, porter and other alcoholic beverages, where these operations are carried on apart from the manufacture of such alcoholic beverages, should be included within the scope of the Trade Boards (Aerated Waters) Order, whether such operations be subsidiary to the manufacture of aerated waters or not." Now that resolution was sent on April 23rd, 1920. We never had any direct reply to that from the Ministry of Labour until the 23rd of this month; nearly 18 months was allowed to elapse. We felt so strongly on one occasion that a deputation of four, two employers and two employees, came down to this very place and practically demanded and forced an entrance, to know why we were being treated in this manner. We were received by an official here, representing the Minister, Mr. Leggett, and I am not divulging any secret when I say that he frankly told us that to try and get these bottlers within the scope of our Board was beyond the power of the Government. I went back to my Board and said that if that was so, I would do all that lay in my power to smash up that particular Board under

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which I and others of my friends were suffering this gross inequality. At the conference which I referred to a little while ago, the feeling was most heated amongst our members at this injustice, and I was asked to speak in the most emphatic way and to plead very very strongly that something should be done, and done very quickly, in relation to this matter. Then I think my last point is this. With regard to the importation of foreign mineral waters into this country, I am not here to discuss the pros and cons of that, but we say we suffer a very grave injustice. In the warehousing of these goods and the labelling and sending out, a very great trade is done, and it is done without any regard at all to the wages that are paid and which come under the scope of the Board. Where precisely the same work is being done in warehouses with regard to imported waters, they certainly should be brought within the same scope as that class of work which is being done in our home factories, and that is another very very strong point that we wish to urge upon you with all its importance.

3802. That is labelling and warehousing?—The labelling and warehousing of these waters which come

from abroad. The workers in these places are not included within the scope of our Board.

3803. *Sir Arthur Pease*: Are aerated waters bottled before they come to this country?—Yes.

3804. But the labelling is done here?—The actual label is very often put on the bottle here.

3805. Just as tongue labels are put on the tins in this country as they come from abroad?—Yes.

3806. *Lord Weir*: Are the differences to which you refer very great? Could you give us any example of the difference of the rates of a man bottling beer as compared with the rates of your employees?—Mr. Miller Thomson is quite right in what he says. We as employers have again and again had our attention drawn to the disparity to which he referred, where we pay 33s. 6d. for women's labour over the age of 18, and they at this present hour are paying as low as 20s. to 24s., as against our 33s. 6d.

3807. You do not know the male comparison?—Again, with regard to boys, we do not employ many boys in our factories. The bulk of the work is purely women's work; the bulk of the work in our factory is done by women.

(The Witnesses withdrew.)

(Adjourned to Tuesday, 6th December, at 11 a.m.)

TENTH DAY.

Tuesday, 6th December, 1921.

PRESENT:

THE RIGHT HON. THE VISCOUNT

CAVE, G.C.M.G. (*Chairman*).

THE RIGHT HON. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTELTON, D.B.E.

Mr. W. T. LAYTON, C.H., C.B.E.

SIR ARTHUR F. PEASE, BART.

Mr. E. L. POULTON, O.B.E., J.P.

Mr. A. MACCALLUM SCOTT, M.P.

Mr. H. D. HANCOCK (*Secretary*).

Mr. DAVID LITTLE, called and examined.

The witness handed in the following statement as his evidence-in-chief:—

My name is David Little and I am a director of Messrs. David Little and Co., Ltd., Wholesale Clothing Manufacturers, 30, Park Place, Leeds. I have acted as an employers' representative on the Tailoring Trade Board (Great Britain) since it was established in July, 1910, and after the Board was reconstituted under the name of the Readymade and Wholesale Bespoke Tailoring Trade Board (Great Britain) since that time. I am also a past chairman of the Wholesale Clothing Manufacturers' Federation, the recognised organisation of employers in the Wholesale Clothing Trade, through whose agency the names of the majority of employers' representatives on the Board who are factory occupiers are sent to the Ministry of Labour.

The first meeting of the Tailoring Trade Board (Great Britain) was held on 14th December, 1910, and there have been 34 meetings of that Board held since then up to the time of its reconstruction as the Readymade and Wholesale Bespoke Tailoring Trade Board (Great Britain). As regards the reconstituted Board, the first meeting of which took place on 15th March, 1920, there have been ten meetings. I have also acted on the Administrative Committee set up by the Board, and have regularly attended their meetings, which, with regard to the Board as first established and as reconstructed, means 47 meetings. The chief work of the Board has, of course, been the fixing of minimum rates of wages for male and female workers in the trade.

It may be noted that up till October, 1916, in the case of female workers and up till December, 1919, in the case of male workers, the minimum rates fixed were one rate for all adult female workers and one rate for all adult male workers, with, of course, proportionate rates for the younger workers in each case.

As regards the former the reason for special rates for female workers employed as cutters, trimmers and fitters-up was an agreement with the Home Office to fix their special rates because they were taking up the place of male workers of the same classes who were engaged in the war. As regards the latter several of the more skilled classes of male workers were dealt with, and thereafter the various classes of skilled workers were taken into consideration, and minimum rates were also fixed for these special classes.

When the fixing of these special minimum rates was taken up it was the view of both sides of the Board that the time had arrived if the Trade Board were to be made more useful to deal with wages in more detail having regard to length of service and skill, keeping in view, however, that in every case the rates to be fixed were minimum rates and not standard rates, and all through this principle has been observed. In order to carry through the necessary arrangements negotiations were entered into between the Employers' Federation and the two unions representing the workers' side of the Board, and agreements were come to as to the minimum rates of wages to enable the Trade Board to fix them. In this connection I may say that when the Trade Board was first formed there was naturally a feeling of suspicion of one another on both sides of the Board, and particularly seeing that Trade Boards at that time were purely experimental. For some considerable time the two sides kept much apart from one another, but for the last five or six years there has been a very close relationship between the two sides. It is suggested that perhaps one cause of bringing this position about was the meetings of the Administrative Committees. At these meetings all permits and questions of scope and other matters relating to the trade were discussed together in a

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[Continued.]

very friendly manner, with the result that both sides recognised the views and interests of one another and so created a mutual and helpful spirit.

I would emphasize again the fact that the rates were in all cases minimum rates, that is to say, they were rates for the special classes of workers below which no one would be paid, but many of the workers were paid higher rates, and this is alluded to by the clause appearing in all the Trade Board Notices dealing with rates as follows: "that they were without prejudice to workers earning higher rates of wages." There is no doubt, however, that during the war the minimum rates rose out of proportion to what they would have been in normal times, and to that extent, being largely due to the increase in the cost of living, they may be said to have tended towards being standard rates in some districts. I am aware that there has been a good deal of complaint on the part of employers throughout the country who have not had much experience of Trade Boards against the power which the Trade Boards have to fix minimum rates for skilled workers, i.e., special classes of workers. The power was given under the original Act of 1909, but it has to be borne in mind that the rates which the Trade Boards fix for special classes of workers can only be minimum rates. It is, however, open to question that Trade Boards in their initial stages should be able to fix such rates. The suggestion might be that in the first instance they should simply content themselves with fixing the General Minimum Rates for the whole class of male workers and of female workers. This would enable the trade to settle down to the new conditions before beginning to deal with rates for the skilled workers. In that case it might be wise to lay down that until both the employers' and the workers' representatives agree to the fixing of such rates the Board should not have the power to do so at least for a period of say two years from the date when the first General Minimum Rates were made effective.

At the numerous meetings of the Administrative Committee a large number of questions from employers as to the application of the Trade Board rates were disposed of by the Committee, and so far as the Committee knew gave satisfaction to the employers concerned. Some of the questions were dealt with by the Secretary of the Board, but they were in all cases put direct to the Committee and the replies of the Committee were sent to the employers concerned.

As regards breaches of the Act any such cases were submitted to the Committee and the Secretary was advised of their views in such questions so as to assist him in dealing with them, although it was generally understood that no prosecution could take place without the consent of the Board of Trade or the Minister of Labour, as the case may be. There is no doubt that the work of the Board and of the Administrative Committee was carried through in an expeditious and businesslike way prior to the Act of 1918, when the Minister of Labour was given extra powers to deal with administration. It was not necessary in the opinion of the employers' representatives that there should have been such a change, as, although considerably more trades have been brought under the Acts, it is very desirable that each Board should control its own affairs in dealing with rates of wages and other relative matters.

The employers' representatives have noted the agitation in the Press and otherwise against Trade Boards. Their view is on the whole that the work of Trade Boards so far as the Readymade and Wholesale Bespoke Tailoring Trade is concerned has been of benefit to the trade inasmuch as it has substantially raised the level of wages paid in the trade over those paid prior to its being set up and has created better organisation in the factories. It has also raised the standard of living of the workers concerned, and it may be added that the improved relationship between employers and workers has been more marked, and is largely due to the better understanding arrived at as a result of the frequent

meetings of the Trade Board. The employers' representatives would point out that the high rates obtained in many Trade Boards have been largely due to the abnormal conditions of the war and are of opinion that had there been normal conditions the rates of wages would not have been so high and would have varied to something like the same extent as had taken place in the case of the early boards which were established about 1910.

The employers' representatives accordingly do not favour the abolition of Trade Boards. On the other hand, however, they have strong views upon the necessity of simplifying and improving the present administration.

- (1) There is a period at present of in all about four months before a rate which is proposed can be made effective. The delay due to this has worked with prejudice to both sides of the boards and the period accordingly should be largely reduced. Steps therefore should be taken to bring this about. At present the long period is due to the two months allowed for objections when a rate has been proposed and the period of one month taken by the Minister of Labour to revise the rates. Something should be done to reduce these periods. In any event any reasonable measure resulting in considerable decrease in the period would largely tend to make the Trade Board much more elastic in its work.
- (2) The question has arisen with regard to the Minister's revision of the rates fixed by the Board and to the delay which takes place in adjusting a final settlement in connection therewith, and it is suggested that the period which the Minister has to make rates effective is too long, particularly in cases where there is agreement on both sides as to the rates concerned.
- (3) The employers' representatives take much exception to the change in procedure by the Minister of Labour in dealing with questions of scope. The Department constitute themselves as the final voice in such questions. In some cases their decisions have been communicated to Trade Boards and are often objected to by the Administrative Committee. If there is any body capable of dealing with such questions as these it is the Administrative Committee or the Board itself who are almost entirely composed of persons experienced in the trade. The view held is that opinions on these cases are more likely to be upheld in the Courts as the views of the trade as against opinions prepared by officials of a Government Department. It is therefore strongly urged that the previous procedure of making the Trade Board the deciding body should be continued.
- (4) As regards the operation of rates fixed and their observation by employers in the trade, cases of non-observance were prior to 1918 dealt with in the usual course of business by the Administrative Committee, and reports were submitted as to the numbers of visits of inspection which were made and in general the position was satisfactory. To-day, in view of the considerable increase in the number of Trade Boards without a proportionate increase in the staff of the Inspectorate, no one can be assured of the general adherence by employers to the rates that are fixed, and as long as this state of matters exists it is decidedly to the disadvantage of such employers who take care that the rates paid by them are not less than the Trade Board rates. Here again it is considered that the work of administration should be in the

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[Continued.]

hands of the Trade Boards and along with it a legal Department in close touch with the work of the Trade Boards.

- (5) As regards the constitution of the Boards, the employers' representatives would say:—

(a) That they do not object to the present system of the Board having a Chairman and Appointed Members, but they consider that great care should be exercised by the Minister in their appointment with a view to suitable unbiased persons being chosen, and in particular that they should not be associated in any way with any organisations, economic or social, previous to their appointment. It is further recommended that both sides of the Board should be consulted before the appointments are made.

(b) That as the Workers' side of the Board is almost entirely composed of members who have practical experience of the trade as well as being members of their Trade Union, and as the relationship between the two sides has been of a very satisfactory character, the employers' representatives have no objections to offer to the present appointments.

- (6) The Board, as the Tailoring Trade Board (Great Britain), set up District Trade Committees, meetings of which were held on each occasion when minimum rates were fixed or varied. It was found from experience of these meetings that very little practical good was obtained generally because of these Committees not having power to fix rates themselves, and latterly it was considered that their work did not warrant the great expense entailed. Upon reconstitution of the Board, the Board did not again set up the District Trade Committees so that these now are not in operation.

- (7) The Board have had since its inception a provision in their Regulations enabling them to carry on their proceedings by side voting. The reason for this is that, as the two sides of the Board must vote under the Regulations in equal numbers, the danger arises that the vote of one member on either side might give the vote against the side by his single vote. When the Minister reconstructed the Board he made an attempt to take away this privilege, but this was strongly resisted, and latterly the Minister allowed the Board to have side voting. It is the view of the Board that, generally speaking, the same provision should apply to all Trade Boards for the purposes of protecting the interests of the majority of either side.

- (8) Many employers to whom the rates apply are engaged in Trade Board trades as ancillary to their main business, the result being that in some cases there is more than one Trade Board rate, or with one Trade Board rate they may be up against the current rates paid to workers in the main business for which there is no Trade Board. These conditions raise difficulties for which some provision should be made.

It has been stated in some quarters that if Trade Boards were suspended some hundreds of thousands of men now out of work would be fully employed. This statement is questioned, as in general it will be found that there is no more unemployment in the case of trades which come under Trade Boards than there is in other trades which are not governed by

these bodies. Further, if the complaint is to any extent well-founded, the cause is one of insufficient elasticity on the part of the Boards in that they have not the necessary powers to carry out quickly any variations in wages that may be made. Probably during the war period and the time since the opportunity might have been taken by the Government to accommodate by legislation the action of Trade Boards towards the existing abnormal conditions.

It is understood that many employers object to the Act of 1918, seeing that it alters the basis of the Act of 1909, upon which the Trade Boards could be set up. The new basis under the 1918 Act is as follows, viz.:—

"That the Minister of Labour may make a special order applying the Principal Act to any specified trade to which it does not at the time apply, if he is of opinion that no adequate machinery exists for the effective regulation of wages throughout the trade."

No opinion is expressed with regard to this, but it is suggested that there is very little real difference between the two bases. Not merely is the want of organisation of the trade necessary, but the rates of wages prevailing have to be considered, which obviously means the giving of consideration to rates of wages which are exceptionally low within the meaning of the 1909 Act.

3808. *Chairman*: You are a director of David Little and Co. of Leeds?—Yes.

3809. They are wholesale clothing manufacturers?—Yes.

3810. I think you have been an employers' representative on the Tailoring Trade Board of Great Britain since it was formed in January, 1910?—Yes.

3811. Is that one of the Boards scheduled to the Act of 1909?—Yes.

3812. It has since been re-constituted under the name of the Ready Made and Wholesale Bespoke Tailoring Trade Board?—Yes.

3813. You are Past-Chairman of the Wholesale Clothing Manufacturers' Federation?—That is so.

3814. That is the organisation of employers in the wholesale clothing trade through whom the majority of the employers' representatives are suggested to the Minister of Labour?—Yes.

3815. The first meeting of the Tailoring Trade Board was held on December 14, 1910?—Yes.

3816. Since that time there have been thirty-four meetings of the Board up to the time of its reconstruction, and since then ten more meetings?—Yes.

3817. Have you also acted on the Administrative Committee set up by that Board?—I have.

3818. That Committee meets quite frequently, I suppose?—The Administrative Committee naturally meets very much more frequently than the Trade Board itself, because they are really the executive part of the Board.

3819. They deal with details as to scope and questions of that kind?—At one time we used to have questions of scope referred to us. Under the present arrangement the Ministry decide questions of scope, but originally we used to deal with all questions of scope, and we also had in the first instance to deal with all applications for payment for workers who perhaps through physical disability were not considered to be ordinary workers. Those recommendations were always confirmed by the full Board, but we did the detail work.

3820. Your Board was presided over by Mr. Aves, I suppose?—Our first Chairman was Mr. Yates, and then Mr. Aves.

3821. Mr. Aves was the Chairman of all the Boards at one time?—He was permanent Chairman.

3822. How many Boards were set up under the Act of 1909?—There were four industries scheduled originally.

3823. Others were added under Provisional Orders?—Yes.

3824. He was able to co-ordinate the work of all the Boards over which he presided?—Yes.

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[Continued.]

3825. And your duty at that time, to put it quite shortly, was to prevent sweating?—I am going to say at once that we as an industry never liked the stigma that we were a sweated industry. That was the only part to which we objected, I think, as regards our inclusion in the Trade Board.

3826. Still, you were included under the Act itself?—We were.

3827. You were one of the first Boards. Can you throw your mind back and tell us on what principle you proceeded in those days in fixing minimum rates?—It generally took this line: One or the other side would move a resolution fixing some hourly time rate. It was generally met by an amendment proposing to fix some other rate. At the outset of the Board there was considerable difference of opinion between the representatives of employers' views and the representatives of workers' views as to what was a reasonable rate. There used to be proposals and counter-proposals. In course of time it got boiled down to a point, because with the earlier proposals, as a rule, the Chairman and the Appointed Members did not support either proposal, and therefore it was lost, but by a step at a time we got down to a point when the Chairman and the Appointed Members did vote, and that carried the rate.

3828. Was that usually a vote of the Appointed Members and one side against the other side?—The Chairman and the Appointed Members.

3829. The Chairman is an Appointed Member?—Yes. For quite a period their vote was the vote which fixed the rate.

3830. In more recent times has a change occurred?—Yes, a very considerable change, and particularly when it was felt desirable by both sides that an attempt should be made to extend the rates to cover special classes—I have in mind the more skilled workers—and that resulted in negotiations between the Employers' Federation and the workers' unions, so that we got to a point that as a rule the rate proposed was probably moved by a member of the one side and seconded by another, and carried in almost every instance unanimously.

3831. Was that because it had been arranged by agreement outside the Board?—By negotiations that had taken place previous to the Board meeting.

3832. And an agreement, I suppose?—There is an agreement in existence, yes.

3833. Outside the Board?—Outside the Board.

3834. That is interesting, but I suppose you will not differ if I suggest that when that happened you were really performing the functions of what is called a Whitley Council with the addition that you had compulsory powers?—That is so.

3835. I suppose this trade has become fairly well organised now?—Yes, undoubtedly on both sides there has been considerable addition to the membership.

3836. Is that a result of the Trade Board having been set up, do you think?—Largely due to both sides realising that it was far better to come to an understanding between the two sides than to indulge in conflict.

3837. With regard to the minimum rate, do you think that the compulsory powers which you have are necessary?—In our industry, yes.

3838. That is, you would have employers who might pay a rate so low that it would not really be a proper rate of wage to pay?—Our industry is a scattered industry, although there are large centres such as London, Leeds, Manchester, Bristol, Glasgow and Hadden Bridge. Still, the clothing industry is carried out throughout the United Kingdom, and inspection, particularly such inspection as we have had, would leave a very great chance of evasion if an unfair employer was not, shall I say, by pressure brought to pay the rates that a fair employer would pay. In many cases we are of the opinion that without that compulsion there would be a large number of employers who would ignore what I would term the agreed rate as decided between the Federation and the Unions.

3839. Would that apply in the same measure to the higher rates, the skilled rates of payment, or would an agreement be carried out as regards those?—I think there is a difference between a skilled worker and an unskilled worker. I think a skilled worker has always more command of the market than an unskilled worker.

3840. He has the skill and he can make his own bargain and get something above the minimum?—Yes, I think so.

3841. Lord Weir: So that you really mean that a minimum rate for the lowest paid worker would meet the case, do you?—We departed from that principle when we proceeded to fix rates for special classes, as we believed that it was in the interests of the industry that those classes should also receive consideration. Admittedly at the outset it was wise to confine our operations to one minimum rate which would concern the lowest grade of workers and give them that measure of protection which was necessary.

3842. Did you come to that conclusion because you felt that you would have to make very slow and steady progress in this innovation—this new Act? Was that the spirit which prompted you?—No, I do not think we started out with that intention, because there was no question in the early years of the Board—I am speaking of adult workers now—of going beyond one legal minimum. The other evolved in course of time.

3843. Then your interpretation was that the 1909 Act was an anti-sweating Act, and that all you had to protect was the lowest-paid worker?—They undoubtedly, in the first instance, received the first consideration.

3844. Mr. Lynton: But with that system it was still the fact that higher rates were paid prior to 1916?—The minimum rates as fixed in the first instance were never considered to be the standard rates. Higher rates than those rates were generally paid.

3845. And under the pre-war conditions there was no tendency to reduce the difference between the rates paid for higher-skilled workers and the minimum?—No, undoubtedly there was not. In fact, I think on every determination, it may be somewhat pious, but there certainly was an understanding and words were inserted to the effect, that these rates were not to prejudice workers receiving higher rates.

3846. That was on the decision of the Board; that is not a statutory provision?—No, but it used to appear in every determination.

3847. Mr. Poulton: As a matter of fact that is sent out in all the schedules, is it not?—It is posted in every factory.

3848. Sir Arthur Pease: Are the minimum rates which are now fixed by the Trade Board practically maximum rates?—No.

3849. Are they generally exceeded?—Undoubtedly, through the abnormal conditions prevailing during the war, the rates have increased to a point which brought them very near standard rates, and no doubt would influence an employer who was engaging labour, but I cannot admit that they were ever accepted as standard rates.

3850. Did the same standard rates apply through the whole country?—No; we have not really such a thing as standard rates.

3851. I mean minimum rates?—The minimum rates for female workers apply through the country, and there have been two changes as regards male rates. Certain skilled male workers in London received a higher rate than in the Provinces; and again in the heavy cotton or fustian trade certain male workers have also received special consideration and a lower rate.

3852. Is any provision made for rural districts or country districts, where the cost of living, and so on, is less than in the towns?—No.

3853. Chairman: Is there a provision for young workers?—There is a provision for younger workers termed learners, and there is a schedule of rates which has regard to their age. With regard to the female workers it also has regard to experience, but

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as regards male learners the rate there is fixed entirely upon age. It has no regard to experience as regards male learners.

3854. Is that wise?—I do not think so, but that is what is the case.

3855. *Dame Adelaide Anderson*: Is it not the case that Leeds was somewhat special on the point referred to a while back, the wages normally being higher than the minimum?—In Leeds and other centres where there is competition for labour probably the skilled labour is, shall I say, largely in the majority: they always earn higher rates than the legal minimum.

3856. And although you would object to the industry at the beginning being described as a sweated industry, it is a fact, is it not, that the rates were very low in some parts, although not in Leeds?—I am speaking as representative of a large area, Leeds. The rates of pay that could be earned in Leeds in our case never warranted being considered sweated rates, but our objection was only to being brought in because it was suggested that we were sweating our workers. We never objected to working the Act, in fact we decided to do our best to make the Act workable.

3857. But do you not consider that it was very necessary, in other parts than Leeds, for raising the minimum wage?—We have always recognised that the Trade Board could do good to the industry.

3858. Then as regards fixing the special rates for special workers, a worker doing special work might be practically sweated at a lower rate than such a special rate as was fixed?—That is not my experience.

3859. That depends then on what is really meant by sweating?—I have never admitted, and I never shall I hope, that where the industry is properly organised it is a sweated industry.

3860. But it was not throughout organised?—The majority of the workers are in organised centres. The Trade Board Acts undoubtedly brought a measure of protection for the few rather than the many.

3861. Even when you proceeded to fix special rates for special workers?—There, again, there was one class of worker that had a measure of protection and another class that had not; therefore, by fixing special rates, recognising skill and length of service, we felt that it was in fairness to that type of worker.

3862. *Chairman*: That was really wage regulation and not anti-sweating. That is what it comes to, does it not?—I might say it was the other side to whom the credit is due, if there is any credit due to anybody for considering the special class. When they put up their case we thought that they made out a case for the protection of that class of worker.*

3863. Protection by wage regulation; that is what it comes to?—Yes.

3864. *Mr. Poulton*: You only called it sweating because the first Act compelled you to use that phrase in the clause which has now been taken away by the 1918 Act?—Agreed

3865. Therefore, that objection of yours to the word "sweating" as applied, at any rate, to Leeds and district, no longer obtains?—I think I can say that is so. I do not remember that in the original Act the word "sweated" did appear.

3866. No, but the phrasing in the 1918 Act is entirely different from that in the 1909 Act.—It had many titles before it became the Trade Boards Act, I think.

3867. *Chairman*: Yes, there was a Bill introduced, known, I think as the Sweated Industries Bill, but in the Act itself you will only find the words "exceptionally low."—That is so.

3868. *Dame Adelaide Anderson*: All I wanted really to bring out was that the words "exceptionally low" were relative to a certain extent. For instance, a shop assistant is obliged to preserve a certain appearance, and so on. A wage might be exceptionally low for one person which would not be exceptionally low for another.—I am sorry I have not quite got your point. Do you mean that as regards piece-workers—

3869. I am on the special rates for special workers point.—The rates for special classes were fixed higher than what I would call the ordinary legal minimum. It is only with male labour that these special classes arise, not female labour, if I except a certain few female workers who had a special rate fixed for them during the war when they came in to substitute male labour.

3870. *Mr. Poulton*: That was a war measure?—That was a war measure, but in the ordinary way, with the special classes, there are these different male rates to-day in our determination, and the skilled worker according to his experience and skill naturally got a higher rate fixed for him than would have been fixed for what I will call the labourer of the trade.

3871. *Lord Weir*: I would like to go back for a moment to the initiation of this first Board. You have had experience yourself on the first Board?—Yes, I was on the first Board.

3872. You described to us that the fixing of the minimum rate took place almost as a kind of bargaining at the Board. Was there no definition or accepted interpretation of the words "minimum rate." The Act lays that responsibility on the Board that you have to fix a minimum rate. Before you can fix a minimum rate surely you must have some clear understanding of what is meant by "minimum rate." What did you take as your meaning of the minimum rate?—Let me say at once that in the early years of the Board there was no bargaining: the two sides did not meet outside of the board room. The only time we got within four walls was when we got inside the board room. Naturally the members of the Board went to the Board with ideas which had been arrived at at meetings. As regards employers' associations in the various areas where the associations existed, those views were discussed by the federation of those associations; therefore, the representatives of the employers, with one or two exceptions—and, of course, at the outset it was a very small Board—went forward to the board room prepared to suggest what would be a reasonable minimum rate for the industry. On the other side the Union no doubt held their meetings and they went to the Board prepared to put up a figure. When we met at the Trade Board there was considerable difference between the two figures and, as I explained a little earlier, then there were proposals and counter-proposals which were voted upon and lost by the appointed members not supporting them, until we got to a point where the appointed members could support either one or the other and then it was carried. Does that cover your point?

3873. Yes. I take it you would agree with me that the interpretation of what a minimum rate was rested with the appointed members?—At that time yes.

3874. It was the rate which met the views of the appointed members?—The appointed members had to decide because there was no agreement between the two parties.

3875. So that it must have been their interpretation of what a minimum rate was?—They were the arbitrators undoubtedly.

3876. *Mr. Poulton*: They were the final referees?—Yes.

3877. *Lord Weir*: Do you consider that that interpretation has changed?—Yes, it has changed to this extent, that it is possible now for the two sides to draw together and discuss. We do not always agree, but we can meet. During the early years of the Board we never did meet and would not meet.

3878. *Mr. Poulton*: Only as you were compelled?—I mean it would have been impossible to arrange an outside meeting.

3879. *Sir Arthur Pease*: Without the appointed members present?—Without the appointed members present.

3880. *Chairman*: Except at the Board, I suppose?—We only met in the Board room.

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[Continued.]

3881. *Lord Weir*: Then was it understood that this minimum rate was a rate, for example, at which a large proportion of the workers would be remunerated?—No.

3882. Or a very small proportion?—Undoubtedly, when 3½d. was fixed for female workers the majority of the workers in the clothing industry earned more.

3883. Has the minimum tended to become the standard?—During the war, of course, with these very high rates I think it has come nearer the standard, but we have never discussed it as being the standard. For one thing, there is not really today an agreed standard in the industry.

3884. *Mr. Layton*: You say on page 1 that both sides agreed that the time had arrived if the Trade Board were to be made more useful to deal with wages in more detail, that is to say, having regard to length of service and skill, etc.?—Yes, that is so.

3885. Had there, prior to 1916, been no attempt outside the Board to fix standard rates for more skilled workers?—The first attempt to fix what I will term standard rates as between the Employers' Association and the Unions concerned was an agreement which was fixed up in Leeds in 1913. Following that agreement in one or two other centres agreements were arrived at. In those agreements they could be held to be standard rates only; of course, they applied to the immediate district concerned; they never became general. Those agreements were never brought to the Trade Board for ratification there.

3886. Did they deal with the wages of various grades?—Yes, classification of skill.

3887. That would be appreciably higher than the Trade Board rates?—Yes.

3888. Have you ever considered whether it would be possible now to fix a schedule of rates outside the Trade Board for those different classes?—We do not favour it because there would be no compulsion behind it. That is why we still favour continuing under a Trade Board.

3889. *Lord Weir*: That is purely as a confirming body?—Yes.

3890. These rates for the higher skilled workers, what might be called the regulation of wages, have been fixed between yourselves and the workers outside the Trade Board altogether?—The negotiations took place outside the Trade Board, but were then carried to the Trade Board, and the proper resolutions were moved on the Board and carried.

3891. *Chairman*: It had become by that time a formality. There was no discussion because the thing was agreed outside the room?—There was some discussion, but I agree it went through quickly.

3892. There had been actual agreement?—Outside, by the majority of course; but on the other hand the Board has to consider objections, and objections were considered. We could not ignore the objections. Had the objections been of such weight that it would have deterred us from going forward, I do not think we should have gone forward.

3893. Did that ever happen?—We did go forward because the weight of objections did not alter our opinion; but objections have altered our opinion as a Board.

3894. Has it ever done so where you had a written agreement outside the Board?—No.

3895. *Mr. Layton*: Did you find that the 1913 agreement which you made in the Leeds district was a handicap or prejudiced you in any way?—No.

3896. You do not find that other districts paying lower rates affect your trade?—Well, of course there always have been certain areas for some reason that had an advantage—I do not mean so much areas as more particularly isolated employers who, probably owing to lack of competition for the labour, would get an advantage as compared with the larger areas where there was competition for labour.

3897. Were you able to make your agreement effective in the Leeds district?—It applied only to the members of our Association: there were many employers who were not in it, but I think it became

very generally recognised even by other employers.

3898. It became in fact an effective rate?—As far as Leeds was concerned, yes.

3899. *Dame Adelaide Anderson*: But would it have become an effective rate if there had not been the Board compelling the lowest people to come up to at least a certain standard?—The agreement of 1913 was a thing quite apart from the Trade Board.

3900. I quite understand that, but could it have really worked if you had had a large number or a considerable number in the district falling very far below the exceptional rates?—Every rate in that agreement was higher than the Trade Board rates, therefore I do not see that the Trade Board rates influenced it at all.

3901. It has been found of course in other regulations that wherever you get any standard fixed, the bigger manufacturers do something better.—Your question, as I understand it, was: Did the Trade Board rates form a stepping stone to these rates?

3902. That is the idea.—I do not think so.

3903. And also would not competition be more serious if the difference were wider between the lowest wages paid by your competitors and yours?

—If an employer in an area can get his labour at a very much lower rate than the majority of employers, undoubtedly he has an advantage, but the question is, How long will he keep it?—because the best class of worker will leave that employer and go to factories where the conditions are better.

3904. *Sir Arthur Pease*: Either before the Trade Board or now, is there much difference in the standard paid in different parts of the country?—No. As I have explained earlier, there is only one rate throughout the country.

3905. Not a Trade Board rate—standard rates?—There has never been any attempt in the industry to standardise rates which apply to all areas.

3906. No, but from your knowledge of the trade, could you say whether the wages actually paid vary considerably in different parts of the country?—I would not say considerably, but there are variations.

3907. *Mr. Layton*: Applying to the more highly skilled people like cutters?—The variations largely concern the skilled workers.

3908. What is the basis of that variation; is it that there is a variation of skill in different districts, a variation in the quality of goods produced?

—If I might take it as an example, the reason that there was a higher rate given to cutters in London was the fact that it was thought that the cutters in London, having regard to the circumstances, were justified in their claim for special consideration, but it was only one class, the cutters.

3909. *Chairman*: Is that because the cost of living was higher?—The other side put up several points in support. The other side claimed it and it was considered favourably by the employers.

3910. *Sir Arthur Pease*: Have you had any other claims than that special classes have specially low rates?—I have referred to what I have called the heavy cotton or fustian trade, where it was held that the cutters in that trade did not need the same measure of skill that they did in cutting cloth, that the measure of skill ought to be taken into consideration, and as a result the Board fixed a lower rate.

3911. But there was no difference in the lower paid workers whether in London or a large manufacturing town, or in the country?—No.

3912. No question of cost of living was taken into consideration?—No, the measure of skill had as much to do with it as anything.

3913. *Mr. Poulton*: Because that was a minimum?—Yes.

3914. *Mr. Layton*: Would you consider that the difference in cost of living between London and other parts of the country would justify a Trade Board in fixing a higher rate in London for highly skilled workpeople than it fixes in other parts?—I think the Board would hesitate to plunge into that differentiation. You are going to open a very wide door if you are going to do that, because every little area

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might have its idea as to what the rate should be. I think the Board would sit for ever if it took that line.

3915. Is it your opinion that the Board should fix rates for skilled workpeople, but that they should be flat rates?—Yes, unless there are some very exceptional circumstances which would warrant the departure from the general rate.

3916. *Lord Weir*: Taking Mr. Layton's point and applying it to the lowest paid worker, do you think there should be a difference in the minimum depending on the cost of living in the different districts, or do you consider the same minimum should be fixed for London and for the most rural district?—As at present constituted, and in fact right through, the representatives on my side of the Board have always favoured a general minimum rate for the class, and there had to be some very good arguments put up to induce us to agree to any departure from that rule.

3917. *Chairman*: Does your side include representatives of the smaller employers in the country?—The whole of the employers on our side are wholesale. We have not the retail now. We had the retail section with us up to a certain point, but we have not now; we are strictly wholesale now.

3918. They are all big employers, I suppose?—The representatives on the Board are usually employers of a good number of operatives.

3919. *Mr. Poulton*: Although you may have fixed the minimum rate, have you any experience that in centres where the cost of living may be said to be somewhat higher, in some of our great cities, there is a tendency to get away from the minimum to a much larger degree than in the small centres?—I should say yes. The competition in each area, I think, would result in labour earning higher rates, higher I mean than the legal minimum.

3920. *Chairman*: Now that we have had a very interesting general discussion, may we go back to your proposals? I gather that the view of those whom you represent is in favour of the continuance of Trade Boards?—Undoubtedly.

3921. You think that they have had the effect of raising the level of wages over those paid previously?—Yes.

3922. I gather you think that your Board has improved the relationship between employers and employed?—I am sure of that.

3923. You point out that the wages have risen during the war to an abnormal extent?—That is so. There, undoubtedly, the cost of living was bound to influence the Board, because the position had become abnormal.

3924. Though you do not favour the abolition of Trade Boards, you have certain proposals to make with a view to improving the proceedings. I will take those in turn: First, about the time?—We feel that the Board would be more elastic if it had not to observe these rigid periods; that is, of course, the period of two months during which objections can be lodged, and again, the period of one month that the Minister claims before he gives his approval to a rate which may have been proposed. Then there is the period of three months, or some longer time which might be taken. That cannot be reduced as it at present stands.

3925. *Mr. Poulton*: Apart altogether from the Board as a Board, there is three months taken as a minimum in the procedure itself?—That is so.

3926. Which is an unreasonably long time?—Then, again, there is another period, and you cannot help that. Owing to the number of notices that have to be printed it takes some weeks to get the proposal to vary out after the Board has met. Then after the decision is arrived at, there is still a further period. It may take anything from two to three weeks to get a notice printed out, so that there can be no very rapid change of rate.

3927. *Chairman*: You think the time should be shortened. Does that apply to the first rate as well as to the varied rates?—I would not hold that view

if it was an industry being brought in for the first time. An industry that has got accustomed to the machinery of the Trade Board, I do not think requires the same consideration as an industry first brought in. I know it took our industry some time to settle down, to understand the regulations and follow them; it is not done in five minutes.

3928. *Mr. Poulton*: Would you suggest there that the procedure should be allowed to be settled by each Board having regard to the interests of each particular trade?—Of course the Minister must have time to consider; whether he ought to have a month or not he will decide, but as regards the two months for objections, I think that might profitably be reduced. With most Boards they would probably come to an understanding as to the date upon which this rate should come in. We cannot fix that date, but we can suggest it to the Minister.

3929. *Chairman*: Would it be possible to shorten the time occupied in giving notice? I think notice is given to every employer. That, as you say, involves a great deal of time.—I do not think you can shorten that because, of course, it takes time, after a Board has agreed to a proposal to vary rates, to get those notices out, but the two months has to run from the date of that notice, therefore the employer naturally cannot expect to be lodging objections before he gets his notice.

3930. I was wondering whether some form of general notice could be adopted instead of giving individual notice to each of the employers.—That would be an improvement if it could be done—that is to say, a notice through the public Press, et cetera.

3931. Yes. To give notice to every employer is a long process?—Yes, that undoubtedly would be an advantage.

3932. *Mr. Poulton*: With the long experience you have had now upon that point, do you not think we could meet that without sending all these thousands of notices out to individual employers, by some form of notice, as you say, either in the Press or upon our public buildings, as we do other notices?—Undoubtedly as regards the proposals to vary, but I think you would have to issue the determination to every employer, because it might be rather difficult in the prosecution to bring home to that employer that he is a defaulter if he has not had the proper notice as prescribed.

3933. *Dame Adelaide Anderson*: But he is assumed to know our laws, even if he does not know them?—Of course, I am not a lawyer, but I have always understood that it is essential that the employer should receive a notice; and, further, that it is an offence if he does not post it in his factory.

3934. *Sir Arthur Pease*: But surely they could get them out in a week if they prepared them beforehand, and had everything in the way of stationery ready for the notices?—We have been advised by the permanent staff that they cannot do better.

3935. *Chairman*: You have to print them and direct them?—We have always been assured—even the Trade Board members have agreed—that we would get it out quicker; but the earliest would probably be about six weeks.

3936. *Dame Adelaide Anderson*: You want organisation for getting things out swiftly, of course?—I think the Trade Board has to rely upon the Stationery Office for their notices, and I suppose they have other work.

3937. *Chairman*: Do you think the minimum time allowed to the Minister could also be reduced?—Where there is an agreement on the Board—and he has all the Minutes of the Board—I think he could profitably shorten the period. I think where there is a decision of the Board that has perhaps been carried by the Appointed Members only, and where there was considerable difference, he might require time to consider the position; but an agreed decision I think might go through more quickly.

3938. I was referring to the minimum time. It is open to the Minister to take as little time as he likes?—But he has generally taken nearly the full time. On one occasion he did more; at the last

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minute he referred it back to the Board, and then we had to go over it all again.

3939. No doubt there were special reasons for that. Then you have something to say about the question of scope?—Yes. The question of scope used to be referred to the Administrative Committee consisting of practical men. Now the officials in this building adjudicate on questions of scope. We do not agree that the officials in this building are more competent to deal with them than we are.

3940. *Lord Weir*: What is the composition of the Administrative Committee?—Well, representatives of the employers and workers, presided over by an Appointed Member.

3941. *Chairman*: I think Mr. Aves used to consult the Administrative Committee on questions of scope especially in order to get the benefit of their technical knowledge?—That is so.

3942. But the decision was his?—No. It is very seldom a vote is taken on an Administrative Committee.

3943. I understand that.—We acted as an executive. We did not make speeches and we did not vote.

3944. The decision as to scope was taken by the Chairman, I think, under the directions of the Board of Trade in the old days, after consulting the Administrative Committee?—That is so; but as a rule the decision of the representatives was given—and it was wonderful how we used to agree on both sides on questions of scope—and, as I say, the Chairman used to accept it as a rule.

3945. Would you agree that where a question of scope arises between two Trade Boards there must be some third authority to decide the question?—It did not often happen. There was a question as between the two Boards as to whether a certain article was within our border or not; that was the majority of cases. The other did not often arise.

3946. Where it does arise you would probably go to someone else?—We should express an opinion; whether the Minister accepted it or not would depend upon him.

3947. *Mr. Poulton*: Do I understand correctly your suggestion that the view held is that opinions on these cases are likely to be upheld in the Courts? What you mean there, I take it, is that the customs in the trade which have been handed down from generation to generation could be placed before the Court, and they should be held to be the method by which the particular matter should be determined?—Well, I would put it that the representatives of the industry would be more likely to decide a thing correctly, and in that case it would stand; but if it could be proved by evidence brought from the trade that the decision of the Ministry could not be upheld, I think they might lose.

3948. *Mr. MacCallum Scott*: The point the Chairman has put to you is with regard to a conflict between two Trade Boards as to the definition of a trade. We had some cases, with regard to Birmingham trades, in regard to stamped metals.—Well, an Administrative Committee would express its opinion; it would stand, then, for those higher up to decide.

3949. But if you say the Board is to be the deciding authority?—The point is, here to-day a question of scope arises. It is decided by the permanent staff; it is not referred to the Administrative Committee; they simply report what their decision is to the Board. We hold that on a question of scope we are more likely to know the actual position, and less likely to make a mistake than a permanent official who probably has no knowledge of the industry.

3950. But if you had a conflict between the two?—We should express our opinion, and it would have to rest at that; somebody else would have to decide it then.

3951. Somebody else must be the deciding authority?—Yes, then.

3952. Would you provide that the Minister should only decide the matter when there is a conflict between two Trade Boards?—That, I suggest, would

be more reasonable; he might get other information.

3953. *Dame Adelaide Anderson*: Or would you bring the Boards disagreeing together?—We have had meetings, but it is rather cumbersome. It has been done. At present we have had already three meetings of a Conference of six Trade Boards on questions of scope.

3954. *Chairman*: I think that now the Minister does refer all questions of scope before taking a decision?—No; that is what he is not doing. But let me be quite fair. I suppose they found difficulties in the present method, and they invited representatives of six Boards to a conference, which we have been holding. We have held three, and have not completed our labours yet, and the Ministry have set out a schedule of the occupations, or rather the garments, which they consider should come within the scope of this, that or the other Board; and we have gone through that schedule in conference.

3955. That is a question arising before the Boards?—Yes; but that is a special arrangement. If an inquiry as to a question of scope came in from one of the inspectors or investigating officers to-day, that question would be settled here; it would not be referred to the Administrative Committee of the Trade Board.

3956. I do not know whether you would confirm what I am told; but since that Committee on Trade Boards reported, the Committee over which Mr. Wolfe presided, I am told that the Minister has made it his practice to refer questions of scope to the Trade Board concerned before taking a decision?—That is not our experience. (*Mr. Healy*): In some cases it has been done. (*Mr. Little*): But in most cases they decide without reference.

3957. *Mr. Poulton*: You are talking on the general point that you, as practical people, are more likely to solve a difficulty of that kind than people here who have nothing but a theoretical knowledge?—That is our view.

3958. *Dame Adelaide Anderson*: And that if you could get the people together to consider questions of demarcation and scope, the administrative committees of different Boards, you would be likely to get to an agreement?—Well, as I have just reported about—we have had a meeting within the last few days.

3959. Those are voluntary meetings?—No; called by the Minister.

3960. *Chairman*: I must refer to that point, because we were formally told that the Minister had informed the Trade Boards that all questions relating to the scope of any Trade Board would be referred to the Secretary of the Trade Board concerned before being dealt with by the Department?—He may refer it to the Secretary, but whether the Secretary is going to pass it on is another matter. I am not throwing any stones at the Secretary, but I do say this: as a matter of fact we get notices from time to time reporting that certain questions of scope have been raised, and on the other side of that same memorandum is the decision of this Department.

3961. What is the date of the last of those notices?—Oh, it is quite recent.

3962. Your Secretary may have been consulted, but he may not have consulted you?—We get the decision reported to us as members of the Board.

Mr. Poulton: But, Mr. Chairman, is not it the very narrow interpretation being put upon that—that it is only being reported to the Secretary, and that it is not intended to go farther? I think it is too vague as to the terms of reference; it is sent to the Secretary, and apparently stops there.

3963. *Chairman*: That is what I hear from the Witness, but I am surprised to hear it; I should have thought the Secretary would, as a matter of course, consult his Board?—This is all new to us. Formerly, of course, every question of scope was dealt with by the Board.

3964. Well, I will not discuss it with you. We have the evidence on the point. Now, the next point which you deal with is the question of enforcement?—Do you mean the question of inspection?

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3965. Inspection, yes?—Well, we have always felt that the inspection has been inadequate. It was inadequate, in our opinion, at the outset of the working of the Act, when only four trades were scheduled. Since then, of course, there has been a tremendous increase in the number of industries brought within the scope, and we have yet to learn that there has been a corresponding increase of inspection; because unless there is efficient inspection, the fair employer is at a distinct disadvantage.

3966. *Mr. Poulton*: I see you finish up that paragraph by saying that you consider the administration should be in the hands of the Trade Boards—the legal department. That means, I presume, by its phrasing, that you want some alteration in the present procedure, apart altogether from inadequate inspection, that the procedure itself is not satisfactory?—Well, our view is that if a change was made in the direction of the Trade Board being, as it were, self-contained, with a legal department which would give them advice, the work would be done better and more expeditiously. We admit at once that there must be a supreme head; we are not suggesting that we should shake off the yoke of the Minister of Labour, but we do feel that the work of the Trade Boards, having regard now to the extension, would be best carried out by an independent department—independent in the sense that they would not have to refer to permanent officials engaged in other work.

3967. *Chairman*: Are you speaking now of inspection, or prosecution?—Well, the question was administration.

3968. *Dame Adelaide Anderson*: Was there more ready access to a legal department direct in the time which you praise—the time when you say the inspection was adequate?—We have always thought that the inspection was not adequate.

3969. Never was adequate?—Even at the outset I think they started off with about eight inspectors for the whole country, for four trades. Please do not take the figures as accurate, but I think it was about that. We have complained from time to time to our Board that the inspection was not adequate.

3970. Might I have an answer to that question? Did the Boards in that time have a more direct access to a legal department?—Well, we were consulted if there was a question of prosecution. It may have been an act of grace, but we were consulted as to the advisability of taking action.

3971. You think there was closer contact?—I am sure there was.

3972. Do you think that the change is due to the growth of the work—the number of Boards?—Well, evidently someone has thought so; but we have not agreed with that decision.

3973. *Mr. Poulton*: At any rate, you consider it is a move backward rather than forward?—We do.

3974. *Lord Weir*: This Trade Board Section has a head; you want that head to be directly responsible to the Minister?—Yes; it ought to be a self-contained Department, and, naturally, it would have to come under the control either of the Ministry of Labour or of the Board of Trade; there would have to be some responsible Minister, but I think it is of sufficient importance to warrant a distinct Section.

3975. *Chairman*: It is not only that you want a distinct Section; there is a distinct Section, but you would like it housed at the Trade Boards Office?—Some things are referred to one person at the Trade Boards Office, and then referred to another, and then there are conferences between the two.

3976. *Lord Weir*: Is not it rather this—that, as between the Minister and the Chief Official of the Section, you wish no one else who is concerned with anything else?—We want those who are concerned with the administration and working of the Board to have more power, and not to have to refer to other officials.

3977. *Sir Arthur Pease*: I think it was put to us by one witness that it was necessary for the Minister to have advisers advising him, to protect the public against combination of the employers and work-people forcing wages too high, where they could get

what price they liked at a particular time for an article?—That is something quite new to me. I cannot see, seeing the publicity that the Trade Board work gets, any combine arising out of it.

3978. I think that point was put up by a witness?—Yes. I should not agree with it, with all respect.

3979. But it might be possible?—Well, I have not seen any possibility yet. We keep one another right; there is still some competition in our industry.

3980. Yes; but supposing you were to put up wages 500 per cent., we will say, and that was legally enforceable over the whole country. You might enforce a rate for a particular article—I am not referring to your particular trade—which was very disadvantageous to the public?—Yes; but then we should want another legal enforcement, and that is to force people to buy our goods.

3981. There are times when you can do it.—Well, I see no hope of it in our industry.

3982. *Lord Weir*: But in a staple industry, in a distributive industry, for example, where there is no foreign competition, and the competition is entirely domestic, would not Sir Arthur's point arise?—It is quite a new point; in fact, it came as a shock, because I never thought such a thing was possible as a combine through the Trade Board—using the Trade Board to inflate wages in order that the workers should get inflated rates for their work and the employers get corresponding inflation of prices and additional profits. I cannot see it. I might say that I attended a meeting of the London Association yesterday afternoon, and the discussion there, the dominant feature of that meeting, was the difficulty which the clothing manufacturers in this country to-day have in commanding the overseas markets. It is a fact that countries that used to buy ready-made garments from this country are now taking piece goods and making up the garments in their own country. It is a very real difficulty to-day.

3983. *Chairman*: What is the cause of that?—There may be many reasons; but the difficulty there put forward by certain members was that we must have reasonable rates of wages if we are going to hold the markets; so to put up, as was suggested, the rates of wages unduly high would be to commit suicide.

3984. *Sir Arthur Pease*: I think an official witness put this point—I am not quite sure—that the Minister must retain in his hands this power with regard to Trade Board rates so as, if necessary, to protect the public interests?—We agree.

3985. You agree?—Oh, we agree to that; someone must have the last word. We are not disagreeing with the Minister's present power to confirm rates; we are not in disagreement there. All we ask is that the administrative work should be in a self-contained Department.

3986. Yes; but if the Minister has to exercise that power, he must have somebody to advise him independent of the Trade Boards, must he not?—One would have thought that the permanent officials on the Trade Board, who have no interest in the fixing of rates, would be quite competent.

3987. *Lord Weir*: You do not suggest that the Trade Board rates are in any way responsible for this new trend of your trade which you spoke of?—I am sorry; I did not quite catch your point.

3988. You have spoken of this trend towards losing the manufacturing of the British material and sending the material to foreign countries to be made up there; you do not attribute that trend in any way to the Trade Board rates, do you?—Undoubtedly the rates to-day are higher in proportion. You can take the cost of living; for instance, in 1914 at the outbreak of war the legal minimum for women was 3½d. whether a worker was on time or piece. The minimum to-day is 8½d. time, 9½d. piece. I think you will admit, if you take the time rate of 8½d. and compare it with 3½d., it shows an increase greater in proportion than the increase in the cost of living. There

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are manufacturers who hold that those rates are too high, and that it is influencing export trade.

3989. *Chairman*: And that, I suppose, might have a serious effect on employment?—That is so. At the moment I think if there is discontent at all amongst the clothing manufacturers as regards the rates, it largely exists with the export manufacturers.

3990. Now, as regards the constitution of the Boards, I think you have no criticism?—No, except with regard to the constitution of the Boards we think that an independent Chairman sitting without Appointed Members, given a good Chairman who is acting not only in connection with our own industry, but with others, would be quite satisfactory. We venture to suggest that the same Chairman should act as Chairman of all the Boards of kindred industries; if you like I will call them the Sewing Trade Boards; as we feel that through him there would be a co-ordination of the Board's work rather than having one individual Chairman for each Board. For instance, take our own industry; there is one gentleman presiding over our Board and another gentleman presiding over the Mantle and Costume, who is quite different, and those two trades, the mantle and costume and the wholesale clothing, are very much akin, and we ought not to have that position. If there was more co-ordination I think a lot of these questions of scope would disappear.

3991. Would you keep the other two Appointed Members as well as the Chairman?—We are not so keen about the Appointed Members. We think that given the right man, a good strong Chairman, the work of the Board would not suffer.

3992. Would you retain his casting vote?—Well, he has the vote anyway, without the casting vote, because he only votes when there is a deadlock.

3993. Yes, I know; but you would still give him his vote. You would not make him a mere conciliator, you would make him a person to decide?—We would certainly give him his vote.

3994. *Mr. MacCallum Scott*: Do you think there is room for two boards in the mantle trade and the other trade, or would it be better if there were just one?—I think, though we are akin, there are so many matters of detail that to give the representation necessary to both industries would result in your getting an unwieldy Board, and we should have the position arising that we probably would be voting on something that particularly concerned the mantle and costume trade, and they would be voting on something which concerned us more closely. I think there is room for two Boards, but we should like to see clear co-ordination.

3995. *Chairman*: Have you tried District Committees?—Yes.

3996. *Mr. Poulton*: Before we go to that, Mr. Chairman, may I ask this? (*To the Witness*): You have suggested "that both sides of the Board should be consulted before the appointments" (of the Appointed Members) "are made." Do you go so far as to say that there might be a suggestion made?—No, I do not think you can pick the other side's team. I think that would have to be an appointment by the Minister.

3997. You do not go so far as in cases where panels are sent along, and you may select from a panel?—I hope it may never arise, but it might be that there would be a particular individual as to whom we could show a good reason why he should not be accepted.

3998. *Dame Adelaide Anderson*: I am not quite clear as to this point of yours about the Boards of kindred industries being co-ordinated; do you mean by one Chairman over several Boards?—We will take the Boards that are nearest to our own particular industry. I will put nearest the Mantle and Costume; then there is a separate Board for the Shirt; there is another Board for the Dressmaking and Light Clothing; you get then on to another Sewing Trade Board, the Corset; their products are largely the product of sewing machines; and we rather think that if you had one Chairman presiding

over those Boards instead of different Chairmen we should certainly do our work more on all fours, so that there would not be this conflict of rates or these questions of scope arising to the same extent.

3999. That would be getting to the position in the time of Mr. Yates and Mr. Ernest Aves?—That is so.

4000. They were not called kindred industries, but could be administered by one Chairman. But if it is necessary to have these kindred industries separately run because of detailed differences, how would it work out practically: would the Chairman not be overworked? Would the Board be able to see to the work sufficiently rapidly? He could not sit on two Boards at once.—No, but the meetings could be arranged so that they did not meet at the same time.

4001. Would you consider the desirability of a deputy in case they needed to meet together?—No, I think if we had one Chairman for what I may term the Sewing Trade Boards, the meetings could be so arranged that there would be no clashing, and we could get his services on all occasions.

4002. *Chairman*: There are only five of them, and they do not meet many times a year?—No.

4003. I repeat my question: you have tried the District Committees?—Yes.

4004. Have you found them answer?—Well, they did not cut any ice; the business was very formal. We used to meet; there would be a very thin discussion, because I think the additional members on the District Trade Committees did not feel that anything that they did or said would materially affect the issue, and therefore there was not much interest taken by what I will call the additional members. Of course, the members of the Board in that particular district were always members of the District Trade Committee; they used to run the show there.

4005. Did they get any benefit from consultation with other persons?—We could not see it there, because you must remember we are always in consultation outside; that is to say, the additional members on our side were members of our Association and they were of our mind.

4006. *Mr. Layton*: What proportion of your trade is included in your Association?—Do you mean the Federation?

4007. Yes.—I have no idea, because if you were to count heads the Federation firms would look to be not a big percentage, but I say without hesitation that we have the principal employers in our Federation. There are a lot of very small employers; take only the East End of London; there are people there who call themselves clothing manufacturers, and they are not in our Association, and if you counted them all in that way it would look as though our percentage was small, but undoubtedly if you take the number of operatives employed we represent a very substantial part.

4008. Half of the trade?—Yes.

4009. *Lord Weir*: Is the Federation growing?—Yes, although not fast because when we created the Federation in 1909 and 1910 I am glad to say that the principal firms invited came in straight away.

4010. *Mr. Layton*: Do you consider that the Board is truly representative of the various interests throughout the country?—We think so.

4011. You do not think it is necessary to have any local variation at all in the rates fixed?—No, we consider a general minimum is the sound policy.

4012. It is perhaps going back to what you discussed before, but assuming that the method of fixing various rates had been in operation in 1913, would you have thought it appropriate to fix as the national rate the schedule of rates obtaining in the Leeds district?—I am sorry, but I have not quite caught your point.

4013. In 1913 you had a condition of affairs in which there were various local variations in wages, and varying schedules. What would you have thought was the appropriate minimum to fix? You had an agreement with your workpeople; would you have considered it appropriate to make that a universal rate?—No, because the whole of these agreements concern wages.

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4014. But as I understand it, you have now in your Trade Board settlement varying figures which in effect cover the various classes of workpeople?—Yes, but they are minima.

4015. Would you consider the minimum should be the rate in a low-wage district?—I consider that the rate fixed by the Board should have regard to the whole of the country, and the minimum rate fixed would be such that even such areas as you have in mind could pay it, without it being detrimental to their industry.

4016. In other words, it should be based on the capacity of the industry to pay in the lowest wage district?—I should not consider that we had carried out our duties properly if we did not give effect to that.

4017. And the Board gives adequate representation to such districts?—Yes.

4018. *Dame Adelaide Anderson*: But it would assume that the wages in the district where the wages needed to be lower were, at any rate, fixed with regard to the needs of the workers and their subsistence?—Undoubtedly.

Mr. Layton: In that district.

4019. *Dame Adelaide Anderson*: In that district. It would be rather an upward than a downward tendency?—Those areas are represented and have a voice.

4020. *Sir Arthur Pease*: But if you fixed the rate upon that basis it would give no protection at all to the districts where living was expensive?—I have said, I believe, on more than one occasion that as a rule where living is expensive is in the large areas, the big centres; and in those areas there is competition for labour, particularly from other industries, and in that way it levels itself.

4021. But he or she would get no protection from the Trade Board?—It was never thought that a Trade Board could protect everybody.

4022. *Mr. Poulton*: But they would, as a matter of fact, get a considerable amount of protection, would they not, because you would fix the minimum, not of the worst employers, but having regard at any rate to a certain standard of life?—Certainly.

4023. And therefore having fixed it upon that certain standard of life, you would not only protect those unfortunate individuals there, but you would protect the others, because they could not go below it by legal enforcement so far as wages are concerned?—Yes.

4024. *Mr. Layton*: But that standard will cost very much less in Norfolk than in London?—We are not so sure of that from information which we have. We will admit at once that in certain country factories—and there are a few—workers can probably live for less. For one thing their rents would be less, and probably they would be at no expense in getting to their work; but all these points are very fully brought forward, as a rule, before any decision is arrived at.

4025. Then do I understand that the Board really has at the back of its mind that there is no justification economically for variations in wages?—We feel that the interests of the workers in the industry are fully served by one general minimum rate for that class of worker. In our industry there are more female operatives than men; we will take it that if you fix a legal minimum for a female worker of 18 years of age and over, you have fixed a rate which will give the necessary protection to the majority of the female workers in the trade.

4026. Do I understand your answer to be substantially that if you fix a rate which is an appropriate one for what I have called the low-wage district, it will in fact be a protection to other districts, because there is not a substantial difference in the minimum cost of living?—That is so.

4027. *Chairman*: As a matter of fact you have given up appointing District Committees now?—That is so. Well, we did not appoint them, but we were asked for an opinion and we advised that we

did not think they served a useful purpose or justified the expense.

4028. Have you any observations to make about unemployment?—We do not agree with the idea that unemployment is worse in trades covered by the Trade Boards Acts than in trades not covered. I do not know that as a representative of employers here I ought to speak individually, but my experience in Leeds, which is one of the largest centres of clothing, is that there is less unemployment amongst the clothing operatives in Leeds than there is amongst the engineers.

4029. I do not know whether it is so in your trade, but in some of the Trade Board trades I suppose a man unemployed would more easily migrate to another trade than an engineer would?—I do not think so.

4030. I mean there is more interchange between the less skilled trades than there is between the more skilled trades?—We have in Leeds prepared for use every month a very detailed account of the numbers of unemployed, and they are graded down right through, and I scan them very carefully each month when we get them; and I am bound to say that there is no evidence there—and we have, I think, in Leeds perhaps as many industries as the average place—that it is a punishment to an employee to be in a trade which comes within the scope of the Trade Board Act.

4031. *Mr. Layton*: Is the rate of unemployment in the Trade Board trades in Leeds normally less than the average?—I should say yes, if you take the number employed as regards the whole of the industries.

4032. Therefore the condition of affairs which you are talking of now is normal—that is to say for the Trade Board unemployment to be less than the average?—To come back to the Chairman's point and the statement made here, I have not been able to discover that unemployment is created by the fact that a certain industry comes within the scope of the Trade Board Act. It may be possible to put individual cases, but speaking generally I am not of the opinion that that is a cause.

4033. *Chairman*: Are you speaking of your own trade, or of all trades?—I am speaking of my own trades and of watching such figures and information as comes to my hand.

4034. *Sir Arthur Pease*: We have had a considerable amount of evidence given that trade is being transferred to your trade from the retail trade, because of the wages in the retail dressmaking, tailoring, and so on, and that workshops in the retail trade are being shut up, and the work is being transferred to the wholesale shops?—I have no knowledge of it.

4035. *Lord Weir*: You do not believe that the action of the Trade Boards has caused an acceleration of the steady drift towards the mass production of goods?—I have never discovered that there is anything in the Trade Boards Act which, as you put it, has accelerated unemployment.

4036. Or accelerated the transference of labour from the small, shall I call it, inefficient or rural district towards the town factory?—Not through the rates so much as that I do believe that in the large, well-organised factories employment is more constant, and I think—at least it has been my experience—that we had, even before the Trade Board fixed rates, workers coming from the country districts, because in normal times in the large factories they start work on Monday and finish on Saturday, and know practically each week what their wages are likely to be. In the small shops I believe work is not so constant.

4037. *Mr. MacCallum Scott*: It has been suggested that in the bespoke tailoring trade in small businesses in the country, the effect of the Trade Board is to put up prices so much that people have not ordered the goods, but have got the goods ready-made, and that therefore these small businesses are being closed down, and the business transferred to the ready-made trade?—I do not agree with that, but anyone who will review the position during the

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past 10 or 15 years will admit at once that there has been such a marked improvement in the production of ready-mades—the style and everything is so good—that a man who would a few years ago have scorned to wear a ready-made suit or overcoat will buy it to-day; and I am bound to say that that probably would have its effect on a small country tailor who was not able just to give the up-to-date style which a ready-made garment probably would give.

4038. Then do you think that any closing down of small businesses is due to that, rather than to the effect of the Trade Board increasing the cost?—Undoubtedly. I think that is a question of the big concerns turning out smarter stuff.

4039. *Mr. Poulton*: Due to the development of the trade, and bringing things up to date?—Yes.

4040. *Dame Adelaide Anderson*: Has there in fact been any marked growth in the number of factories, or the size of factories, engaged in this industry in, say, the last 10 years?—Of course, during the war there were a tremendous number of additional machines put down, and to-day you cannot keep them all going, because the volume of work for the Army increased the output of most factories; but it is difficult to say what the position of the industry would have been to-day if we had had no war. I would not like to venture an opinion.

4041. I was going to ask you that question next—as to whether the war had not quickened the use of power?—It undoubtedly caused an immense addition to the machinery employed in the industry.

4042. *Mr. Poulton*: If a Trade Board rate is fixed for the first time there is some rise in wages, but when that trade has had an opportunity of accommodating itself to the new circumstances, has that rise been sufficient to restrict the purchasing of those particular articles, do you think? Have you had any experience as to that?—Judging from our experience I do not think so, because if there was one thing that the employers' side were particularly anxious about when we met for the first time in 1910—although there was quite a period that elapsed before we actually got to fixing rates—it was the feeling on our side that we ought not to keep the rate too high, but rather for the first time when the industry came within the scope we should fix a rate which would not inflict any hardship upon any employer, or cause any unemployment. We wanted to fix a rate that would give the least possible disturbance to the industry, but at the same time we always realised that whatever rates we fixed we should gradually go forward and the trade would follow. There would be a general increase, shall I say.

4043. So that the effect to the consumers really would not be such as to deter them from purchasing?—I should not think so.

Mr. Poulton: I should not think so, but I thought I would like to get it from you as an employer.

4044. *Dame Adelaide Anderson*: May I just ask one question about the effect of the Trade Boards upon deductions in the industry? Before the Trade Board Act there were, in fact, many deductions for power, and cotton, and things like that?—I think deductions for power, although they did exist, were not general, and I think they have disappeared. We never hear of them to-day, but deductions for sewings still exist and are likely to exist.

4045. Then the words "clear of all deductions" do not rule them out?—They need not do so. In calculating the cost of a garment there is so much allowed for sewings, and the workers have that calculated cost of sewings added to the price which would be paid to them if there were no sewings charged. The whole purpose of charging sewings which prevails, not universally but very generally, is the fact that sewings are a commodity that can be wasted and can be easily turned to other purposes. The amount of sewings which are given to a worker are all booked out, and it is always quite clear. There is no question of sewings breaking, shall I say,

the piece-rate or the time-rate down or affecting the wage in any way.

4046. The effect of the Trade Board has been to steady and make fair and just those deductions?—I do not think it affects the position, because a manufacturer, if he brought out a new garment which was absolutely different from anything which was known before, calculates that he will have certain sewings, cottons, silks and other sewings, which are put into that garment: he calculates what labour should receive for the garment plus sewings, and the sewings are calculated and added, and then the worker, if she makes a proper use of her sewings, is not a loser.

4047. *Lord Weir*: From your experience of the two Acts—because you had a long experience of the 1909 Act—what particular benefit has the 1918 Act conferred upon a Trade Board? What help has it given?—We do not think it has improved the position generally. We prefer to work under the old Act.

4048. Under the old Act you could do anything for the good of the industry that you can do under the 1918 Act?—During the years that we were working under the old Act we did not feel any difficulty.

4049. And there were no complaints?—No.

4050. *Mr. Layton*: I see from the figures attached to your summary of evidence that the rates have gone up to about 160 to 200 per cent. above the rates in force in 1914. I think that is about the ratio which you gave us just now?—Yes.

4051. It is 3½d. to 8½d. or 10d. as a time-rate; that is 160 to 200 per cent. Would you say that the price of your products had gone up in about that proportion?—If I might respectfully suggest it, you cannot at the moment compare labour and materials. Although materials have come down very much, a year to 18 months ago our cloths were costing us at least five times the pre-war price, and again the price of the cloth will depend upon the nature of the cloth. All grades of material have not advanced to the same extent. For instance, if you take what I will call a low Cheviot cross-bred wool, which is not popular, the price of cross-bred is very much less than the price, say, of a fine serge where the demand is and perhaps the shortage is.

4052. But prices are not much above that ratio, are they?—I really do not think anyone could give an answer to your question which would fairly represent the position. It is not that I desire to burke the question, but there are other factors than labour in the cost of the production of a garment.

4053. What percentage of the cost of the whole is your direct labour bill? You may take it by your turn-over and your wages bill.—There again I cannot answer that question by one figure.

4054. I suggest that you can. It is the ratio of your wages bill to your turn-over?—But that would not tell you anything, because if a firm is turning out suits, for argument's sake, from 40s. to 120s., the percentage of labour in the 40s. will be in excess of the percentage of labour in the 120s. suits; if you take the sum total at the end of the week, even then it is made up of many percentages.

4055. The point I was on was this: you said that the rates of wages fixed by Trade Boards were complained of by employers as hindering them in their export trade.—The point that I desired to make was that there is greater danger to the export trade if the rates are unreasonably high than there is to the home trade. That is how I would like to put it—that we might in the home trade carry on even with a rate which was on the high side, without doing the injury to the industry which would occur if we got a rate too high which put our products out of competition in the overseas markets, where we met to a larger extent the foreign competition, and of course the competition of the country to which we were selling the goods.

4056. I want to consider the effect upon the home market, which is not subject to that degree of competition, and I put this point: whether the fact that

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wages in this industry are 160 to 200 per cent. above pre-war would not be a factor in preventing the products of your industry being put on the market at a figure, say, 100 per cent. above pre-war?—I am sorry, but I can hardly give you the answer that you want there if I rightly interpret your wish.

4057. I am not asking you for any particular answer.—I want to point out my difficulty in replying to your question. You are at the present moment comparing a figure for male labour—and the lowest figures for male labour is 1s. 2d.—with the 6d. rate for male labour which was first fixed. I do not think that you can fairly compare those two figures for this reason: a very small percentage of the employees in the industry in 1912 and 1913 would get that 6d.; the majority were getting more than the 6d., whereas now we have got to rates which have become nearer the standard, and therefore you will find that a higher percentage of the workers are getting something near these rates.

4058. But your rates vary up to 2s. 9.—For a skilled worker.

4059. They vary from 1s. 2d. to 2s. 9.—Yes. The 1s. 2d. is only paid to the labourer.

4060. But you will agree that the price of your product is an important factor in determining the cost of living in this country?—Yes.

4061. Would you consider that the rates in your industry fixed by the Trade Board at a rate which is higher than the increase in the cost of living, might be a factor in holding up the cost of living?—It would appear so on the figures, but I think if you

could investigate the actual wages paid there is not that difference for the reason that I state.

4062. You mean the average wage bill is not increased more than 110 per cent. at which the cost of living figure stands at present?—I think generally the workers' position to-day is better than it was when we first fixed Trade Board rates, but not to the extent of the percentage which you mentioned by taking and comparing the Trade Board rates.

4063. But you would not say that his average earnings have increased more than the cost of living has increased?—Yes, I think so, on the whole.

4064. Mr. Poulton: But has that been due till a recent date to regularity of employment, or is it due to the rate?—Of course the general conditions in the industry have improved, and as far as possible there is less waiting time in the factories. The management now so arranges it that when the workers come in there is work for them, so that when they come to their work-places there is work for them.

4065. Mr. Layton: In so far as it is a difficulty, would it not be due to the fact that the rates are falling three months too late; because the rates here which were confirmed by the Minister towards the end of September would probably have been appropriate in May last?—That is so, but as I explained earlier on, some time must elapse. You see, before we go to a Board meeting to propose to vary, we must have a basis; we cannot in December anticipate what the cost of living is going to be in February.

Chairman: We are much obliged to you.

(The Witness withdrew.)

Mr. T. B. HARMER, called and examined.

The witness handed in the following statement as his evidence-in-chief:—

Before the formation of the Tailoring Trade Board conditions varied in different districts, according to the advantages of position, and according to the different standard of wages paid in the various trades in the district. In the industrial districts wages generally were higher than in the agricultural districts, and the wages and conditions in the tailoring trade also varied. These conditions did not lead to an excessive development of the tailoring trade in the country districts, and the larger centres of the industry in this trade continued to expand, in spite of rather higher wages, owing to the better conditions of manufacturing and to the fact that there was a better-paid community to sell the goods to.

The result of the Trade Board system was to establish a minimum wage throughout the country, and that wage was the minimum wage paid in the large centres. The employers in these districts combined with the workers as a matter of course.

Our Association has come to the conclusion that for all practical purposes it is a matter of indifference whether the Eastern Counties District is represented on the Trade Board or not. If wages in a town like Leeds are increased by good trade in trades other than the clothing trade, the representatives of the clothing manufacturers combine with the workers in the other districts to raise their wages to the standard which they have to pay, which may be most unfair. In the larger towns they have the benefit, in these times, of selling to people working under prosperous conditions. In other parts of the country agriculture may be depressed, and the workers in those districts are not in a position to pay increased prices for their clothing.

This system is entirely illogical, and will have to be faced some day. Wages generally are not paid on the same basis in different districts, and there is no reason why trades which are regulated by Trade Boards should be paid on a national basis, and the other trades, which are far more numerous, should be paid on a district basis. Either it should be arranged so that all trades are paid on a national basis, in which case agricultural labourers would be paid the same as labourers in the manufacturing towns, and

skilled agricultural men, such as shepherds, on the same basis as skilled labour in the towns, or it should be left to each district to settle the price of its own labour.

The result of fixing a national rate in a trade must lead to the concentration of trades in the district most suitable for manufacturing, and to the extinction of trade in the country districts especially, and a minimum wage for the whole country seems to lead to a position in which the country districts will eventually confine themselves to agriculture, and the manufactures will be carried on exclusively in the larger centres.

In this case workers in the North of England will have their wages based on the earnings of coal miners and engineers, while workers in the country districts will be paid on the basis of agriculture.

The Trade Boards are endeavouring to alter this by raising the factory wages in the country districts without making any allowances for the drawbacks of position, for buying and selling, and for the fact that the country workers are not so efficient as workers in the large manufacturing towns, who have often been working at their trades for several generations.

One has only to look backward and see what has happened in the history of the textile trade. At one time it was mainly confined to the Eastern Counties. The advent of coal transferred it almost entirely to the North of England.

If it is desired to concentrate trades, the evidence which we have offered, from our experience as members of the Trade Board for several years, is of no value. The only purpose we have in giving evidence is to call attention to the results of the present system.

If it is considered that the present methods and arrangements are not altogether satisfactory, our Association considers that the best method of adjusting them would be by the appointment of District Trade Boards for combined kindred trades in the district. By kindred trades we mean trades where conditions of labour are similar. We do not think it would be any more difficult for the Board of Trade to work with a number of District Trade Boards than it is at the present time with a large number of Trade Boards regulating separate trades, all of

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[Continued.]

which are working in London. We are of the opinion that the only method by which trades can be satisfactorily controlled and developed, if it is necessary to control them, will be by the appointment of Committees who are well acquainted with local conditions. We have no desire to urge that wages in the tailoring trade should be less than wages paid in other trades in this district, as it would drive the best labour in the district into other trades, and leave only inferior labour for the trade with which we are concerned. We feel it is necessary that manufacturers and workers should be able to adjust their own differences in times of bad trade, particularly in cases where employment is good in some districts and slow in others.

The Trade Board considered the questions which we have raised when the Tailoring Trade Board was formed, and, in order to deal with these points, appointed District Committees. The work of these Committees was found to be of no value. The Committee consisted of an equal number of manufacturers and representatives of the workers. Some of these representatives were Secretaries of other centres. On the Eastern Counties Committees there were two representatives—Mr. Mallon and Mr. Young—the Secretaries of London and Leeds, and the principal representatives of the workers' side on the Trade Board. We have a very high opinion of the work of both these men, but their presence on the Committee entirely destroyed any local expression of opinion. Mr. Mallon and Mr. Young were fully acquainted with the discussion on the Trade Board, and took charge of the proceedings of the Committee from the workers' point of view. The majority of the other workers' representatives on the Board were out of touch with the proceedings, which were cut and dried from start to finish. Nothing new was ever introduced into the discussion, and the recommendations of the Trade Board were invariably confirmed after a short discussion. We cannot remember a single instance of any recommendation being sent from the Eastern Counties Committee to the Trade Board which has been agreed to.

In our opinion, if a Trade Board was formed in the Eastern Counties, representing trades of various descriptions employing similar labour, wages would be fixed in accordance with what was possible.

4066. *Chairman:* You represent the Eastern Counties Wholesale Clothing Manufacturers' Association?—Yes.

4067. What is your own occupation?—I am a manufacturer of clothing.

4068. At what place?—Norwich.

4069. You have your own opinion as to the national minimum wage in your trade?—As a district, yes. You say my own opinion, but I am representing the district.

4070. I mean your Association has its own opinion?—Yes.

4071. Perhaps I may put in as part of your evidence the statement with which you have been good enough to supply us?—If you will.

4072. It comes to this, that there are, in your view, grave objections to having the same minimum wage for the whole country?—There may be.

4073. Just to develop your statement, before the Trade Boards existed were there differences in wages in different parts of the country?—Yes.

4074. How do you explain these previous differences?—I should say that they were very largely due to inferior organisation. Where you have got factories in a centre the organisation is very good and the method of production is very swift. The result of the Trade Board rate was to some extent to transfer these methods to outlying districts. The old method in the country districts was to make garments very largely by one person, just as a carpenter might make a chair or a table or something else. The result of the Trade Board regulations was to introduce the team system which was prevalent in the larger centres, and the consequence was that the production is very much more rapid. Each person instead of doing the whole process does a very short process. That was one case,

and the other case was this: women are the principal item in the clothing trade as far as work is concerned, and they work very largely on piecework. It is not at all an uncommon thing for a quick girl to do twice as much as a slower one. In the large centres in many trades they have got workers of several generations who have been working at that trade, and also perhaps the whole of their families work at that trade. Their work is quicker and better, and a girl of that stamp, given the same piece-rate as a girl in a district where wages are smaller, would earn a very great deal more. I may say in parenthesis that people try to earn the wage which is generally paid in their district, not only in one trade but in other trades, and having got to a certain stage they are fairly satisfied. The consequence is that in some districts you will find people aim at very much lower wages than they do in the others, even working on the same rate. The result of it is shown very clearly, because if you look back to the history of the clothing trade—speaking of my own case I am the third generation; my father is 86 and his father was in the business before him—the clothing trade sprang up very largely in the Eastern Counties, and the trade there now is a negligible quantity.

4075. Why is that?—Most trades swing to the large centres. It is a matter of common knowledge that if you draw a line from the Wash through Birmingham across England, to the north of it you find practically all the manufacturing, and to the south of it you find practically nothing but agriculture, with the exception of London, which is a place by itself. The essential reasons, I take it, is coal. Other reasons arise much as this, that if you have a number of factories in one trade close together the people in the district are always feeding each other up with ideas. Of course the clothing trade is mainly concerned with clothing working people or people of the lower middle classes. In the manufacturing centres wages generally are much more than they are in agricultural districts and purchasing power is much greater.

4076. You say here that the practice of having the minimum wage for the whole country is entirely illogical, and will have to be faced some day. Why do you say that?—I do not think you can confine it to one trade. If you admit that in one trade there should be a standard wage for the whole country, I cannot see on what grounds you refuse it for all other trades. It is not a fact that carpenters, bricklayers, and labourers are paid the same wages all over the country. There are far more trades outside the Trade Boards Acts than there are in. The trades that are not regulated by Trade Boards fix their wages from provincial reasons, whereas, in other cases when there are Trade Boards they are fixed, as Mr. Little described, by consultation and agreement.

4077. So that your view is that either there should be a minimum wage for each trade, or that you should leave it to the district to fix it?—My own feeling is that if you have a number of trades grouped together in every district you will get a sufficient volume of trade to get a fair wage, as high as that district can afford to pay. The people consulting will be both workers and employers, and they will come to an agreement on the basis of what can be paid.

4078. In that district?—In that district.

4079. *Mr. Layton:* Would your objection to a flat minimum be really removed if it applied to all trades, or is it based upon the fact that under certain economic conditions productivity in a certain district is less?—I do not think you can apply one wage to all trades because the conditions are separate.

4080. The point you were just on was this. You said you could not apply a national minimum to one trade unless you applied it to all trades. Would it be practicable to have one flat national minimum for each trade, possibly a different minimum perhaps?—I do not think it would, because supposing you have two districts, one of which is prospering exceedingly and the other is going somewhat downhill, the people going downhill have only one remedy, that is to sell cheaply, or they must go under (if you deny them the

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[Continued.]

privilege of selling rather cheaper than they are finished. Take the experience of my father. He remembers the time when the Eastern Counties made a great part wholly textile fabrics produced in this country. Trade was brought over there originally by people from Belgium who fled from their troubles just as people have come over in the last five years. In my district it was mainly textile; in those times I do not think Bradford was in existence. The steam looms then came into existence—the Eastern Counties looms were all hand looms—and the trade was developed on more progressive lines. I do not think there is a single loom working in my county to-day. At one time the Eastern Counties were the principal producers. What I say is this, that if people find that they cannot carry on on the basis of their present cost they must do the same as everybody else does, they must offer something cheaper or better if they wish to maintain their trade.

4081. *Chairman:* You are dealing with Trade Boards?—Yes.

4082. Apart from other great economic causes do you think it right that the Trade Board should fix their rates of wages for the whole country, or, if not, what alternative do you suggest?—I think so long as you have a national Trade Board it will fix a rate that is practically a convenient rate for the big centres.

4083. You mean too high a rate for the outlying districts?—Yes.

4084. Would the effect of that be to transfer trade from the country places to the great centres?—I think it would undoubtedly.

4085. As a remedy for that do you favour the appointment of Trade Boards for the districts?—Yes.

4086. A Trade Board, I gather from what you have said, which might deal with more than one trade provided they are allied trades?—Yes.

4087. I do not know whether you heard Mr. Little's suggestion just now that the sewing trade might be combined in one Board, but with districts working under it?—Yes.

4088. Do you agree with that?—Yes.

4089. Or if not one Board, at all events in Boards with one common chairman?—Yes.

4090. You are on the Tailoring Trade Board, the wholesale?—I have been.

4091. We know that the Board did appoint District Committees for a time?—Yes.

4092. Were you on some of those District Committees?—Yes.

4093. Did you find they worked?—No.

4094. Why was that?—Take the Eastern Counties District Committee. It consisted of Eastern Counties people and of people from the larger districts, and, amongst others, Mr. Mallou and Mr. Young, the secretaries of Leeds and Loudon, came down to represent the workers. They had everything at their fingers' ends: they knew exactly what they wanted to carry on the Trade Board. The Appointed Members were the same as those at the Trade Board. They had heard all discussion before. The mind of the District Board was made up before it sat. It sat for an hour perhaps, and just chatted the thing over, and then confirmed the original resolution, and that was the end of it.

4095. Were there some cases in which the District Committee sent up a recommendation to London?—It is so long ago since I attended a meeting that I should not like to say. They never sent resolutions up because they knew it was impossible for them to get their attended to.

4096. At all events, you do not remember what happened?—No, not sufficiently to state that a single recommendation had been sent to the Trade Board by the Eastern Counties District Committee.

4097. *Sir Arthur Pease:* You began by saying you thought the rate ought not to be the same in the Eastern Counties because the labour there is not as efficient as it is in the big centres?—I said not necessarily with regard to the rate if I may make that distinction.

4098. I understood on the average it was not as efficient?—No, the labour is not so efficient, certainly, but I said, not necessarily with regard to the rate being the same in the Eastern Counties as in the big centres. We are not asking for a lower rate to-day, but we are asking that it should not necessarily be the same.

4099. You asked that there should be a differentiation of rate for the Eastern Counties, I understood, because your labour in the Eastern Counties is not as efficient as it is in Bradford?—We ask for power to fix our own rates.

4100. For that reason?—Yes.

4101. You started by saying that this industry was a very old one in the Eastern Counties, but you attributed the Bradford success to the fact that the labour there had been for generations in the industry. Have not the workers been for generations in the industry in the Eastern Counties just the same?—That is not my experience. In the sewing trade they go from one trade to another in the country districts. There are not sufficient factories to make it worth their while to continue in the clothing trade; if they lose work in any one factory they will drift into the nearest factory they can. There is no floating labour in the clothing trade in ordinary times.

4102. You maintain that the rate fixed for a minimum in Bradford, which would suit Bradford or Leeds would be too high for a rate fixed in the Eastern Counties?—Yes.

4103. Do you approve of fixing other rates than the minimum or would you fix only the minimum for the lowest classes of labour?—I am not quite clear what your question is.

4104. I will put the question in a different way. Do you approve of fixing a minimum for the different classes of labour or only one minimum for the lowest class?—Do you mean in separate districts or the whole country?

4105. In any district—by the Board?—I think so. So long as you have a Trade Board system you must fix a minimum rate.

4106. Do you mean the minimum rates or a number of minimum rates?—I think one minimum rate for each district.

4107. *Mr. Layton:* You heard probably the previous witness say that he thought that the Trade Boards should fix a rate which was appropriate to the lowest wage district, not necessarily the lowest rate paid in any district, but the lowest rate appropriate to the district. Would you say that was what was done by the Tailoring Board?—No.

4108. What has been the effect of the Tailoring Board's decision?—Practically to fix the minimum rate in their own district and the larger districts.

4109. What has been the effect on the employment in your experience?—I think in December, 1910, the Trade Board first came into force. At that time trade was very good. Then the war came, which, I suppose, possibly doubled the demand for clothing. So up to now there has been plenty of trade to go round. In the future there will not be because the present plant is much larger than the requirements of the country.

4110. Between 1910 and 1914 you found it possible to employ your workpeople at the rate fixed by the Trade Board?—Yes, but those rates were quite low. I should not think they affected many people materially. They went to 3d.; that was the highest rate when war broke out, I think. Part of the time it was 5d. and part of the time 2½d. These rates were rates which everybody found it convenient to pay.

4111. So that the economic effect on your industry is one which you contemplate rather than one which you have actually experienced?—Yes.

4112. *Mr. MacCallum Scott:* I am not quite sure if I understood your answer to Sir Arthur Pease's question. Did you say that you wanted one minimum rate?—For each district.

4113. But not one minimum rate for the country?—No.

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[Continued.]

4114. *Mr. Poulton*: I think you are not opposed to Trade Boards as such provided they set up those district methods?—No.

4115. You think that that would solve your difficulty so far as you are concerned?—I am afraid that the District Committees would have no weight. As Mr. Little said, the method of arriving at a decision on a Trade Board is that the workers and employers meet together; eventually there is a majority on the room, whereupon the chairman votes.

4116. I rather assumed that you thought that if there were District Committees with wider powers and varying rates, that would meet the objection you have to the existing system?—It might, but I think it would be far better if the kindred trades were grouped in the district.

4117. And made a Board of?—Yes.

4118. Made a Board for that district?—Yes.

4119. Rather than the existing method?—I think so.

4120. And that they should set rates for that particular area?—Yes.

4121. *Dame Adelaide Anderson*: I understood from your statement that you went rather further, that you would aim at a local Board for most industries?—No, combined. I do not think that any one trade would have sufficient volume to arrive at a proper decision.

(The Witness withdrew.)

(Adjourned for a short time.)

Mr. C. J. WATTS and Mr. CULROSS, called and examined.

The witnesses handed in as their evidence-in-chief a statement in agreement with that handed in by the witness of the Wholesale Clothing Manufacturers' Federation (Mr. D. Little), subject to certain modifications explained in the course of oral evidence as reported below.

4127. *Chairman (to Mr. Watts)*: You are a Director of Messrs. Johns, Son and Watts, who are cardboard box manufacturers of London?—*Mr. Watts*: Yes, that is so.

4128. *Chairman (to Mr. Culross)*: You are a Director of Messrs. Arundel and Marshall, Ltd., who are cardboard box manufacturers of London?—*(Mr. Culross)*: Yes.

4129. You have come here to voice the opinions of the Paper Box Manufacturers' Federation?—*(Mr. Watts)*: If you please.

4130. I think you were an employers' representative on the Paper Box Trade Board from 1910, when it was established, until 1917?—That is so.

4131. You, Mr. Culross, have been an employers' representative on the same Board since October, 1913—*(Mr. Culross)*: Yes.

4132. You have each of you acted as Chairman of the Employers' side of the Board?—*(Mr. Watts)*: That is so.

4133. The first meeting of your Trade Board was held on August 11th, 1910?—Yes.

4134. You were one of the original trades?—Yes, we were.

4135. There have been since then 37 meetings of the Board?—Yes, that is so.

4136. There has also been an Administrative Committee set up?—Yes.

4137. And your chief work has been the setting up of minimum rates of wages, of which you send us a schedule?—Yes.

4138. I think you were one of the first Boards which applied to the whole of the country?—Yes, that is so.

4139. Originally you fixed only one rate for workers?—Yes.

4140. That, I suppose, was a time rate?—That was a time rate, yes.

4141. There was one for men and one for women?—Yes.

4142. After a time you came to fix special minimum rates for special kinds of work?—That was under the 1918 Act.

4143. But I think not in fact until 1920?—It was about that date, yes.

4122. Nor, possibly, sufficient weight of experience?—It would be local experience. If you take the whole trade of a district it would be substantial.

4123. Do you not think there might be a danger of competition between different parts of the country with lower rates for, say, a group of the sewing trades?—No, I do not think so, for this reason, that if trade was prosperous in the district the workers would at once demand increases, and they would get them. No manufacturer can refuse an advance when he is doing well. The workers will at once say, "Trade is good; we must have a rise in wages."

4124. Would you fix special local rates as well as a minimum rate?—Do you mean as regards the men? The special rates, so far as I understand it, are confined to men in our trade, because the work is of a different description. For instance, one man is a cutter, one man is a tailor, and their apprenticeship is entirely different.

4125. Are there no special rates for women in dress-making?—I do not understand dressmaking. As far as I know, in tailoring trades there is one piece rate for women and one time-rate.

4126. Otherwise, if you had local Trade Boards, would part of your scheme be that you would be all directly under the Ministry of Labour?—Yes.

4144. Perhaps you will tell me what your view was in going beyond the fixing of minimum rates for men and for women, and fixing special rates for special work?—I think Mr. Culross can answer you with regard to the special rates for special work. We were, of course, a new Board; we were starting on entirely untried ground, and we took the basis of the old Act of 1909 in fixing the minimum time-rates only—that and the learnership organisation; but with regard to the special rates, I think Mr. Culross can answer you.

4145. Perhaps Mr. Culross will answer now?—*(Mr. Culross)*: The fixing of special rates for specially skilled classes of workers was really the result of an arrangement with the Union, and in order to make the rates which had been agreed between our Federation and the Union binding on all the employers.

4146. That is very frank. Practically you were just endorsing an agreement arrived at before the Board sat?—If you please.

4147. I think the rest of your statement is almost word for word the same as put in by the Wholesale Clothing Manufacturers this morning?—*(Mr. Watts)*: I think that is quite likely.

4148. How comes it that you have arrived at the same conclusion in the same language?—Having the same secretary.

4149. We may assume so far as actual details go it really is a statement drafted by the Secretary but endorsed by the Board?—It has been endorsed by the Board. *(Mr. Culross)*: I think it was settled at a special meeting of an Emergency Committee of the Federation. It is not simply the work of the Secretary.

4150. Still the Committee cannot have altered the wording much, because it seems to echo the view of the other Federation, or perhaps they echo you?—I do not know whether we were the first or the second.

4151. Whether you were the original sound or an echo?—We may have been.

4152. I take it that like the other Federation you desire the Boards to continue, but under improved conditions?—If you please.

4153. I take it that the modifications which you suggest are the same as we heard from Mr. Little, namely, first as to the time you desire that to be shortened?—I think we went a little further than the Tailoring Board with regard to our suggestion for varying rates.

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[Continued.]

4154. You point out that the delay is due partly to the two months allowed for objections and partly to the one month allowed to the Minister for consideration and confirmation?—Yes.

4155. You say: "A suggestion has been made that the present procedure should be retained in the case of a Trade Board for the first time proceeding to fix a rate, but that on subsequent application to vary or cancel a rate, the procedure should be that notice of any application to the Trade Board when given be forthwith advertised in such manner as may be considered sufficient, that objections to the application be invited to be sent to the Board within 30 days of the date of the advertising, and that a meeting of the Board be held to consider the application and objections not earlier than five weeks from the date of the application and not later than seven weeks from such date. The Board should then proceed at such meeting either to vary or cancel as the case may require or to dismiss the application. The decision of the Board upon such application should be confirmed by the Minister within 14 days unless he decides within the same period to refer the matter back to the Trade Board for reconsideration. The notice as issued should be made to be operative as legal notice to alter existing contracts of service to the extent of the alteration of wages authorised." I do not understand that last sentence?—That is a difficulty which has arisen recently. So long, of course, as wages were going up there obviously would be no objection on the part of the employees of a firm to an alteration in their contract of service, because their contract of service would be improved, but in this trade the last notice which was issued was issued on November 3rd and was made operative on November 4th, and it was obviously impossible for any employer strictly to alter the contracts of service of his employees by reducing their wages within one day, he obviously had got to give them seven days' notice.

4156. Yes. Would you alter that?—No, but my difficulty is that the Minister's decision made the new rate operative on the next day—immediately.

4157. Only as a minimum; it did not affect existing contracts of service?—Obviously. I am afraid it has become a practical question, and therefore it would be advisable that the date on which it becomes operative should allow a notice to determine existing contracts of service to be given before the new rate becomes operative.

4158. Is there anything to prevent you giving the notice now at any time?—No, except that one does not know what the new rate is going to be until the Minister has given the notice.

4159. Then you give notice immediately afterwards, I suppose?—That means that the Minister's notice is said to be operative on November 4th in our case—the day when it was received, as a matter of fact—whereas it cannot be made operative for perhaps another week or ten days if any particular set of employees should choose to object. That is not a very practical difficulty.

4160. Surely you cannot alter that; you cannot make the Order of the Trade Board affect existing contracts of service?—No, but we may for some time be on reducing wages, and that means that we must alter the contract of service of our employees.

4161. You do not alter the contract; you give notice if you like, and make a new contract?—That comes to the same thing. There are certain firms who simply proceed to act on the notice as issued by the Ministry; in other words, directly that notice comes out they reduce their wages by the amount to which they are allowed by the notice to reduce them. That, in the opinion of my Federation, is not a thing that they are entitled to do: they must first give a week's notice in the case of weekly employees of their intention to reduce. It is a question which was brought up in London at a general meeting of the employers for consideration, and the majority of the employers were of opinion that the Minister's notice itself enabled them to reduce their wages, and therefore all that I had in mind in making that sug-

gestion to you was that the notice should be issued, for example, on November 3rd, as ours was, but should not become operative until, say, November 10th, which would allow of a week's notice to be given to the employees.

4162. That suggestion I understand. I did not understand it as it was put before.—I am sorry I was not quite clear.

4163. Then you suggest that the Minister should at once make effective rates increases where there has been an agreement on both sides as to the rates concerned?—Yes.

4164. He should have no power to veto or delay?—No.

4165. That means that any agreement between employers and workmen on the Board should be absolutely binding?—Yes.

4166. Then who is to look after the consumers and persons who are not represented on the Board?—If one assumes, as I think we are entitled to do, that the representation on both sides of the Board represents each side fairly, or as well as it can be made to do so, and those two sides are agreed, subject to the point which was raised this morning as to the rate being forced too high against the interest of the consumers, there surely can be no reason why the Minister should intertete.

4167. Your suggestion is to make the Trade Board a kind of legislative body for the whole country and without check. The Minister at least has the check of being responsible to Parliament, but under this scheme your Board would be wholly irresponsible to anybody; and after all, human nature is fallible, and it may be that the Board would not sufficiently consider the question of small employers or of the purchaser. You see both sides of the question?—Yes, I think that there are reasons against it.

4168. *Sir Arthur Pease*: Might I just put this case; in the war a great many contracts were on what is known as time and line?—Yes.

4169. The employer got 5 or 10 per cent. on the money spent?—Yes.

4170. And it became his interest to get wages as high as possible until that was checked?—Yes. Of course, that did not apply in our trade at all. It never has applied, and I am afraid never will apply. I do not think it is possible for it to apply.

4171. I am just giving that as an instance where the interests of the owners and workmen were not in line with the interests of the State in that instance.—I quite admit that there are such cases.

4172. *Chairman*: Then you raise a point about questions of scope; you think that they ought to be dealt with by the Trade Board. I daresay that you were here this morning when it was said by one witness that the Minister did not consult the Trade Boards or their Committee on questions of scope. Since the adjournment I have had some papers looked up, and they seem to satisfy me that regularly in these days questions as to scope are remitted to the Secretary of the Board with an instruction to consult the Board. Is that contrary to your experience?—That is not only contrary to my experience, but when the Trade Board itself has expressed opinions the Minister has altered them.

4173. That is quite consistent with what I say. All that the Minister desires is to have the views of the Board; he is not bound by them.—But in altering, the difficulty is this, and this is my reason for putting it: that you are getting an alteration in a decision which has been given by a body of experienced people in the trade, made by people who have no knowledge whatever of what they are altering. If I might give you one concrete instance it will probably illustrate it. I have a series of decisions recently issued by the Minister. In July the Trade Board was asked by the Minister to advise on three operations in the trade. Two of them are the most elementary operations which the trade does by means of a machine, namely corner-cutting and thumb-holing, and the third was the slitting of paper in rolls into narrower slips of paper for the purpose of putting on binding machines. With

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regard to corner-cutting or thumb-holing, or punching as the Minister calls it, they are the most elementary operations in the trade, and they are done by boys and girls. The Trade Board advised the Minister that operators engaged in the setting and supervising of those machines were machine minders within the meaning of the special rate which we had passed last year. The Minister publishes his opinion afterwards, and in his opinion he does not make any reference to persons who are supervising and setting those machines; he simply says, "workers employed on corner-cutting and punching machines," and then he is in a difficulty, because we had decided that they were machine minders, that is to say the persons we had in our minds. He sees that he cannot put those people as machine minders, so he alters our decision further and puts them in as cutters, a word which does not appear in our advice to him at all. In other words, a perfectly sensible decision of the Trade Board is made ludicrous when it comes out of the Ministry, and that decision must have been seriously altered by the officials in the Ministry. That is not the only case in which it has happened. We have found on so many occasions that there are decisions formulated by the Ministry which are absolutely absurd from the trader's point of view, and after all we are a Trade Board appointed to assess wages in the trade of cardboard box making. There is only one point upon which there has been a little difficulty. It is a case which has been bandied to and fro between the Federation and the Ministry—the case of a man who makes paste inside a box-making factory. Paste is a component part of a box, in that it is used to join the cover of the box to the board of which the box is made. The Minister has decided that a man who makes paste is not within the scope of the Act. I personally can see that there is some little difficulty in that position, but in the other decisions in which he has put people outside the scope of the Act he has taken people out of a trade and decided that they are not within the scope of the Act, and their whole business is doing the very thing that the trade does under every condition in the trade of box making. We really make a point of this trouble. I could multiply these instances if necessary. There is another decision—I am sorry, because I do not want to waste your time, but this is of importance to us.

4174. You are not wasting time at all.—There is another list of opinions issued by the Minister of Labour from May 10 to June 10. In that cycle the Minister gives seven opinions, and in the respectful opinion of the trade there is only one of those opinions which is a sensible opinion, and that is one in which the Minister, in answering the enquiry, does nothing more than quote the actual words of the Statute. He is asked to decide a case in a kindergarten materials factory, and there he simply answers that "people are box makers who are workers employed in the making of boxes or parts thereof wholly or mainly of chip cardboard or other material"; in other words, he quotes the exact words of the Statute.

4175. You do not mean of the Statute, you mean of the Order?—Of the Statute, because we are in the schedule to the first Statute. Later on, under the heading "Straw boards," the answer of the Minister is "a worker engaged in putting straw boards on to the machines and drying and packing the straw boards provided such straw boards are subsequently made into boxes is a box maker." To begin with, one does not know what the machines are. These are opinions which the Minister has given and made public. We do not know what the machines are; the only thing we can conclude is that the Minister is dealing with what is known as a board-lining machine. Those boards are quite possibly lined in Holland. There are paper mills over here which make boards, and which in some cases line the boards, that is to say, cover them with some material before they are delivered to the consumer. On this decision they are box makers. If the Minister confined himself to those operations when conducted in

a box factory there would be no difficulty about it at all; they are box making if they are done in a box-making factory, but they are not box making if they are done by somebody who sells me a lined board; I have to make the box out of the lined board afterwards.

4176. *Sir Arthur Pease*: Are the boards used for anything else?—Yes, certainly. Lined boards may not be, but very probably the lined boards are. They are used for packing in certain cases—I mean for putting between certain things, and so on.

4177. *Mr. MacCullum Scott*: What does "lined" mean?—You have the plain board and then you cover it with some paper, which may be anything; it may be white enamel or ochre, or anything of that sort. It is in those ways that these scope decisions of the Minister put us in a difficulty. They are not always referred to the Trade Board, and in many cases when they have been referred it has been six months or eight months after the decision has been asked for from the Ministry. We had in the first place a Scope Committee, and Mr. Watts sat on it, and Mr. Watts has a printed list of the decisions to which we came then, issued by practical people in the trade. Our submission is that the trade must know better than officials in the Ministry what is box-making and what is not box-making. We want to decide ourselves our own internal affairs, subject of course to the Minister being advised that, as in the case of paste, we are outside our definition.

4178. *Sir Arthur Pease*: When you have these differences, are all communications on paper, or do you have an opportunity of explaining them verbally where they are very complicated conditions peculiar to the trade?—They are sent down to the Trade Board, and sometimes we have had to send them back because we have declined to give an opinion without seeing the actual samples. (*Mr. Watts*): In the old days we used to have the actual list in front of us together with the articles.

4179. My point was, Do you have an opportunity of verbally explaining the matter, or is it all paper work?—(*Mr. Culross*): It is all paper work, because it is passed from us through the Secretary to the Box Trade Board, who passes it through to the Ministry.

4180. You never get a chance of a conversation to show the technical details, however complicated?—No, not with the Ministry. (*Mr. Watts*): Not exactly, but in the days under the old Scope Committee, for instance, when the question of attaché cases came up and the question of match box making and other things, we had the employers there to explain their own position. On the Scope Committee we had the employers together with the workers, and we thoroughly discussed the whole position and the method of working, and everything else.

4181. I mean you do not have opportunities of conversation between the Ministry and the Board?—No. It was always dealt with by the Scope Committee. We were practical people sitting on both sides of the Board, and we dealt with the matter from the practical point of view. These two points which Mr. Culross has dealt with were dealt with by the Scope Committee so far back as July, 1914. (*Mr. Culross*): And settled? (*Mr. Watts*): And settled, and printed, and issued to the members of the Scope Committee, and utilised for administrative purposes. I have the notices here.

4182. *Chairman*: You would like the power restored to the Board or to this Committee?—Most certainly.

4183. I suppose it is conceivable that the Board might desire to extend its territory too far, or to extend its powers to some employer who claimed to be outside the Board. Would you give an appeal of some kind on those cases?—There are many opinions shown here which are matters which were clearly outside the Board, and are stated so to be.

4184. But even Trade Boards are fallible. Supposing an employer thought he had been wrongly brought within the scope, whereas he was really not

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within; would you not give him some appeal to somebody?—(Mr. Culross): Yes, he has an appeal now, his appeal to the Court when he is prosecuted for paying less than the wages. It is not perhaps the most savoury form of appeal, I agree, but in the existence of this Trade Board we have had, practically speaking, no objection to the decisions of the Administrative Committee from the first until the Minister came to assume the right to send out this opinion himself and alter our opinions if necessary.

4185. And as regards enforcing the orders you seem to be of the same opinion as the other witnesses this morning?—There is not sufficient inspectorate at the moment.

4186. As to the constitution of the Boards you have nothing different to say. Have you tried a District Committee?—Yes, we have had them since the first.

4187. You, also, think they are not successful?—They have never been the slightest use. I personally tried in 1911 to get a vote from the Chairman, and the Chairman has always consistently refused to vote on any matter that is coming up before the District Trade Committee, with the result that if the sides did not agree all the District Trade Committee did was to send up a block resolution from one side that they did not agree with the increase, and a block resolution from the other side that they did agree with the increase; neither the Chairman nor the Appointed Members voted on any District Trade Committee.

4188. Did the Chairman of the Board preside over the District Committees?—In general—in the early days almost always.

4189. Mr. Layton: Do the District Committees now exist?—We have still got one. We unfortunately cannot get rid of it under the present Act except by dissolving the Board.

4190. Do you object to the machinery under which the Committee works at present, or do you object to the idea of district fixation of rates?—If I may say so they are two different questions. The district fixation of rates does not depend on the District Trade Committees. At the present moment they only report on a proposal to fix which is sent down to them to consider. As I say they report that one disagrees with it and the other agrees with it.

4191. You have no district variations?—No, we have a flat rate.

4192. Have the rates sent down to the District Committees been different rates suggested for the different districts, or have you always suggested one rate?—One flat rate.

4193. In fact, the District Committee has merely been asked its opinion on a rate already proposed?—That is so.

4194. The District Committees have no power to suggest a new rate?—They did, if I may say so. Up to the last meeting we were always on the up grade: the workers' side invariably suggested an increase in the proposal and the employers suggested that the increase was not justified. As a matter of fact at some of those meetings which I have unfortunately had to attend the time was obviously wasted time and it was wasted money.

4195. Does your Trade Board cover the whole country?—Yes, except Ireland. Ireland has a separate Board.

4196. Are there in fact local variations in the rates actually paid?—Possibly there are. There are no rates below the minimum rate, but there are possibly variations brought about by economic conditions in the standard rates.

4197. Chairman: Are there any trades which might be co-ordinated with yours?—Yes, the Tin Box and the Paper Bag, and if at any time they did come under the trade, the Printing Trade. Of course, we are allied to the Paper Trades generally.

4198. Does it happen in your trade that one firm may be affected by more than one Trade Board?—Yes.

4199. Have you known that?—Yes, they are.

4200. Does that cause trouble?—It causes a certain amount of difficulty, but the adjustment of it, up to now, has been that you have to pay wages according

to the minimum rate ordered by the Trade Board which gives the highest rate.

4201. That is to say people in the same factory do not care to be paid a less sum for work that is equally difficult?—That is so.

4202. Sir Arthur Pease: Presuming that it was advantageous to most of the trades to get a Trade Board decision, was not it because most of the contracts were fixed by the Government on the rates of wages in the district, therefore it was important for a rate to get the sanction of the Trade Board?—No, I do not think any of our Trade Board decisions ever depended on Government contracts.

4203. You charged for your goods according to the wages paid very often, did you not?—Undoubtedly.

4204. If the wages went up and were sanctioned by agreement between employers and employed generally, or under a Trade Board decision, then you could come on the Government for an increase in the price?—I do not think that ever actually occurred except perhaps in two factories which were controlled. There were only two factories in our trade which were controlled.

4205. The position was so abnormal during the war.—That is what one feels to-day, that one cannot generalise from the conditions which arose during the war. (Mr. Watts): Under the old Act you had to give official notice to the Board of Trade that you were prepared to pay certain wages. It is Government work I am referring to at the moment. I have a copy here of the letter which was given to us by the Trade Board Secretary at the time under Section 7 of the old Act. (Mr. Culross): That was because there was a period in which the rate was not obligatory.

4206. Chairman: You suggest, Mr. Culross, that there is want of elasticity in the working of the Acts?—Yes.

4207. You give as an instance the absence of the power to carry out any variations in proposals that may be necessary at the fixing stages?—That is the trouble to-day.

4208. And the difficulty of defining the terms "ordinary worker." There is a difficulty there?—There always has been a difficulty there. We adopted in the early days the basis that 15 per cent. of your employees were cut out as not being ordinary workers. That percentage to-day would be entirely useless to us, and to some extent the ordinary worker difficulty is to-day giving trouble on the question of unemployment, because our trade has been through almost as bad a time as any trade in the Kingdom, if not worse.

4209. Do you mean there is a tendency to get rid of the slow worker because he is not worth the Trade Board rate?—Yes, the majority of businesses in the trade during the past year have probably got down as far as half-time at least, even after reductions in the personnel, and therefore those reductions have been the elimination of the less efficient worker.

4210. Or putting the others on short time?—And putting the others on short time.

4211. Mr. Layton: At what date did unemployment begin in your industry?—Probably about June, 1920.

4212. What was the period of greatest prosperity?—I should think some time in 1918 to the end of 1919.

4213. And to the middle of 1920?—No, prosperity did not continue then. From the beginning of 1919 there was a gradual dropping off, but there was a good deal of work to fill up; there was a good deal of contract work.

4214. Unemployment did not begin until 1920?—Yes.

4215. I notice that your rate on your Schedule for women (and men follow the same course) was fixed at 8d. in November, 1919, and in November, 1920, when you say that you had already passed the peak, the rates went up to 9d., and remained there for 12 months, and it is only in the last month that they have dropped a fraction?—That is so. The employers thought, and they even went so far as to take up a trade deputation to the Minister to ask him to refer back to the Trade Board the increase in the rate

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[Continued.]

which he authorised in November of 1920. It was entirely unjustified, but we had to sit under it. All these questions of unemployment were put up, but they were disregarded.

4216. Is it a fair conclusion from the figures that the Trade Board rate of wages has moved 18 months behind the course of trade or nearly?—I think that is so.

4217. That the downward movement of trade began not later than the middle of 1920, but the downward movement of wages began in November, 1921?—That is so.

4218. And then only to a small extent?—The application for the reduction started four months before November.

4219. I quite understand that, but the actual rates paid are in fact all that way behind the actual course of the industry?—That is so.

4220. That cannot surely be only due to the slowness of the operative machinery of the Trade Board?—It is due to the slowness of the operative machinery. Our rate was fixed in November. My trade did not rush to make alterations, and therefore we did not, till the middle of the year, see that the trade was not going to recover. In the early part of 1921 it was a little doubtful if we were not going to get some improvement in trade. Then there were certain circumstances which threw us back again. We did not therefore rush at once to ask for a reduction, possibly because the Trade Board had a tendency to take the index figures of the Board of Trade as their main guide in deciding questions of wages.

4221. At what date was the proposal that took place in November, 1920, originally made?—Some time in June the application was made; it came before the Trade Board in July, and then proposed to be fixed. It was eventually fixed in November.

4222. On the suggestion of the Trade Board it was actually adjudicated on just at the time when the trade was going downhill?—Yes.

4223. Nevertheless, you put the wages up because the Board of Trade index number went up?—Yes, the Trade Board put the wages up.

4224. The Trade Board recommended the Minister to put them up.—Yes, and the Minister eventually did put them up.

4225. Was that a proposition from both sides?—No, that was strongly opposed by the employers' side. We went to the Minister to ask him to either stop it or refer it back to the Trade Board, but he would not take any steps.

4226. I notice also that on the same sheet you refer to two increases that came in during the war, where the rates came into limited operation (this was an increase of both rates) on the 15th August, 1917, but were made obligatory by the Board in February, 1918. In fact, they came into operation six months before the Minister made them obligatory.—That is under the old Act.

4227. Why did that happen?—Under the old Act it was part of the procedure that a rate became obligatory at the end of six months. You could contract out of it under the old Act for six months.

4228. *Chairman*: Have you made comparison between the old Act and the new, the Act of 1909 and the Act of 1918?—Yes.

4229. The Act of 1909 worked well?—Yes.

4230. What do you say of the Act of 1918: has it worked better?—It is under that Act that we complain of the interference of the Ministry. It seems to us that from that time, the Minister having greater powers, there has been a greater interference with the Trade Board. Personally, except for that obligatory or contracting out period, we would just as soon work under the old Act.

4231. Do you think the criterion adopted by the old Act, that is to say, wages being exceptionally low, would be sufficient in deciding of whether there should be a Trade Board or not?—That is rather more a national question than a trade question. Our view is that the old Act gave the protection to the trades which were necessary to be protected.

4232. And to the workmen in those trades?—Yes, and to the workmen in those trades. The Act has done our trade good; there is no question about that.

4233. It has raised wages?—It has improved the conditions. It has eliminated the person whom all decent employers objected to; it has eliminated the person who sweated his workpeople.

4234. *Dame Adelaide Anderson*: And it has also brought the employers and the workers more in conference together?—Yes, undoubtedly. We have had practically no trade disputes since we have come under the Board. There have been some occasions at times of difficulty, but they have always been got over.

4235. *Chairman*: Has it worked well on both sides?—Not quite so well as it might, perhaps, but there are several organisations. The difficulty is that in certain parts of the country the trade is organised by an entirely outside union. For instance, in one part of the country the employees who are in a union are in the Seamen's and Firemen's Union, and in another part of the country in the Dockers' Union.

4236. *Dame Adelaide Anderson*: Even if it got better organised it would still not be able to do without compulsory enforcement?—I think it could probably be better kept under the Board because there is a large number of Jewish employers who require some supervision.

4237. Has it ever occurred to anyone that it would be possible to combine the rise and fall in the cost of living and the rise and fall in rates of wages in such a manner that you could automatically arrange the rise and fall in wages?—We have considered that, but there are difficulties. The Minister has been advised that he can only deal with a certain specified rise and fall, and a certain specified cost of living as against a rise and fall in wages. He cannot deal with any other circumstances which might be very relevant to an alteration in wages either way, in any sliding scale scheme.

4238. That would give the kind of elasticity you desire?—That is under consideration at the present moment. We are at the present moment in negotiation with the union with a view to considering whether something of that sort can be done.

4239. *Chairman*: Do you mean that you should consider with the rise and fall of wages also the question of whether the trade can pay the wages?—No. We wanted to do two things. We wanted to consider a sliding scale which would permit of our first considering the rise and fall of the cost of living index figure, and secondly, such other conditions as ought to be considered in connection with a settlement of wages. The Minister, as I understand, has been advised that it is impossible for him to go any further than dealing with the first point: he cannot bring any other point in. In other words, there can be no hypothetical proposal to alter; it must be a fixed determination that if A is so then B follows.

4240. *Dame Adelaide Anderson*: I was not thinking only of what the Minister had power to do, but the consideration of the whole situation, whether it would be a practicable idea if it could be put into an Act of Parliament?—I think it would be beneficial, but I am not quite sure whether it is practicable. There are so many factors that may have to be considered at any time.

4241. *Sir Arthur Pease*: Would you agree that a sliding scale of any kind was only a rough and ready way of adjusting wages for a limited period?—That is so.

4242. And that it must be open always to review at the end of every year or two years?—Yes, undoubtedly.

4243. Because the conditions in trade vary so much at different periods?—That is so.

4244. You could not be tied down to any sliding scale for any long period by Act of Parliament?—No.

4245. *Dame Adelaide Anderson*: I do not mean to suggest anything hard and fast; I am only asking whether it had been considered?—We have considered it.

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4246. *Mr. Layton*: Is your trade subject to severe competition?—Yes.

4247. What sort of competition?—From abroad—very serious competition from abroad.

4248. What effect did the higher rate that was fixed in November, 1920, have on employment?—It could not have any effect, of course, because there was a total prohibition of imports.

4249. You miss my point. You fixed the highest rates in November, 1920, when trade was already bad?—Yes.

4250. What effect did that have upon employment?—It reduced orders, and therefore reduced employment.

4251. Were you working short time in 1921?—Yes, the whole of 1921. (*Mr. Watts*): Immediately the high rate came into force from November, 1920, there has been a considerable amount of short time worked practically dating from the increase of the rate.

4252. Would you attribute much of that actually to the rate itself. Is it your opinion, without asking for figures, that you could have employed more people at a lower rate?—(*Mr. Watts*): Most certainly to-day you could. The serious part of that rate was this. Remember, trade was bad to begin with. The second step was that the wages were increased, which meant the third step, going to your customers and asking them for increased prices.

4253. *Chairman*: The fourth step was that the customer said: "I will not pay more"?—Exactly. That is really the reasoning of the effect of that raising of the rate at a most unfortunate time.

4254. *Mr. Layton*: Have the employees recognised that?—Yes. We had deputations from our own workpeople against it, and also against the previous rate.

4255. What did they propose?—They said it was a ridiculous rate.

4256. How was it, then, that for 12 months no proposal was made to lower that rate?—I am not on the Trade Board now. I would refer you to Mr. Culross. (*Mr. Culross*): I think the proposal was made six months afterwards.

4257. After the other came into effect, but it only came into effect 12 months afterwards.—You cannot propose to vary while you have another rate under proposal.

4258. But you were entitled to take it after that rate came into effect?—(*Mr. Culross*): We have never adopted a policy of jumping to that extent. One has to see how the thing works out. We have not rushed to the extent of at once demanding a reduction, otherwise we could—

4259. I think your previous answer really answered it when you said that you hoped 1921 would see a recovery of trade?—Yes. I think I am right in saying that in the early part of 1921 there was a slight

(The Witnesses withdrew.)

Mr. FRANK NUTTER HEPPORTH, called and examined.

The witness handed in as his evidence-in-chief a statement in agreement with that handed in by the witness of the Wholesale Clothing Manufacturers' Federation, Mr. D. Little.

4271. *Chairman*: You are Managing Director of Messrs. Hudson, Scott and Sons, Limited, who are tin box manufacturers in Carlisle?—Yes.

4272. Were you, until October last, Chairman of the employers' side of the Tin Box Trade Board?—Yes.

4273. I think you have also been, until recently, the Chairman of the British Tin Box Manufacturers' Federation?—Yes.

4274. Is that the recognised organisation of the employers in the tin boxmaking trade?—Yes, the only one.

4275. When was your Board formed?—In January of 1915, that is the first meeting.

4276. How many meetings have there been since then?—About 21.

revival in trade. Then the coal strike came which killed it.

4260. *Sir Arthur Pease*: Could you give approximately the proportion of the cost of the finished article which is wages?—(*Mr. Watts*): To-day?

4261. Supposing the finished article costs 1s. for so many, how much of that is wages?—It depends entirely what the finished article is. There is such an enormous variety in trade.

4262. Would it be 10 per cent., 20 per cent., or 50 per cent.?—(*Mr. Culross*): It might in some cases be 80 per cent. and in other cases it would not be 5 per cent.

4263. *Chairman*: It all depends on material.—(*Mr. Watts*): Entirely on what box you are producing.

4264. *Mr. Layton*: On the whole it is not an expensive material, is it?—(*Mr. Culross*): Yes, it is. It is not so bad now, but it has been as high as £100 a ton during the war. Before the war it was £3 15s. to £4 a ton.

4265. Including freight?—The freight was nothing.

4266. During the war?—It was only the freight from Holland. We were cut down to a sixth of our 1914 consumption. (*Mr. Watts*): To-day, roughly, the raw material is double what the pre-war figure was, but the wages are three times as much.

4267. *Mrs. Lyttelton*: And the work varies from the roughest to the most skilled, does not it?—(*Mr. Watts*): Yes, in different factories.

4268. *Chairman*: I would like to know the net effect of what you have said. You say the Trade Boards have done the trade good. On the other hand, you say that certain rates of wages have done the trade harm by making the production more expensive. What is your remedy for it? Obviously you do not want to abolish the Trade Boards.—(*Mr. Culross*): No.

4269. Do you want to reduce their operations in any way or to lay down certain rules to govern them?—I think on three grounds; we want greater elasticity in the working of the Act itself, a shorter period for such alterations as are necessary; we want to govern our own house without the continual interference (I use the word quite inoffensively) of the Ministry, subject, of course, to some ultimate control by the Minister, I quite agree; and it would be an advantage if we had some other words than "ordinary worker" in the Act. We want also some greater latitude in regard to the infirm person, because there are a very large number of infirm persons in our trade.

4270. I should have thought that as regards infirm persons—?—They must be so infirm that they are far removed from anything like an ordinary worker. There are plenty of people who would come into your category in assessing an ordinary worker who are not sufficiently infirm to be granted a certificate under the Trade Board Acts.

4277. Have you an Administrative Committee?—Yes.

4278. You have acted upon that also?—Yes, all the time.

4279. Your statement is also rather like the others. Do you happen to have Mr. Healy as your Secretary?—Yes, that is our good fortune.

4280. I can take some of these points more shortly. Do you agree with the last two witnesses as to scope?—Certainly.

4281. Do you think they should be dealt with by the Board?—I do. We had no difficulty during the period we were dealing with them in that way.

4282. Where the Board seek to bring persons within its scope who are not within it there must be some sort of appeal to somebody?—I certainly suggest that there should be, but I never found any anxiety to haul people in. I think there was as much anxiety to keep them out in some respects. We had the articles

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in front of us and it was very easy for us to know about it.

4283. I think there have been questions of real importance. It does not affect you, but the tailors wanted to bring in the manufacturers of oilskins and mackintoshes. That would be a big question. One can understand that the manufacturers of oilskins and mackintoshes might have a serious point to raise?—Yes.

4284. You would not suggest that they should be absolutely bound by the decision of the Tailoring Board?—Certainly not.

4285. Upon the whole, Mr. Hepworth, do you consider that the Trade Boards Act has been beneficial to the trade?—Yes, I do.

4286. It has improved the conditions?—Yes, I think that it has in every way.

4287. Your suggestions are, to a great extent, the same. You agree that the time should be shortened?—Yes.

4288. You agree that the inspectorate should be increased?—I think that is important.

4289. You have not set up any District Trade Committees, I think?—No, we have only just had the Board.

4290. Mr. Layton: Is your trade localised?—No. My factory is in Carlisle. The nearest one would be probably in Newcastle, and, further south, probably, somewhere in Nottingham or Hull.

4291. Is there no local congregation of tin box factories in any district?—No, except London.

4292. Chairman: I suppose there are not a very large number of employers altogether?—I think there would be probably about 150.

4293. Mr. Layton: All of them in towns?—Yes, in towns.

4294. None of them in country districts?—No.

4295. Are there any in South Wales?—Yes, there are several in South Wales.

4296. Also in towns?—Yes—generally speaking near the tin plate works.

4297. Chairman: You were set up under the Act of 1909?—Yes.

4298. Do you find the Act of 1918 has made any difference?—Yes. I do not think things have worked out well under it. There has always been a feeling of injury, shall I say, in reference to the interference from the Ministry. One particular case I have in mind. It is not a question of scope so much as a question of definition in the Act. We had a deputation some months ago to the Ministry and nothing has been done yet. It is a question defined as making tin boxes out of tin sheets. Of course there is a black plate which is just the same exactly, only it has not been tinned, which is very largely used, and used in the same factories, which does not come under our regulations really. We have had a deputation to the Ministry to have it altered and nothing has come of it so far.

4299. You want the powers of your Board increased there?—We really want the definition to be a definition which really covers the trade.

4300. You do not contend that the present definition covers that work, but you think it ought to be enlarged so as to cover that work?—Yes.

4301. Mr. Layton: I would like to put the same point to you that I put to the previous witness. Has your trade been through a period of bad depression? It is in that period now.

4302. When did that depression set in?—It is very difficult to tell, but from my own experience I should say it began somewhere about June, 1920.

4303. That also is the date on which they fixed the rate at 1s. 3d., is it not?—Yes.

4304. That was the maximum rate?—Yes, that was the maximum rate. The cost of living number then was very high of course.

4305. The index number would be somewhere in the neighbourhood of 170, would it not?—That is right.

4306. Do you remember what the cost of living index number was in 1919?—I cannot tell you.

4307. The cost of living index number would be over 100; about the same level that it is to-day?—Probably.

4308. What was the current rate in 1919?—The one settled in December, 1918, was 5½d., the minimum rate for 52 hours.

4309. That is female?—Yes, and 9d. for males.

4310. That was for a period when the cost of living was about the same as it is now?—Yes.

4311. The present rate is what?—The rate just passed is 8d. for females and 1s. 4d. for males.

4312. That came into force about a fortnight ago?—Yes.

4313. How do you explain that when the cost of living is back at the level that it was in 1919 the Trade Board has just fixed rates which are about 50 per cent. higher than the rates which the same Board fixed when the cost of living was at that figure in 1919?—You can explain it probably in several ways. First of all it is never so easy to go down as it is to go up. That, I believe, is contrary to scientific reasoning, but it is much easier to go up than to come down in wages.

4314. Have you not used the cost of living index number as a test of your wages changing?—Not altogether. We find that when the cost of living comes down the Board of Trade figures are not accepted.

4315. The figures are 9d. in 1918 and 1s. in 1919, covering a period of the same level of cost of living as the present time. Have those figures been put before the Trade Board by the employers?—They certainly have been put before the Trade Union. We met them before we went to the Board this last time.

4316. The figures, as you put them here, look as though the Trade Board machinery for shifting wages certainly does not follow the cost of living figure very rapidly or closely?—I do not think it can be said to do so.

4317. What would you say is the predominant idea that the Trade Board endeavours to give expression to?—Undoubtedly, to a certain extent, the cost of living, but also a feeling, I think, which a good many people have that the rates paid originally were not reasonable rates, and with a distinct desire to improve conditions as far as possible. If you ask my own personal opinion about the present rates I still think they are too high. I do not think the reduction has been enough. It certainly was not what we proposed.

4318. Mrs. Lyttelton: Had you proposed a very big reduction?—It is 1d. reduction which has actually taken place.

4319. Mr. Layton: What is the meaning of this phrase, "1s. 2d. to 1s. 3d."? The figure you give us for 1920 is 1s. 3d. You now say the figure is 1s. 2d. to 1s. 3d.?—There are two rates if you look at them.

4320. It is 1d. reduction?—Yes, our proposal was to return to the previous rates when we made our proposal to the Unions, that is to say, to the rates that were fixed in November, 1919.

4321. That would be a reduction of 20 per cent.?—7½d. really for females.

4322. The male rate would be from 1s. 3d. to 1s.?—Yes.

4323. That would be a reduction of 20 per cent.?—Yes.

4324. Did you put this case before the Appointed Members?—Yes.

4325. And compare it with the cost of living?—We argued it out at great length with the Unions and they made a very strong appeal to us. They felt that the cost of living, in all probability, although it had shown some considerable drops, would go up during this back end of the year, as figures frequently had done. The Chairman in fact at the meeting, when the rates were proposed, only gave his consent to the proposal, which is actually the figures which are here now, on condition that he reserved to himself the right of reviewing the position in the light of the cost of living or the condition of trade at the time when we came to fix.

4326. Dame Adelaide Anderson: It is chiefly a home trade, is it; it is not so much for export as for home

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consumption?—I think that is really one of the things that we are suffering from at the present time. The manufacture of tin boxes empty is not an export trade, but the number of articles that are exported in tin boxes is innumerable, and therefore a very big part of the trade of the larger tin box manufacturers, at all events, may be said to be an export trade. That, of course, has practically ceased.

4327. Do you agree with the previous witness that it would be advantageous to co-ordinate the tin box industry with the paper bag and cardboard box industry—advantageous to have a common Chairman for the group of kindred industries? Do you agree that they are kindred with yours?—I cannot see any relation really except that we do meet at one particular point which we have had many arguments about, that is, in reference to a box which is partly made of cardboard and partly made of tin. We have had many fights as to which Board it belongs to.

4328. *Mr. Layton*: Would you consider that the economic conditions affecting the tin box trade are such that the price of tin boxes should in ordinary times be held higher than in the past without prejudicing your consumers, that is to say, the food packing trades and such trades as that? What I have in mind is this, is it the case that the cost of tin boxes is a very small item in the price of the products that are sold in your boxes?—I can only say this, that when the rates did go up to these heights no end of people absolutely stopped using tin boxes because they said they could not pay for them, and they put their goods in paper packets knowing full well that their articles did not get to the public in such good condition.

4329. *Sir Arthur Pease*: I think we had it from a witness on the last occasion that 85 per cent. of the tinplate mills were going in South Wales. Why is your trade bad if the tinplate trade is more flourishing than any other of these kindred industries?—I think you will find that the amount of tinplates that are used in the tin box-making trade is a very small proportion to the South Wales output.

4330. The tin box definition is a very narrow one, is it?—Yes.

4331. *Mr. Layton*: Is it the case, generally speaking, that the cost of the tin boxes is a very small

item in the price of packed food?—I should say that it is normally, but I do not know anything about the plain tin boxes. It is not a business that I have anything to do with.

4332. *Dame Adelaide Anderson*: During the war there was a great use, apparently (one saw it advertised in Exhibitions), of containers other than tin. Did that permanently affect the tin box trade?—I think it is rather too early to say.

4333. *Mr. Layton*: Would you consider that this rate of wages would be a vital factor in the question whether the industry recovers the trade it lost in the way described by Dame Adelaide Anderson?—Yes, I should.

4334. You cannot give us a general idea of the ratio of wages to the cost of your product?—That again is a difference. There is the plain tin and the decorated tin. As to the decorated tin, on which you may have to spend £50 or £60 on so-called artistic work before you start on it, tinplates have gone down in twelve months from about 77s. to the present price, which is something just above 20s. So that the cost of raw material is about 40 per cent. and the rest labour. I give that as an offhand figure.

4335. At present over half the cost is labour?—Yes.

4336. *Mrs. Lyttelton*: I just want to ask a question about the desire you expressed for having powers of side voting. Do you not think that it would be likely to perpetuate deadlock in the voting?—I do not see how it could create a block unless I misunderstand your question.

4337. I only meant: Do not you think that that system tends to produce deadlock on both sides?—I do not think so.

4338. I do not quite understand what the advantages of side voting are, unless it is to get the dissentients in a side quiet, and therefore to get one side voting against the other. That is why I think it may produce deadlock.—I think you are right. The idea is that one manufacturer on the Trade Board could upset the whole of his fellow manufacturers.

4339. *Chairman*: You always have the appointed members to cut the knot?—Yes, there are always the appointed members.

(The Witness withdrew.)

MR. WILLIAM A. J. PITMAN, called and examined.

The witness handed in as his evidence-in-chief a statement in agreement with that handed in by the witness of the Wholesale Clothing Manufacturers' Federation, Mr. D. Little.

4340. *Chairman*: You are a partner in the firm of F. F. Day, Foley & Company, Collar Manufacturers, of London?—Yes.

4341. And of Ilminster in Somerset?—Yes.

4342. Have you been the employers' representative on the Shirtmaking Trade Board since it was established in August, 1913?—Yes.

4343. That is a Board established under the old Act?—Yes.

4344. Have you for the past two years been Chairman of the Employers' Side of the Board?—Yes.

4345. And also Chairman of the Shirt, Collar and Tie Manufacturers' Federation. That is the organ of the employers?—Yes, that is the employers' federation.

4346. You have an administrative Committee?—Yes.

4347. You first fixed a minimum rate for all workers, and it was only afterwards that you began to fix special rates for skilled workers?—Yes, last year or the latter part of the previous year.

4348. You agree very much with the last three witnesses on general questions?—As the previous witnesses have said, we have the benefit of Mr. Healy being Secretary of our Federation.

4349. You say you have noted the agitation in certain quarters against Trade Boards. What is your view, founded on your experience?—With reference to the Boards?

4350. Yes.—That the general result in our trade of the actual Trade Boards has been one of considerable benefit both to the workers and to the employers. It has brought about a much better feeling amongst the employers generally; they have got to know each other in another way than as just competitors, and it has also brought out the workers' side of many questions that before was not considered by employers as a body, and that the general result has been one of considerable benefit, I think, to the trade generally.

4351. Still, you think the Acts may be amended?—Yes, I think the new Act is trying to do too much.

4352. Will you expand that? In what way?—I should expand that in this way, that in endeavouring to set up so many different rates they are setting a problem for the Ministry for its inspectorate. That is just one side of it, that it is very hard to get efficiency, and that unless the Act is efficiently administered its usefulness is very small indeed. Under the old Act certainly there were fewer Boards and the inspectors, to a large extent, understood the work of the different industries comprised under those Boards, and the inspectorate was therefore much more efficient than later on, when the more efficient

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inspectors were distributed over a lot of Boards that they knew nothing about; and the inspection was generally totally inefficient. That is the difference between the new Act and the old, as far as inspectorate goes. As regards the definition under the new Act and under the old, it seems to me that all that was necessary was achieved in the old Act, and if the wages in a trade were too low, that was a sufficient reason for setting up a Board; but that they should import into this new Act want of organisation amongst the workers as being the reason seems only to give rise to trouble, which I think the Ministry are struggling and trying to get the better of now.

4353. *Mr. MacCallum Scott*: How does that affect your own trade? Is that inadequately inspected?—Certainly, our own trade is very inadequately inspected at the present time.

4354. Have you noticed a deterioration in the inspection?—It is insufficient altogether.

4355. Was it better at the beginning?—Surely.

4356. *Sir Arthur Pease*: Do you recommend inspection by trades rather than by industries?—I think that is much more efficient. An inspectorate to be really efficient needs to know something about the trade and the industry that is carried on in the place that they are visiting.

4357. *Dame Adelaide Anderson*: It is a question of degree, I suppose. An inspector could get to become very familiar with a few industries and might acquire the faculty of increasing the number. It is largely observation and study and consideration. In time, one or two inspectors might get to know nearly all the trades?—Yes.

4358. But the difficulty of the inspection is not one that is necessarily linked up with the Act of 1918: you can overcome that in time by building up your inspectorate.—My point was that under the 1918 Act they had set up so many Boards under the new condition which were hardly maintained in the old one. All the distributive Boards, for instance, which were set up under the 1918 Act are such a strain on the staff as to render the working of the Act generally inefficient.

4359. I suppose at the beginning it took the Inspectorate a little time to become efficient under the old Act?—Quite so.

4360. So that in both cases it is a question of time?—Quite.

Chairman: Time and numbers.

Dame Adelaide Anderson: Yes, time and numbers.

4361. *Mr. Layton*: I notice that in referring to district variations you do not use quite the same formula as the other witnesses, if I may say so. You say this, that committees have been of little practical good because they have no power to fix rates. Do you think that they should have such power?—No, I do not think so. I think the flat rate is better.

4362. You think there should be the same rate all over the country?—Yes.

4363. Do you think the flat rate is suited to Somerset and to London?—Yes.

4364. Would you fix the Somerset rate as a flat rate?—The conditions of carrying on the trade are practically the same whether they are conducted in London or in Somerset.

4365. Do you in fact pay the same rate of wages in your London factory as in your Somerset factory?—Practically. There is very little difference to-day.

4366. For unskilled labour?—We have practically no unskilled labour in our factory.

4367. Are these fixed here. Would you call them skilled workers which these are applicable to?—The male or female?

4368. The female.—Yes.

4369. You would call them skilled?—Yes. It is the custom in the shirt and collar industry to take the girls straight from school and then to apply them to the learning of their trade. As soon as they are proficient they go on to the piece-work rates, and those rates are calculated of course to yield the minimum rate or above.

4370. Do you submit that the earnings of work-people are the same in Ilminster as they are in London?—No, I do not think they are, because I do not think the Ilminster worker, to take her generally, is so proficient as the worker in London.

4371. Do you pay them the same piece rate?—No. They do not make the work in the same way. The country method of production is rather more comprehensive than the London. We sub-divide it into so many processes in London as compared with the method in the country that by their application to one process they become able to earn better money in London than they do in the country.

4372. But by the application of the same rates? Can you get that result by applying the same Trade Board rates?—Yes.

4373. Do you pay the Trade Board rate in London? You do not pay over the Trade Board rate?—Yes, the prices that we fix will yield above the Trade Board rate, of course.

4374. They do, generally speaking, in London yield above the Trade Board rate?—Yes. It depends on the proficiency of the worker.

4375. Broadly speaking, your piece list in London produces more than this figure here which is called the piece-work basis time-rate for the whole country; they will yield more than that?—That is a thing that varies in every factory, because the process is not standardised at all. Where one factory will be running and turning their work, the other one will be patent turning and stitching their work. They are processes which make all the difference in the rates fixed, and also in the ability of the worker to earn those rates. That is where the question of Inspectorate came in. It was essential that the Inspectors coming into a collar or shirt factory should know something about the method of that factory before they were able to go into the question. It took those early Inspectors a long time to get to master the different processes in working the different factories so that they could come to a conclusion as to whether the rates were adequate to yield the minimum Trade Board rate.

4376. My point is that they would, generally speaking, yield a good deal more in London than in Ilminster in excess of the piece-work basis time-rate?—It does not follow.

4377. I thought you answered me just now that the earnings in London, generally speaking, are higher than those in Somerset?—That is so, because the workers are more proficient in London and the work is carried on on what we conceive to be an improved system in London as compared with the country method of manufacture.

4378. Therefore, however you work out their piece rate, the piece-work earnings per hour which correspond to this piece-work basis time-rate are higher in London than they are in Somerset?—It yields a little more per hour in London than in Somerset.

4379. Therefore this figure is the Somerset rate?—No, we do not get at it in that way.

4380. I do not say you get at it in that way, but it is in fact the earnings of Somerset?—Neither is it, because this whole matter varies in every factory. It is apparent that I am not getting at what you are wanting me to appreciate. I am not getting your point, perhaps.

4381. You began by answering me that the earnings in London are higher than the earnings in Somerset?—Per individual head.

4382. Per hour, whether they are engaged on the time-rate or the piece-work basis time-rate principle?—Yes.

4383. I am only wanting to know how this figure is arrived at, and I suggest to you that if that is so, it must be a minimum suitable to Ilminster?—The way the figure there is arrived at is by conference with the Board. That is how the minimum rate is arrived at. Then as to how each factory can show that they paying the rate, it is arrived at by an examination of their work books.

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Mr. WILLIAM A. J. PITMAN.

[Continued.]

4384. I will put it in this way, that if 9d. is a suitable piece-work basis time-rate for Ilminster, it is clear that London could pay a piece-work basis time-rate of 10d. or 10½d. or some other figure?—No, not at all. That does not follow at all.

4385. In fact the earnings are 10d., 10½d. or 11d.—The difference is not nearly so much as that, and these differences vary all over the country. You will probably find another factory in the south-west district where it is quite different. In fact when this matter was first gone into, the question of whether the collar-making section particularly should come under the Shirtmaking Trade Board, the collar-making section petitioned the Board of Trade to be excluded from the operation of the 1909 Act, and in support of their case they put certain average figures of earning power of different workers in different parts of the country before the Department. I have in my mind some figures which were produced by a firm in Bideford which showed that at that time—this is early 1914 or 1913—their workers working about 50 to 52 hours a week, were at that time showing an average of between 17s. and 18s. a week, to their female workers. Before we got inflated ideas that was considered to be a very fair wage for a girl employed in shirt and collar making. That is an

instance of a West of England place where the average wages were probably better than several places I could tell you of in London at the same time. So that the rate is not based on the ability of either the West of England, North of England, Scotland or any other district to pay that rate, but it is the outcome of negotiations between ourselves and the workers' representatives; the compromise is arrived at and the figure is submitted to the Board. That is how that actual rate was arrived at and the Board made it obligatory.

4386. You mean that there is very little difference in the average earnings in the different districts?—It is difficult to give you an answer that you can record which will convey to your mind exactly the position as it happens to be at the time, because there are no two factories working under the same conditions and doing the same class of work.

4387. Mrs. Lyttelton: Do you think the provision of a flat rate would be advantageous?—I do think so. I think it is the only practical system that we can work under.

4388. Dame Adelaide Anderson: The efficient and energetic worker will make out of that more than the inefficient or less strong?—Yes, surely.

(The Witness withdrew.)

(Adjourned to to-morrow morning at 11 o'clock).

ELEVENTH DAY.

Wednesday, 7th December, 1921.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE, G.C.M.G. (Chairman).

THE RIGHT HON. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTTELTON, D.B.E.

MR. W. T. LAYTON, C.H., C.B.E.

SIR ARTHUR F. PEASE, BART.

MR. E. L. POULTON, O.B.E., J.P.

MR. A. PUGH.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (Secretary).

Mr. A. V. ALEXANDER, Mr. J. E. JOHNS, Mr. J. POLLITT, Mr. A. S. HUGGAN, and Mr. D. GARDINER, on behalf of the Parliamentary Committee of the Co-operative Congress, called and examined.

The witnesses handed in the following statements:—

The Parliamentary Committee of the Co-operative Congress is a Joint Committee composed of representatives of the Co-operative Union, Limited, the Co-operative Wholesale Society, Limited, the Scottish Co-operative Wholesale Society, Limited, and the Co-operative Productive Federation. It speaks, therefore, on behalf of the whole of the Co-operative Movement of the United Kingdom, the membership of which is approximately 4,500,000 adults. The Committee is unanimously in favour of the retention of Trade Boards, and submits herewith evidence in support of that position from:—

1. The Co-operative Wholesale Society, Limited.
2. The Scottish Co-operative Wholesale Society, Limited.
3. The Co-operative Union, Limited, of Great Britain and Ireland.
4. The Co-operative Productive Federation, Limited.

A. V. ALEXANDER,
Secretary.

1. CO-OPERATIVE WHOLESALE SOCIETY, LIMITED,
1, Balloon Street, Manchester.
Evidence of Mr. J. E. JOHNS.

C.W.S. views in support of the retention of Trade Boards and reasons advanced therefor:—

We are strongly of the opinion that Trade Boards should be retained and worked as national machinery for the regulation of wages, hours and conditions of

employment, particularly in those trades which are not sufficiently organised to demand adequate and reasonable remuneration and conditions of employment by their own efforts. If they were abolished we are of the opinion that the tendency would be to revert to sweating and long hours by unscrupulous employers, who would take the opportunity of adding to their profits at the expense of the worker. Wages would be left to bargaining between employers and employed; a method successful in the highly organised trades where the first necessity of fair bargaining—that of negotiations between equal powers—could be fulfilled, but hopeless where the power is on one side only, and the individual worker must accept whatever offer is made. Such conditions would call upon private charity and out-relief to supplement inadequate earnings. This would also create unfair competition, and those employers whose desire it is to treat their workers fairly would be compelled, in order to maintain their trade to offer wages which would be repugnant to their conscience; therefore it is highly important, in our judgment, that Trade Boards, both in the interests of employer and employed, should not be abolished.

From our experience of the working of Trade Boards, being as we are, engaged in a large variety of industries in which wages are governed by Trade Board Machinery, we firmly believe that they have been conducive to more harmonious working.

Speaking generally, they have, in no uncertain way, improved wages and established better conditions for workers, and, at the same time, put

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[Continued.]

employers of labour on one common basis so far as wages costs are concerned. Employers should introduce scientific management and use modern methods and machinery to enable them to compete in an open market. Efficient production is, without doubt, preferable to inefficient methods bolstered up by sweated labour.

Trade Boards have, to a large extent, eliminated spasmodic disturbances engineered by local Unions, but the fact must not be overlooked that the inception of the majority of the Boards came at a time when wages generally were being advanced. Time alone will tell whether the same degree of success will be achieved by future wage variations, as the opportunity arrives for working under normal conditions.

Suggestions for improved working.

(1) We would prefer an independent Chairman with the power of a casting vote. In our experience no decision would be arrived at without this power; also we do not think it necessary to have four or five appointed members.

(2) Trade Boards, in our opinion, should have full executive authority under the Acts of Parliament without interference from the Minister of Labour, seeing that the Minister is a political appointment, and represents party politics, which should, undoubtedly, be kept clear of trade.

(3) The Grocery and Provision Trade Board provides rates of wages for three areas. We suggest that it would be an improvement to extend such division to other Trade Boards, as the specific conditions obtaining, and cost of living could then receive due consideration for the various areas.

(4) We suggest decentralisation and the establishment of local Committees in, say, four or five areas, in order to afford better opportunities to practical people in the large industrial centres to express, or vote for, their particular views. The value of the vote should not be by the number of individuals attending the meetings in London, but the "Area" representatives' vote should also be given a specific value.

(5) We are also of the opinion that the provision made for Time Workers who are affected by any infirmity or physical injury which renders them incapable of earning the prescribed minimum Time Rates could be extended in order to include any worker over 60 years of age, who could be allowed exemption from the provisions of the Act on application being made.

(6) We think it might be an improvement if arrangements could be made whereby the expenses incurred by members attending Board Meetings should be borne by the trade with, say, accommodation for meeting and cost of Secretarial Staff to be provided by the State.

(7) In regard to the length of time taken between a proposal and the fixing of rates, we are of the opinion that two months is altogether too long for formulating and lodging objections, especially seeing that after the expiration of that time the objections have to be considered, which may easily take another two months. We suggest, therefore, considerable acceleration be applied in this direction, or, in order to avoid such delays, Trade Boards be constituted "fully representative," in which case it would not be necessary to wait for consideration of objections. A month's notice before the rate is applicable would be sufficient.

2. SCOTISH CO-OPERATIVE WHOLESALE SOCIETY, LTD.,
95, MORRISON STREET, GLASGOW.

(a) Evidence of Mr. A. S. HUGGAN.

I have been a member, on the Employers' Side, of the Grocery Trade Board for Scotland, since it was formed in the early part of last year.

Our first recommendation of minimum rates of wages was referred back to us by the Minister of Labour, and our second recommendation was confirmed by the Board a fortnight ago, and forwarded to the Minister, with the request that it should be put

into operation on the 2nd January next, and we are very hopeful that it will be duly ratified.

There have been differences of opinion between the sides constituting the Board, but there has been an atmosphere of goodwill, and a real desire to reach a satisfactory settlement at all our meetings, which augurs well for the success of the Trade Board system.

I think the object of the Trade Boards in seeking to secure and maintain industrial harmony is likely to be attained. The fact that representative men and women from the employer and employed classes are meeting together periodically, and exchanging views on matters of paramount interest to both, is likely to clear away differences before they become acute, and reach a stage when they would be more difficult to settle.

I have no fault to find with the constitution of the Trade Board with which I am connected. While its numbers are large, they could not very well be much less, if the various interests of the trade concerned are to find adequate expression. The appointed members, and particularly the Chairman, have rendered good service in exercising a moderating influence when widely divergent views are expressed. Nearly all our findings were unanimous, and only in one or two instances was a vote necessary. We have appointed an Executive Committee, composed of members drawn from each side, to deal with matters of minor importance, and its decisions, are, of course, subject to revision by the Board. This Committee will be of real service in facilitating the work of the Board.

I think, however, that there is a grave danger of our having too many Trade Boards, and that instead of having a Board for each trade, there should be a system of grouping trades that are correlated, or trades where the conditions of labour are somewhat similar, under one Board.

The primary object of the Trade Board system is to fix minimum rates of wages, or, in other words, a living wage, and not to regulate wages in the ordinary sense, and the hours of labour. It seems to me that this object could be attained more efficiently and more economically, by grouping kindred trades under one Board, and it would be a great convenience to many firms who have certain workers engaged in different operations, and who, under the present system, come under the control of different Boards.

I would suggest that some of the present Boards be merged in others, and that, before any new Boards are created, it should be considered whether the Boards already in existence could not, with some adjustment of personnel, be usefully employed in controlling trades presently out—with the Trade Board system.

The Grocery Trade Board for Scotland have fixed the working week at 48 hours, and these hours should also apply to small businesses carried on exclusively by the owner, or members of his family, otherwise shops coming under the control of the Board will be subjected to a good deal of unfair competition.

(b) Evidence of Mr. D. GARDINER.

Trade Boards, in the opinion of the writer, are of much service to both employers and employees, inasmuch as they protect the former against the competition of those who are inclined to pay sweated wages, and also the workers against sweated rates being imposed on them.

The abolition of Trade Boards would, in my opinion, result through time in a return to "Sweating," and all that the same means in the shape of unfair competition against fair-minded manufacturers and hardships on the workers.

The opinion advanced by some that Trade Boards tend towards unemployment has, in my opinion, little or no foundation in fact. Hardships may at times occur, particularly to those who have to go out to work as learners comparatively late in life, but an amendment of the regulation which fixes wages according to age and not according to ability, would, in my opinion, meet the case, i.e., pay them according to their ability and not according to their age.

The methods under which rates are from time to time amended are somewhat cumbersome, and slower

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in action than they should be. Improvements in this direction are worthy of consideration, and in my opinion could be easily effected.

The differentiation in wages as between one part of the country and another ought to be avoided, and are uncalled for.

From the standpoint of national welfare, the abolition of Trade Boards would be a retrograde step. The force of law behind any regulation in regard to rates of wages is much more powerful than any regulation of Trades Unions, inasmuch as the former cannot easily be evaded, whereas in connection with the latter that is not difficult of accomplishment on the part of those who may set out to do so.

3. CO-OPERATIVE UNION LIMITED OF GREAT BRITAIN AND IRELAND, Holyoake House, Harrover Street, Manchester.

Evidence of Mr. JAMES POLLITT, Labour Adviser to the Co-operative Union.

The Co-operative Union which I represent here to-day is an organisation composed of 1,500 co-operative societies registered under the Industrial and Provident Societies Acts, and covering in their operations practically the whole of the United Kingdom. Of this number 1,379 are retail distributive societies and 122 productive and manufacturing societies.

At the close of the financial year, December, 1920, there were employed in the distributive side of the Co-operative Movement 114,500 persons, and on the productive side 87,000.

The distributive trade for the year 1920 amounted to two hundred and sixty-three millions six hundred and eleven thousand five hundred and sixty pounds, and for the productive societies, one hundred and forty millions five hundred and thirty-two thousand five hundred and ninety pounds, making a total Co-operative trade of £404,140,150.

The retail distributive societies are engaged in almost every branch of trade which can be brought under the head of "Distributive" and are, therefore, or will be, within the scope of existing or prospective Trade Boards for the distributive trades.

The productive societies produce or manufacture almost every class of goods used for domestic consumption and cover the operations of coal mining, weaving, boot and shoe making, sugar confectionery, ready-made tailoring, farming, etc., and they have in these services employees coming within the operations of about 18 different Trade Boards, viz.: (Appendix 1).

The Co-operative Movement as a whole is strongly in favour of the existence and extension of Trade Boards, particularly in respect to the distributive trades, and as an earnest of our support of them we have invariably sought representation upon all those likely to affect our employees in the various branches of service. In many cases this has been granted.

The rates of wages fixed under the Trade Board orders have had little or no disadvantageous effect up to now upon our societies, mainly because we pay higher rates (Appendix 2), but apart from this it is our opinion that the Boards have been of considerable financial and moral benefit to the trades concerned. We think they have been of benefit to the employer—especially the good employer—because he knows he cannot suffer from the unfair competition of other employers in the same business who would, if they could, pay lower wages. We are convinced also that the fixing of a fair minimum wage is conducive both to better service and improved organisation which benefit the employer and public alike. Again, we believe Trade Boards can be of great service in bringing about an improvement in the standard of work by including under their supervision, as they have power to do, the system of apprenticeship and enforcing rules for the proper training of apprentices. The advantage of the Board to employees lies in the fact that they improve Trade Union organisation while the material concessions such as shorter hours, a higher minimum wage, and

the absence of the fear of unemployment through undercutting in wages, are obvious.

Given a fair amount of goodwill on the part of the members of a Board, there is in fact still less likelihood of dislocations of labour, and, personally, we find from experience that the mere fact of the meeting together of representatives of employers and workers assists both sides materially in understanding and appreciating each others difficulties; consequently matters are not pushed to so extreme a point as when both sides meet under different auspices or strange conditions. The value, therefore, of the goodwill engendered under the Trade Boards cannot be overestimated.

In regard to the statement that the establishment of Trade Boards has resulted, or will result, in more unemployment, we have found no adequate proof of this in respect of industries governed by the Boards, and believe the charge to be one most frequently made by persons without knowledge and experience of the active working of a Trade Board, and, we fear, by those who are out for the destruction of the system.

If, for example, we take the grocery trade, it will be found that the objections lodged against the Board come under two heads, (a) inability to pay the rates proposed, and (b) the consequent dismissal of employees. In regard to the former complaint, may we take as a fair sample an objection lodged by a certain firm against the original Grocery Trade Board proposals? The objection was that the firm could not pay the Trade Board rates as they were 50 per cent. higher than the general rates in the town, and yet in the same streets of the same town the co-operative society was paying wages 3s. to 5s. per week for adults of 21 years of age higher than the Trade Board proposals. Not only was it paying such wages, but actually carrying on a successful business, as shown by the fact that the surplus for the year 1920, after meeting all expenses and paying 5 per cent. on capital, amounted to £23,712 17s. (Appendix 3). It is hard for us to believe that co-operative efficiency is better able, on the whole, to attain such results than that of private grocers!

Similar objections were lodged against the operations of the Milk Distributive Trade Board. The rate for adult males under the Board was 62s. Every co-operative society in Lancashire and Yorkshire, at least, were paying for the same class of labour 72s. to 80s. per week.

Again, under the Boot and Shoe Repairing Trade Board the same objections were made to the rate of 65s. for weekly wage workers. Co-operative societies in the area above-named were paying 80s. to the same class of worker. These are typical cases and largely refute, in our judgment, the statement that the industries cannot bear the rates proposed or put upon them. As before stated, we have no convincing proof that Trade Boards create unemployment, and indeed we cannot see how they can. The public require a certain amount of food, clothing, and other necessities, and if they cannot get them from one shop they will go to another. It can perhaps be admitted that some dislocation of labour will result—possibly a few cases of hardship in the case of the small business concern with one or two assistants—but surely, if trade is diverted from one place to another, it is obvious that increased labour will be required to deal with it in the place to which it has gone. Therefore we think that the question is not so much one of unemployment, but rather a transference of business—not of any considerable volume either—from one place where it cannot be adequately dealt with to another place where it can. Quite distinct from the action and influence of Trade Boards, this is an everyday event in commercial evolution wherein the customer is supplied from a well-organised business in preference to the small independent shop whose expenses and prices are higher.

Again, in respect of the question of unemployment it has been said that the fixing of minimum rates causes slow and inefficient workers to be discharged. We agree that it is possible this may happen in a

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small number of cases, but, on the other hand, we consider there is a far greater danger in allowing the man who holds the purse strings to say whether a worker is inefficient or slow.

There is, indeed, grave danger here of unscrupulous employers exploiting the deficiencies of these workers and using it as a means to keep wages down. The only reason for employing deficient workers (except in a few cases of charitable intent) is that their labour, however deficient it may be, is profitable to the employer. Few employers would retain it if it were not. However, we do not believe that the fixing of a living wage under Trade Boards has resulted, or need result, in the dismissal of numbers of inefficient workers. Rather do we incline to the view that a living wage will tend towards greater efficiency if for no other reason than that the employer will concern himself more with obtaining efficiency after the enforcement of a legal minimum than he did before.

We have heard a good deal of agitation recently from certain sources against Departmental interference, and the cry is set up for complete freedom of action in regard to labour matters—of a desire to return to the bad old days of commercial "*laissez faire*" whereby labour would be completely and entirely at the mercy of the laws of supply and demand. It is to these conditions—the conditions of 1908-9, responsible for the introduction of the Acts which are on their trial to-day—to which these people want to get back. We state emphatically that the question of a legal subsistence wage is a question that cannot, that ought not to be, left in the hands of a single individual to determine.

It is not on account of the fact that the fixing of Trade Boards rates has had little effect upon our societies that we are strongly in favour of them; it is upon the broad grounds of their humanity and goodwill; their capacity for improving the relations between employer and employed, and their influence towards the progressive ideals of mankind. We can see no safer ground, no surer hope for a better understanding between capital and labour at the moment than in the provision of a common meeting ground such as these Boards assure. The employer saved from undercutting in wages, wants a better appreciation of his difficulties, the worker a better understanding of his social, educational, and recreative needs; what greater hope have we in any legislation at the present time for the crying need of industrial harmony than in these Acts?

The co-operative movement has always been a pioneer in the matter of hours of labour. The 44 and 48 hour week was put into operation long before they became general. Many of our productive societies are working on a 44 hour week and none of them above 48 hours.

In the distributive societies, with the exception of the Northern counties where the 44 hour week has been in existence some years, the 48 hour week is universal. If co-operative societies can work successfully in both town and country districts with these hours, it is difficult to see why other traders should not.

We would like here to draw attention to an important objection to the setting up of Distributive Trade Boards which has come to our knowledge. It is that a multiplicity of Trade Board Orders would become a considerable nuisance to firms dealing in several lines of business. We would like to point out that a large number of co-operative societies are, or will be, as the Trade Board system develops, in this position. In our Leeds society with 100,000 members and an annual trade of over five million pounds sterling, they have 2700 employees who come under 10 or 12 different Trade Boards and as many different trade unions. The society, however, finds no difficulty in complying with the requirements of the Boards. I think I am correct in stating that there are at least 100 of our societies whose employees come under six different Boards and almost all our societies are affected by the Orders of two or three. From hardly any of them have we heard of any difficulty in complying with Trade Board Orders. On the contrary,

there is a distinct desire to comply immediately an Order has been issued.

Again, we are not in agreement with those who prophesy trouble on account of various Boards fixing disproportionate rates of wages. We do not admit that such has been the result of the effects of the Boards already set up, nor do we think it will ensue in the case of the distributive trades. The difficulty of co-ordination in the work of the Boards is not an insuperable one and, moreover, we think if due care were exercised in fixing minimum rates for the early distributive trades, the rates under those to be yet set up would follow closely. Rates of wages in the various departmental businesses of our societies were at one time widely divergent; they have close similarity now, and there is no reason why that should not continue under prospective Trade Boards.

Turning to the desire for amendment of the existing Acts, apart from the agitation to abolish the Boards altogether, we believe from our experience as members of existing Trade Boards that there is room for improvement in the existing machinery. First of all, we should like to see the delay in the present adjustment of wages under the Boards done away with, and with this end in view we think the period of three months to allow of objections should be cut down considerably.

Our suggestion is, therefore, that in the case of first proposals the two months allowed for objections at present stipulated should stand, but that for all subsequent variations of the same Order two weeks only should be allowed for objections. This period would, in our opinion, give sufficient time for objections to be sent in, and at the same time meet one of the requirements of the Ministry, which is, that objections should, if possible, be personal objections. What happens now is that organisations representing both workers and employers meet to consider by what means their protests can be made most effective. A joint manifesto is drawn up to which each worker or employer, as the case may be, subscribes, often sinking his or her own personal views to conform to the majority. By these means it often happens that an inflated and totally misleading number of objections is arrived at.

It is our view also that a period of seven days might be sufficient for the Minister to put the rates into operation upon final confirmation by the Board. We believe these alterations in period to be very desirable, particularly in regard to the Boards for the distributive trades where, perhaps, the present rapidly changing economic conditions are keenest felt. Then we think the adoption of a definite standard wage under each Board upon which the rates might fluctuate according to the cost of living would be beneficial. Such a standard carefully fixed would sweep away much of the trouble and a great deal of the expense of negotiation for a considerable period of time, and relieve employers from the bugbear and loss of having wage questions continually on their doorsteps.

Another suggestion we deem of considerable importance is that every business coming under the Boards should be registered. We think this should be compulsory, the chief reason being to facilitate inspection. Under the legislation for the sale of milk the local authority must register every milk dealer, and we think this system might be extended to include all firms and businesses affected by Trade Board orders.

In setting up new Trade Boards, or in widening the scope of existing ones, we think it essential that the whole industry should be brought within the operations of the Board. We believe this to be generally desirable. Just as an instance of present inequality let us take the Milk Distributive Board. At the present time there are a considerable number of milk businesses which in the winter-time do a fresh milk business, and come during that period within the scope of the Board; but at other times these businesses are turning their attention to the manufacture of milk products such as cheese, powdered and condensed milk, etc., and are not, there-

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fore, affected by the Board in these operations. The position thus created is a difficult one, and one neutralising to a very considerable extent the good work of the Board. Quite often it means that an employee is brought under the provisions of the Board for a certain portion of the year and excluded for the rest; it means sometimes that part of a staff in the same building are in receipt of wages fixed by the Board, and the other part, doing equally or possibly more skilled work, are not protected. Simply because, therefore, the sale of fresh milk in these businesses dealing partly with milk products, cannot be deemed a *distinct branch of business* owing to the fact that no separate accounts are kept, there is a danger of 80 per cent. of creameries evading the regulations of the Board. This, in our opinion, should certainly be remedied.

A further suggestion we desire to make is in regard to the relation of the Ministry of Labour to the Trade Board office. We are of opinion that the administration of the Boards suffers somewhat on account of the fact that certain functions are taken out of the hands of the Trade Board office by the Ministry, such as the control of inspectors and the work of carrying out the Awards after final confirmation by the Boards. We think, therefore, that the persons charged with the duty of dealing with practically the whole work of the Boards in their committee stages should also be given authority to carry out in their entirety the Awards themselves.

Similarly, in regard to the work of the Inspectorate, we think this should come within the control of the Trade Board Department and not, as at present, under that of the Ministry of Labour. We believe, also, that the work of inspection could be considerably facilitated by giving power, through local authorities, to district Shops Acts Inspectors to carry out the work of Trade Board inspection under the instructions of the Inspectors from the Trade Board office, among whom there should be a number fully qualified to deal with the technicalities of the various trades.

Our experience of District Trade Committees is confined to that of the Boot and Shoe Trade Board, and in this case they proved to be of little use except as a further cause of delay in varying the rate. The Trade Board remitted to the District Committees a proposal to alter rates. There are 14 District Committees, and the nature of the decisions of the District Committees were such as to give no definite information to the Trade Board. (See Appendix 4.)

The method of procedure is for the Board to formulate a variation, then for the Committee to consider the proposal, after which the Board meet to consider the decisions of the Committees. This covers a period of not less than two months. In the decisions of the Committee are such that nothing definite can be deduced from them, in that case the whole process has to be repeated, and, consequently, the variation of a rate becomes almost an impossibility. The Act, so far as it relates to District Committees, should be so amended that the Board when once it has consulted the District Committees should have power to proceed without having again to consult the Committee upon the same matter.

With these and other improvements upon similar lines we are convinced that the Boards will extend their sphere of usefulness for the national good. We in the Co-operative Movement are certain that the Boards have justified their existence, and we sincerely trust that the setting up of this Committee will result in a wide extension of the system. When we bear in mind that in the first nine months of 1921 alone, more than 84,000,000 (84 million) men's working days were lost to the nation through strikes and stoppages, and that a sum of £70,000,000 which would have been earned, and probably spent, was lost to the workers, we gather something of the great importance at least of having common ground where, such as under the Trade Boards, workers and employers can meet with reasonable hope of successfully averting a withdrawal of labour, and in a greater spirit of mutual confidence.

It is, however, as much upon broad humanitarian grounds, as well as upon those of commercial and economic interest, that the Co-operative Movement supports the existence and extension of the Trade Board principle. We believe this work to be a step in the direction of a higher civilisation, as well as a wider recognition of Christian morality, and we earnestly trust that the duty of rescuing the low paid, unorganised worker from the morass of indigence, where he has too long been a danger to the capable and efficient worker, will be faithfully carried out.

Evidence of THE CO-OPERATIVE PRODUCTIVE FEDERATION, LTD., Alliance Chambers, Horsefair Street, Leicester.

We have been in communication with our federated societies to ascertain if, and how far, there existed a consensus of opinion among them regarding the constitution and operations of Trade Boards. As a result we have to record a unanimous and emphatic view concerning the necessity for Trades Boards, or some similar machinery, in order to keep up the standard of wages in trades where labour is inadequately organised; and also to prevent inconsiderate employers of labour from lapsing back to the deplorable condition of "sweating" which obtained prior to the passing of the Trade Boards Act, and thereby placing better intentioned employers at a competitive disadvantage.

Whilst not resisting the criticism that Trade Boards are not swift in bringing new scales into operation, we urge, in extenuation of this, that most representative Boards of this description work rather slowly, and we feel that the Cave Committee could most usefully direct its energies towards finding ways and means of expediting decisions.

As a piece of industrial conciliation machinery, the Trade Boards Act is as yet in its experimental stages; its operations should be extended rather than restricted as more frequent periodical meetings between employers and employed are a necessary preliminary to mutual understandings and industrial harmony.

We have received expressions from societies in the boot trade intimating that they would welcome a Trade Board being set up for the boot manufacturing industry as it has been for the boot repairing industry, on the grounds that the present arrangements between manufacturers and the boot operatives by which a manufacturer who wishes to act dishonestly can get behind the agreement and employ cheap labour without suffering any penalties, at a time when it is not expedient for the Boot and Shoe Union to take drastic action, is far from satisfactory, and could not obtain under an agreement having the force of a legal enactment behind it.

We are quite unable, from our experience, to concur in the view that Trade Boards aggravate the problem of unemployment.

APPENDIX 1.

LIST OF TRADES BOARDS AFFECTING CO-OPERATIVE SERVICE.

Productive.

Aerated Waters.
Brush and Broom.
Boot and Floor Polish.
Corset.
Dressmaking and Women's Light Clothing (England).
" " " " " (Scotland).
" " " " " (Ireland).
Hat, Cap and Millinery.
Hollow Ware.
Laundry.
Linen, Cotton Handkerchief and Household Goods.

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Made up Textiles.

Paper Bag.

Paper Box.

Ready-made and Wholesale Bespoke Tailoring.

Rope, Twine and Net.

Shirt-Making (England).

" (Ireland).

Sugar Confectionery and Food Preserving.

Tobacco.

Wholesale Mantle and Costume Making.

Distributive.

Boot and Shoe Repairing (Great Britain).

" " " (Ireland).

Dressmaking and Women's Light Clothing (England).

" " " " (Scotland).

" " " " (Ireland).

Grocery and Provisions (England).

" " " (Scotland).

Milk Distributive (England).

" " (Scotland).

" " (Ireland).

APPENDIX 2.

RATES OF WAGES, 1920, MALE AND FEMALE SHOP ASSISTANTS.

(M) Males. (F) Females.

Age	Paid by Co-operative Societies in 1920.								Grocery and Provisions Trade Board Proposals, 1920.					
	Areas.								Areas.					
	North-Western.		Midland.		Northern.		Southern.		A.		B.		C.	
	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.
21	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
22	72 0	50 0	*77 6	50 0	84 0	53 6	†60 0	45 0	54 0	36 0	60 0	40 0	62 0	41 0
23	77 0	—	*77 6	—	86 0	—	—	—	55 0	37 0	62 0	41 0	64 0	43 0
24	80 0	—	*80 0	—	88 0	—	—	—	56 0	38 0	64 0	43 0	66 0	45 0
25	80 0	—	—	—	90 0	—	—	—	57 0	39 0	66 0	45 0	68 0	47 0
25	—	—	—	—	—	—	—	—	58 0	—	68 0	—	70 0	—

* 7½ per cent. and 10 per cent. less for smaller societies.

† 7½ per cent. less for smaller societies.

Present Rates.

Age	Paid by Co-operative Societies.								Rates confirmed by Grocery and Provisions Trade Board, November, 1921.					
	Areas.								Areas.					
	North-Western.		Midland.		Northern.		Southern.		A.		B.		C.	
	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.
21	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
22	67 0	45 0	71 0	45 0	71 0	48 6	63 0	45 0	48 0	31 6	53 0	35 0	55 0	36 0
23	72 0	—	72 0	—	79 0	—	68 0	48 0	49 6	32 0	56 0	36 6	57 0	37 6
24	76 0	—	74 0	—	81 0	—	72 0	51 0	50 0	32 6	57 6	37 6	59 6	39 6
25	—	—	—	—	83 0	—	74 0	—	50 6	33 0	59 6	39 6	61 0	41 0
25	—	—	—	—	—	—	76 0	—	51 0	—	61 0	—	63 0	—

APPENDIX 3.

EXTRACT FROM OBJECTION TO PROPOSALS OF
GROCERY & PROVISIONS TRADE BOARD.November 18, 1920.
Objection No. 272.*Rates of Pay generally.*

These I consider are seriously too high representing in many cases practically an increase of 50 per cent. on current rates now being paid in this town.

APPENDIX 4.

EXTRACT FROM THE FIRST MEETING OF THE LANCASHIRE
AND CHESHIRE DISTRICT TRADE COMMITTEE OF THE
BOOT AND SHOE REPAIRING TRADE BOARD.*Minimum Rates of Wages:*

10. The Committee considered the following suggestions for the variation of the minimum rates of wages at present in operation which had been referred

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by the Board to the District Trade Committee for their consideration and report:—

"That the general minimum time rates for male workers of 21 years of age and over, and for the female workers of 21 years of age and over specified in Section 1 (a) of Part II of the Notice D (4) be increased from 65s. to 75s. per week of 48 hours in all cases where the rate at present paid is below 75s. that the general minimum time rate for male workers of 20 and under 21 years of age (excluding apprentices) and for the female workers of the same age specified in Section 1 (a) of Part II of the Notice D (4) be increased from 45s. to 52s. 6d. per week of 48 hours; that the general minimum piece-rates (including extras) for repairing be raised $7\frac{1}{2}$ per cent. throughout; that the general minimum piece rate for making (including surgical work) be increased 10 per cent. on the ground work, no variation to be made in the extras for making; and that the overtime rates for the classes of workers referred to above be increased in corresponding proportions."

RESULTS OF CONSIDERATION OF ABOVE BY DISTRICT COMMITTEE.

Employers' Representative:

General minimum time rate of 75s.	(1)
" " " 72s.	(2)
" " " 70s.	(1)
" " " no increase	(4)
" " " defer	(6)

General minimum piece rates for repairing:

Increase of $7\frac{1}{2}$ per cent.	(2)
No increase	(4)
Defer	(8)

General minimum piece rates for making:

Increase of 10 per cent.	(2)
No increase	(5)
Defer	(7)

Workers' Representatives:

General minimum time rate of 80s.	(4)
" " " 75s.	(10)

General minimum piece rates for repairing:

Increase of 15 per cent.	(4); Increase of $12\frac{1}{2}$ per cent.	(1); Increase of $7\frac{1}{2}$ per cent.	(9).
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General minimum piece rates for making:

Increase of 15 per cent.	(4); Increase of $12\frac{1}{2}$ per cent.	(1); Increase of 10 per cent.	(8); Increase for handsewn making 20 per cent.	(1).
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4389. *Chairman (to Mr. Alexander):* You are the Secretary of the Parliamentary Committee of the Co-operative Congress?—(Mr. Alexander): Yes, and if you agree, I should like to make a short opening statement.

4390. By all means.—In the first place I would like to refer briefly to a report in the "Westminster Gazette" of November 10th, in which a statement was made that Mr. Cahill, the Secretary, I think, of the Multiple Shops' Association, gave evidence which purported to represent the co-operative views. I simply want to say that that is not so. The fact that we are here to-day is sufficient evidence to counteract that.

4391. I had not seen the statement.—Then I would like to say that the evidence which you have already received, and which you have before you to-day, has been prepared on behalf of the Parliamentary Committee of the Co-operative Congress, and, as stated in my short opening statement, that Committee speaks on behalf of the whole of the movement. By reason of the very wide ramifications of the co-operative movement in this country there must necessarily be various experiences in dealing with a

matter like the Trade Boards, and we have thought it best to give the actual opinions of representative co-operative witnesses from important branches of the movement. The evidence which they will give, therefore, is of an independent character out of their own experience. It is perhaps necessary that I should at the outset explain that the co-operative movement as a whole is unanimous, and we have never received any opinions from within the movement against the continuation of the Trade Boards; the movement is unanimous in support of their continuance, and indeed of their development. In that connection we do not think that the powers under the Trade Boards Act of 1918, for example, have been too widely used, as one or two witnesses have stated. We think it is capable of still further development. I think that our last witness, Mr. Pollitt, will be prepared to answer questions under that head. Then I have to apologise that a statement from the Co-operative Productive Federation was only received by me this morning, but it has now, I think, been circulated to the members of the Committee.

4392. Yes.—If you would like me to do so, I will read that, as it has come at short notice.

4393. There is no need to read it, I think.—That will be part of the evidence.

4394. We will treat it as part of your evidence, and, if you please, we will print it as an appendix to your statement?—Thank you. There is one other matter: we have had brought to our notice a detailed report of the evidence which was given before this Committee and to two or three points in which we would like to draw some attention. With regard to the representation on the Trade Boards of co-operative societies, a statement was made last week that it was thought that at least only directors of co-operative societies should represent our movement upon Trade Boards. We desire most emphatically to say that as a democratic movement we must have the right to choose our own representatives to speak on our behalf on such Trade Boards. We ourselves are employers in a very large capacity; the number of employees in the movement, as you will see from the proof of evidence, is something more than 200,000; and we must establish the right first of all to be represented on Trade Boards and then to choose our own representatives. The directors of important branches of the movement themselves would on occasion prefer to elect a high official of their organisation, with technical knowledge of the particular trade, to represent them upon the Trade Boards. We feel that in view of the publicity given to the evidence laid before you last week, that position ought to be made clear.

4395. I think the point put to us was that the persons interested in the co-operative movement are partly employers and partly employees, and that therefore they did not always take either the employers' or the workers' point of view, and that there was some difficulty in ascertaining the general opinion of either one side or the other?—Our reply to that, of course, is that, so far as the representation on the employers' side of the Trade Boards is concerned, the representatives upon it are always representative of the employing interests—of the employers. That is always secure. Then having made that clear, I should like to say, with regard to a further statement made before this Committee, that we are of opinion that there should certainly be no suspension of the activities, for a limited period even, of the Distributive Trade Boards. In our view, in the present industrial situation, the functions and operations of Trade Boards are more necessary than ever. Then with regard to a further point, if there is no suspension of the Distributive Trade Boards we think that there ought certainly to be no removal from the scope of the Trade Boards (as was mentioned last week) of the bespoke dressmaking, millinery, and women's tailoring trades, because we feel that such a movement would bring back again underpayment of workers in the small workshops—the very small kind of workshop which exists in these particular trades.

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4396. Are you in any way interested in those trades?—Certainly.

4397. There are co-operative dressmakers and milliners?—Yes. On that question we desire, of course, to protect the fair-minded employer who desires, as well as carrying out the desire, to pay a living wage. There is another point which was mentioned to which I ought to refer: there is no desire at all on the part of co-operators to support a system which arbitrarily interferes with the reward of merit. What we do stand for is the ideal which we think underlies the whole movement for Trade Boards, the ideal of a minimum living wage for the workers of the country; and it seems to us that there is no difficulty which would preclude us, after having secured the minimum living wage, from securing a reward to people who merit remuneration above the living wage secured. There is also a point upon which I think it would be useful if some member of the Committee would address a question to Mr. Pollitt later in the day, and that is on the point which has been made that there is disadvantage in the duplication of membership of Trade Boards, particularly with regard sometimes to appointed members, and sometimes to trade union members, of Trade Boards. I would like Mr. Pollitt to have an opportunity of replying to a question upon that point. That is all I have to say in the opening statement, except this, that Mr. Johns, our first witness, whose proof is No. 1, a director of the Co-operative Wholesale Society, attends to-day under a somewhat severe handicap. His wife died in the last few days after a long illness, and he has not been able to give as much time to the preparation of his proof as he would have liked; but we have persuaded him to come because of his long experience, and he will do his best.

4398. We are very much indebted to Mr. Johns for coming under those conditions.—(Mr. Johns): In my opening statement before you I have generally outlined what appear to me to be the remarks necessary to be made upon the Trade Boards generally. I myself have had experience of the Grocery and Provision Trade Board, and also of several Industrial Councils in connection with the flour milling industry, and so on, so that I know somewhat about the business and the wages paid and the arrangements made. With regard to the suggestions made, I wish to point out that these suggestions were made on my behalf by our office in Manchester, as I was unable to attend personally for the last three or four weeks, and they were made on my general instructions, but in one or two items I would like to correct them as not being just my own views as portrayed by my secretary in Manchester.

4399. You would like this statement put in as part of your evidence?—Yes.

4400. Subject to the corrections which you are going to make?—Yes, subject to one or two items which I wish presently to point out.

4401. May we take the paragraphs in turn? The first suggestion relates to the general question as to the functions of Trade Boards?—Yes.

4402. You are afraid that if they were abolished the tendency would be to revert to sweating and long hours?—Yes. These are general remarks, being my opinion on Trade Boards generally, and after that I make one or two suggestions with regard to the modification of their powers, and also with regard to the enlargement of their powers. Take the first suggestion: I have had some difficulty in reconciling myself to the question of long meetings, the superfluity of talking, and no action being arrived at; and I consider that to be entirely due to the want of what I call a business chairman. I make the suggestion that instead of having appointed members, say four or five, who are mainly academic—

4403. It is generally three, I think, not four or five?—I make the suggestion that in future the appointed members should not exceed three, that is to say, the Chairman and two assistants, instead of what obtains on the Boards that I have been on, where we have had three professors, one lawyer—

4404. There are only two Boards with more than three appointed members?—I am more particularly referring to the Grocery and Provisions Trade Board, if you will allow me to do so, of which I have had some experience.

4405. Yes, that has five appointed members?—I am not saying a word against any of them as to their being very nice, and so on, but I do not think it assists the business so much as it would if we had a clear independent chairman, a business man, necessarily not interested in the matter under discussion, and, if necessary, one or two other assistants, as I have seen on some of the courts; and the arrangement has answered very well. I do think that the numbers or appointed members have been too large, and that it has not led to that rapid dealing with business which could have been attained under a chairman of real business ability, without questioning what has gone before.

4406. *Sir Arthur Pease*: Do you mean that the assistants are to have votes, or are simply to be assessors?—I think they might have votes. I have nothing to quarrel about on that score. Let the three have votes, by all means. Personally I would prefer one strong man; I think we should get on better; but if it is thought advisable, I am quite prepared to waive that point and suggest that we have three, with power to vote and settle matters in a businesslike way.

4407. *Lord H'air*: With regard to that question, do you confine that suggestion simply to expediting business, or do you think that you would get better decisions?—I think we should get more expeditious performance and also more satisfactory performance. The second point is this: I mentioned the matter of the Minister being a political appointment, but that hardly conveys what I meant. Necessarily, where you have Government control and the Government has to find certain moneys, the Government must have someone to answer for them in the House of Commons in case of questioning, and I wish to alter that point just a little. What made our people put that in was the long time that it took to settle the award. When we have come to a certain decision, it takes too long to put it into operation. I want that time shortened so that the workers shall have the benefit of any increase or decrease, or whatever it may be—so that it should operate more quickly than it does at present.

4408. *Chairman*: You do not object to the Minister having power to consider the decisions of the Boards, provided he acts quickly?—Not at all. The time should be short. Too much delay brings up fresh evidence and fresh views, and everybody wants an alteration. For instance, in the case of the Grocery Board we have settled upon a certain wage, and before that wage could possibly become operative the cost of living has been reduced, and consequently the employers' side has wanted a reduction, but naturally the men's side voted against it and delayed the whole business. Then again there is one thing which I do not like, and that is that after the Board has settled a certain point and has agreed, either by vote or otherwise, upon a certain condition, one side or the other goes to the Ministry and brings pressure to bear upon the Ministry to prevent certain things coming into operation. I think that is very unsatisfactory, and therefore I think the Board itself should have more power, and the Ministry should act more quickly.

4409. Your third point refers to areas?—Yes. I do not mean the establishment of more Boards in different areas; what I mean is that greater consideration should be given to areas. As was pointed out, in the case of the Board I was on, take Cornwall in the critical position in which it is with regard to labour; yet under the three-scale system they were asked to pay the same amount of wages as a little town about 30 miles out of London; and the same with Cumberland. Special provision should be made, either by the setting up of sufficient Boards or by legislating specially for those areas. That is what I mean by that.

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4410. *Sir Arthur Pease*: By the Central Board?—I thought the question under discussion was that you might possibly want to decentralise. I am quite prepared to leave it as it is for the central body to act.

4411. *Chairman*: How would they get their information and material?—The same as they got it before. They would send somebody down to collect it independent of those who supply it as interested parties.

4412. *Lord Weir*: Is there anything to prevent the Board doing that just now?—No, but I want to make that a very strong point, because great hardships were inflicted in that area by certain scales being introduced.

4413. *Mr. Layton*: You do not think the threefold arrangement proposed in the Grocery Board was adequate?—No, it was not adequate, and it was not the fault of the employers; the unions themselves wanted the flat rate, but we insisted upon what we have actually got now, A, B, and C scales; but that is not elastic enough to suit special circumstances.

4414. Then your suggestion that a similar arrangement should apply to other Boards would not meet the particular difficulty?—It may not meet it, but I think it would be of assistance towards solving the difficulty.

4415. *Chairman*: In the next paragraph, paragraph 4, you do recommend local committees?—Well, I have consulted with my colleagues, and they are against that sort of thing; but at the same time I do feel that as an alternative to a central authority local committees would know very much more about the local conditions than the central authority in London, unless, as I suggested before, due inquiry were made from the central office as to the conditions.

4416. *Mr. Layton*: Could you elaborate what you mean by the phrase, "that the area representatives' vote should be given a specific value"?—Yes. That was not exactly the question I raised in my office, and I cannot quite make it out. The statement only came to me to-day from Manchester. But the specific difficulty has been that on the Trade Boards one man may represent very small interests and another man may represent very large interests. For instance, I on the Trade Board represented 35,000 workers directly employed by my own institution, of which I am a director, and the little shopkeeper in the country district had the same power of voting as I had. That is what my people had in mind when they put that in, because they knew my opinion on that. I think it is a question that this Committee might make a little inquiry about and report upon, because there is a very vast deal of difference between a man who is a small grocer down in Norfolk and a great institution like mine. I have an individual in my mind at the moment who has just one country shop, and represents the country shopkeeper, and yet his vote counted the same as mine, with 35,000 or 36,000 employees.

4417. *Chairman*: Still, you must remember that he is a representative member, and he may be put there to represent the whole body of small shopkeepers?—Yes. I am not making a very strong point about that, but I think some scheme might be evolved which would meet that difficulty. The same thing applies to the unions—some have very large numbers and some are only small.

4418. Yes; but the man does not come there only to represent his own little shop; he comes there as being a selected person to represent the interests of small shopkeepers as a body?—I quite understand that.

4419. Therefore it would not be fair to give a big shopkeeper a larger vote than a man representative of a large number of small shops?—But I might also in the same way arrogate to myself the representation of the whole of the co-operative societies of England; but I did not do that.

4420. *Mr. Layton*: But you would not propose any modification which would limit the right of the Board to override the vote of, let us say, the Cornish repre-

sentatives on a question relating to Cornwall?—I should be the last one to make any such suggestion; I should not wish to limit anybody's representation. I do not know whether you desire to ask me questions upon the other points. What I feel about paragraph 5, about the old and physically infirm people, is this. The great argument has always been that if you fix such high rates you have got to get rid of the old people. Now my institution never gets rid of the old people so long as they can do anything at all, and I do feel that we ought to have some consideration, and the only way of dealing with that would be a greater power of exemption under the Act; that is to say, by making a list. At present you can get the consent of the employee and send it to the Ministry, and you may get the consent; they have power to give you that consent; but I should like to enlarge that power so that the thing should not hit old people. If a man of 60 is very infirm, he cannot earn the top wages, yet his union or the Act says: You shall pay him top wages.

4421. *Chairman*: Do you mean all men of 60 should be exempt?—No, my Lord, I am older than that myself. Some people are old at 50, and others are not old at 80. But where such a case does crop up, I think due consideration and sympathetic action under the Trade Board would save that man from being discharged.

Dame Adelaide Anderson: On his own application?

4422. *Chairman*: I want to know what change you suggest in the existing power; there is power already, you know?—There is power, but it should be made more elastic, without having to go a long way round. At present—you will pardon my saying so—you have to consult the union of which he is a member before you can operate at all.

4423. That is, of course, a matter with which this Committee cannot deal.—Exactly; I know that.

4424. Do you mean that the terms of the Section which gives power to exempt should be altered?—I would suggest that the local people should be appointed to go into the matter, and be able to give that sanction without having to wait for the authority from Whitehall.

4425. It is not Whitehall; it is the Trade Board, you know. You mean without having to wait for the authority from the Trade Board?—From the Trade Board or the Minister.

4426. It is not the Minister; it is the Trade Board.—The Trade Board, yes.

4427. *Lord Weir*: In speaking on that question of the infirm worker, you referred to the Trade Board rates as "such high rates" and as "top rates"?—Yes.

4428. Is that your interpretation of the words, "minimum rate"? You call it "such high rates," and "top rates"; that is the impression I got.—That is my impression. Then there is another point I would like to raise with regard to the length of time it takes for objection and confirmation by the Minister of certain rates agreed upon; I think the time is far too long. (*Mr. Alexander*): Might I ask Mr. Johns a question arising out of Lord Weir's question?

4429. *Chairman*: No, you had better not. (*To Mr. Johns*): Then you say something about expenses?—(*Mr. Johns*): I am not very strong on that. I think the country has enough expenses to meet without having to pay for every matter which comes along, and I think both employers and employed should be able to find the money to pay the expenses of people travelling from all parts of the country to attend these inquiries, and probably it might be the means of shortening the sittings a bit if they had to pay.

4430. Do you think the employed would be able to find those expenses?—Well, there has been a good deal of waste of time, in my opinion. Of course, I am in the habit of acting quickly or else I should never get through my business.

4431. I asked you do you think the employed would be able to find the expenses?—They would have to. Why not; they can find them just as well as the unions, and so on.

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[Continued.]

4432. You see we are dealing with trades which are not properly organised and which have no union representing the trade as a whole. How can you expect the individual worker who comes to attend a Trade Board to find his own expenses, or who would find those expenses for him?—I think you will find, my Lord, that most of the people represented on the workers' side, or on the employers' side, have some organisation who would pay the expenses. I have not found any people on Trade Boards who were not representing some union or association of masters.

4433. I am not speaking now of the masters, but of the workers, and surely there are workers on the Trade Boards who do not come there representing unions at all?—That would be a case of hardship that I have not thought about, because I have only met union representatives where I have been.

4434. *Sir Arthur Pease*: But it would be possible to have a system of collection from employees from their wages of so much a week to provide the funds?

(Mr. Johns withdrew.)

4437. *Chairman (to Mr. Huggan)*: You come here as representing the Scottish Co-operative Wholesale Society, Glasgow?—(*Mr. Huggan*): Yes, my Lord, and I should like to supplement this written evidence of mine by one or two remarks, if I may.

4438. Very well; we will put this in as part of your evidence to begin with, shall we?—Yes, if you please.

4439. Now you want to add to it?—Well, in the first place, I will just remark that the firm I represent is a very considerable employer of labour. We have about 11,000 employees. Our total trade last year was in the region of £30,000,000, and our wage bill for the same period approached £1,500,000. In addition to being wholesale merchants, we have several factories allied to our grocery department, the most important of which are preserve and confectionery, tobacco, coffee essence, and pickle works; three flour and three oatmeal mills; soap works; fish-curing works; four aerated water factories; a margarine factory; and we have several creameries in Scotland and in Ireland. Now, we do not fear the operation of the Trade Board system, and we do not think that any fair-minded employer does fear the Trade Board, but we think that all fair-minded employers ought to be protected from those who perhaps are less scrupulous in their dealings with their workpeople. I may say, so far as we are concerned, the rates which have already been proposed by the Scottish Grocery Board will not affect us at all, because at the present moment we are paying materially higher wages to our workers, and we are also working materially shorter hours. The clerks in our head office are working 38½ hours per week, while the warehousemen attached to our office are working 41½ hours. About 18 months ago we fixed the minimum rates of wages for our employees engaged in the wholesale trade, and these are very much higher than the proposed rates fixed by the Scottish Grocery Board. Speaking from memory, I think the minimum wage for a man of 21 years of age was 72s. If at the time of the increase he had been in our service for 12 months he got 10s. more than that, making it 82s. So far as the girls were concerned, the minimum 18 months ago was fixed at 56s., and there again, if the girls had been in our service for 12 months they got 10s. more, making 66s. So that you will see that, so far as the Scottish Co-operative Wholesale Society is concerned, our position is not likely to be in any particular affected by the wage scales passed by the Trade Board. In November of last year we produced our first proposals about wages. They were considerably higher than the proposals which we have made this time, and we had a good deal of criticism, and many objections were sent in amounting in all, I think, to about 2,500; but I think it was admitted on all hands that those objections were engineered by the trade. The wage scales which were proposed two or three months ago

—Certainly. If they felt strongly about getting some benefit by attending the Trade Board, I fancy they would find the money.

4435. *Mrs. Lyttelton*: It would probably prevent any representative of the workers except a trade union official from attending meetings?—That is what it is now. I do not see that it would. If they were duly appointed by someone and had the authority to go to the Trade Board, that would not prevent them as far as I can see.

4436. *Chairman*: I am not sure that you have fully thought this out, have you, Mr. Johns? You have not very fully thought this out; it is only a suggestion of yours?—It is a suggestion. Unfortunately, as has been explained, I have not been able to give personal attention to it, and I am not in a sufficiently good condition of health to go very deeply into it.

Chairman: Thank you. We are much obliged to you for attending.

are on a much more moderate scale, due to the reduction in the cost of living, and after the expiry of the two months, which was given for objections, we found that only about 100 had objected. Now we were told that if the higher rates were paid, it would mean wholesale dismissals and consequent unemployment. So far as the grocery trade for Scotland is concerned, we cannot say whether there would be anything in that, because as a matter of fact the scales are not yet in operation. My own feeling is that there would be no unemployment due to that cause on any large scale.

4440. I suppose if your first scales had been approved and made law, it is pretty plain that they would now be too high?—There is no doubt about that.

4441. At all events, during the period which it would have taken to alter them and reduce them, there must have been trouble, I do not say in the big shops, but in the smaller shops?—Well, there may have been something like that, and, of course, it might have operated the other way; when prices were rising there would have been the same delay in making a corresponding rise in wages.

4442. The evidence before us shows that the workmen do not wait for the Trade Board to get their wages raised, although, of course, the employers must wait for the Trade Board before they reduce them?—Yes; but I will just make this further observation on that point, namely, that the Co-operative Stores throughout the country have been paying the higher rate of wages all the time.

4443. I know you said that; I am dealing with the general position?—Quite.

4444. *Mr. Layton*: Has that rate varied with the cost of living?—So far as we are concerned, these minimum wages of which I have spoken were fixed 18 months ago, and there has been no reduction.

4445. No reduction at all?—There has been no reduction up to date.

4446. Do you negotiate with an organised body of your own workpeople?—Yes.

4447. And you negotiate independently of the Trade Boards?—Well, as I say, the scales approved by the Trade Board have not yet been put into operation for Scotland, so far as the grocery trade is concerned.

4448. But you do not contemplate that the Trade Board machinery would supersede your own arrangements for dealing with your own employees?—We are quite of opinion that we are always likely to pay higher rates than those fixed by the Trade Boards.

4449. And those rates will be fixed by?—?—We would still negotiate with the unions. My own personal view is, although I may be wrong, that the primary object of the Trade Board is to fix a minimum rate of wages—a living wage—and it is then for

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the trade unions throughout the country to take the matter up and negotiate for a higher scale if they think such is justified.

4450. But you have no sliding scale in your arrangement with your union based upon the cost of living?—No, we have no sliding scale based on the cost of living.

4451. *Chairman*: I want to follow up your last observation. You think the function of a Trade Board is to fix a living wage?—Yes.

4452. And anything above that ought to be the subject of bargain between employers and workmen?—Yes, that is my opinion.

4453. *Mr. MacCallum Scott*: With regard to that question of the minimum rate, I was rather attracted by it in your opening statement. What exactly is meant by that: Would a minimum wage not be the same for all trades and all degrees of labour?—Yes, that is my belief, and our own chairman, Sheriff Fyfe, laid it down very clearly when we commenced our dealings with the Scottish Grocery Board that we were met for the purpose of fixing a minimum wage, a living wage; we were not there to regulate wages, but we were there to fix a living wage.

4454. *Chairman*: Do you think that that would be the same in all parts of the country?—Well, there might be little differences; in the country places I believe living is cheaper; they get the local produce more cheaply, house rents and rates may be lower, whereas in the larger towns there are expenses which the country people have not got to face.

4455. *Mr. MacCallum Scott*: It has been represented to us by some of the witnesses that instead of the machinery of Trade Boards there should be established a universal minimum wage for the whole country, graduated according to the districts, but one rate for the whole country; is that your view?—Well, in my evidence I think you will find that I suggest that we are likely to have a plethora of Trade Boards; we are going to have a good many of them, and if the function of the Trade Board is simply to fix the minimum wage or a living wage, I do not see why many of these trades should not be grouped together under one Board for that purpose.

4456. But you will agree that the Trade Boards at present are doing something different from that; they themselves, even the same Boards, have fixed different rates of pay for workers?—Yes.

4457. For adults, according to the degree of skill; but that does not quite correspond with your idea?—It is certainly a little variation of it. We have them also under the Scottish Board where we have skilled labour and unskilled or semi-skilled labour, such as porters, who are getting less wages.

Lord Weir: You suggest that the main object of a Trade Board and the main benefit of it is to fix a minimum. There might be a series of minimum wages in various areas—varying with the areas—but that that is much more important than the regulation of wages by the Board.

4458. *Mr. MacCallum Scott*: In some ways, not entirely, the Boards are approximating towards a system of regulating wages by more or less compulsory arbitration—just fixing standard wages. They are approaching towards that in some respects; you do not support that?—That is a national minimum wage?

4459. No, I say in some respects the Boards now in operation are approximating towards a system for regulating wages, not fixing a minimum wage, but for regulating wages generally in the trade and for fixing more or less a standard wage for the trade.

Chairman: In different grades?

4460. *Mr. MacCallum Scott*: Yes. (*To the witness*): You do not approve of that tendency; you would rather have the fixing of a minimum wage?—Well, I understood that that was what the Trade Boards were called into being for; but there is something to be said for a little variation in wages, even in the grocery trade. I am only speaking for the grocery trade.

4461. I was not putting forward a view; I was trying to ascertain yours?—If you consider for a

moment the man behind the counter* and the porter, well, the man behind the counter has to keep up a certain appearance; he has a little more expense. The cost of living in that man's case would be a little higher; therefore, I think, a little addition to his wages is quite justified.

4462. *Dame Adelaide Anderson*: Therefore you would have different minima; you would not have one minimum for a trade, but you would have different minima according to exertion and according to the cost of living of the particular grade?—I think that might be quite a reasonable proposition.

4463. *Chairman*: You are getting there beyond the minimum, do you see?—Yes, quite.

4464. I rather gathered that you said the minimum wage might be made compulsory and that everything beyond that might be made subject to bargain, having regard to the facts of the case?—I may be wrong, but I have the idea that that is what the Trade Board stands for, and I think if we are doing anything else now we are wandering away somewhat from the scope of the Trade Boards.

Mr. MacCallum Scott: It certainly was what the Trade Boards were set up for under the first Act, but under the Act of 1918 the conditions have rather changed a little?

Chairman: Well, of course, that is a question of law.

Mr. MacCallum Scott: Yes, perhaps it is. I was just merely getting the point as to whether that is what the Trade Board stood for.

4465. *Lord Weir*: That is the interpretation you have on your Grocery Trade Board just now, as to the meaning of the minimum rate?—That is right, yes.

4466. *Chairman*: Have you anything more to add to your statement?—Thank you; I have finished.

4467. *Lord Weir*: In the activities of the Scottish Co-operative Society do you produce much for export?—No.

4468. Have you any export business?—Well, we may have a little, but it is very little.

4469. That is to say, your competition is only domestic competition?—Yes.

4470. *Dame Adelaide Anderson*: I would just like to ask whether Mr. Huggan has any opinion to give as to the line on which amalgamation of the Boards might be made—the principles on which such amalgamation might be made?—That question is really bound up with the one we have just been discussing. I think you will find, if you take the soft goods trade, for instance, you have a number of Trade Boards already in existence. It seems to me that if the purpose of a wages board is to fix a living wage, I do not see why there should not be a grouping of some of these industries under the one Board; and then in the grocery trade (to a much lesser degree) we have one of our departments whose workers (and they are mostly girls) come under, I think, three different Boards, and these girls may be transferred from one class of work to another and come under the operation of more than the one Board, which is found a little bit awkward at times.

4471. *Mrs. Lyttelton*: I wanted to know whether, in your society, wages are ever calculated on any basis of percentage of profits?—No; they are fixed wages.

4472. It is pure wages?—Yes.

4473. And does anyone trading with the society have to belong to the society and pay a subscription fee; is there anything of that sort?—Well, our society, the Scottish Co-operative Wholesale Society, is a federation of the retail societies throughout Scotland. They are the members of the federation, and they contribute the capital for the working of the federation.

4474. I only wanted to get at the reason why you felt yourself able to pay higher rates of wages than the Trade Boards thought the trade should pay?—Quite so. I should imagine that possibly the private trader was anxious to get a little more profit out of the business.

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4475. *Chairman*: And the societies which make up your federation are not?—All surplus is returned to the members.

Mrs. Lyttelton: That is the point I wanted to get at.

4476. *Chairman*: So that a member is not really interested in the same degree in reducing expenses; he gets his profit back in the shape of a lower price for his purchases at the shop, and possibly in the surplus which he may share in at the end of the year?—Yes, but we must never forget that the co-operative store is in daily competition with the private trader and its prices have to correspond, otherwise it would lose trade.

4477. *Mrs. Lyttelton*: In no case are employees members of the society?—Yes, in many cases.

4478. But not the lower grades, I imagine?—Yes, in retail societies.

4479. They are?—Yes.

Mrs. Lyttelton: It affects the question of wages very much.

4480. *Chairman*: Anybody can join the retail societies, I suppose?—Yes.

4481. *Mrs. Lyttelton*: Is it possible for any one person to take out more than one membership? I am putting it badly, but I mean, is it possible for me, for instance, if I wish to trade with a co-operative society, to take several memberships in my own name?—No, not in your own name, but other members of your family might become members at the same time.

4482. Therefore you may get a largish corporate vote nominally in the names of other people, but practically in the hands of one?—In some cases, I believe, there is more than one member in the same family. (*Mr. Alexander*): I must correct that, if you will allow me. You cannot vote by proxy at co-operative members' meetings. There is no such thing as voting by proxy.

4483. Is that the case all over the country?—Yes.

4484. *Mr. Layton*: You referred at the beginning of your statement to the institution of the Grocery Board tending to promote goodwill. If I remember rightly, the representative who spoke for the private grocery employers put to us precisely the opposite point of view; he said that the institution of the Grocery Board had for the first time introduced an element of dis-harmony in the trade, and had started a very large number of controversies. When you said what you did say about goodwill, were you referring to your own relations?—(*Mr. Huggon*): No.

4485. Or were you referring to the relations of the Co-operative Wholesale Society, or what?—I am referring to the work of the Grocery Board as a whole. I strongly disagree with that statement which has been made previously.

4486. *Sir Arthur Pease*: In Scotland only?—In Scotland only. I am only a member of the Scottish Board. I think the individual referred to is also a member of the Scottish Board as well as of the English Board.

4487. *Mr. Layton*: You differ from his opinion?—Certainly I do. I think that these Boards are going to have an excellent effect on the industrial situation generally. I think they are going to perform good service, and in our opinion it would be a vast pity if anything were done to injure the work which they are likely to carry on.

4488. The previous witness may have been referring to what has happened during the last 18 months, whereas what you have just expressed is an anticipation?—I do not know. I have attended all the meetings that we have had; I have been on the Board since the beginning of the Board, and I do know that the greatest harmony has prevailed. There have certainly been differences of opinion, but as I say in my written evidence, the Chairman and the other appointed members have exercised a moderating influence throughout and there has been no ill feeling caused at all.

4489. The suggestion was not that there was any dis-harmony on the Board, but that the proposals made had given rise to a large number of controversies between the employers and workpeople in their own undertaking?—I have never heard of it.

4490. One other question. Would the rates which have been proposed by the Scottish Board substantially raise the rates actually current in Scotland among private employers?—I should say in a great many cases they would. I have always regarded the grocery trade as one of the poorest paid trades that we have.

4491. You would regard the rates as abnormally low?—Yes, in a great many cases.

4492. Do you consider that your organisation is handicapped very much by that state of affairs?—There can be no doubt that our working expenses are higher in consequence of the higher wages that we pay, but still we are able to bear the extra charge, and I do not see why the private trader should not be able to do it.

4493. *Mrs. Lyttelton*: But I suppose you would say, splendid as your system is, that it is not quite on the same level as the private trader, because your motive is different. You have not got to make profits, because if you make any you have to return them; you are a co-operative society, and therefore you really do not come under quite the same difficulties and disabilities as the private trader? All honour to you, but your position is different?—As a matter of fact we make profits. Every co-operative society in the kingdom, with one or two exceptions, is a dividend-paying concern.

Mrs. Lyttelton: Yes, I know they are, but the motive is different.

4494. *Lord Weir*: Of course, when you say the trade can bear it, it is really the consumer who bears it, is it not?—That is right.

4495. *Mr. Layton*: Are you speaking for the local associations federated to your organisation?—I am here as the representative of the federation.

4496. Are there wide local differences in the rates paid by the different retail societies throughout Scotland?—There certainly will be differences, but I do not think they are what you would call very wide. There was an award given by Sheriff Eyre about 12 months ago, and I think that that applied to pretty well the whole of the country.

4497. Your rates are at this moment, in fact, based on the principle of local variations?—Yes, there are certainly local variations.

4498. *Sir Arthur Pease*: There is an Appendix No. 2 to the statement which has been put in. Is that part of your evidence?—No, it is not mine.

4499. Is the Wholesale Co-operative Society mainly a manufacturing body, or a distributing body?—It is both. We both manufacture and distribute to the retail societies.

4500. Could you say what proportion in your manufacturing department the wages bear to the value of the article?—No, I could not give you that information offhand.

4501. But the proportion of wages in a manufacturing trade would be very much greater than it would be in the distributing branch, would it not?—Naturally.

4502. You could not give the proportion in the distributing side either, I suppose?—No, I have not got it. As a matter of fact I did not know until yesterday that I was to appear here to-day, so that if I am not prepared to answer some of the questions I hope you will excuse me.

4503. You would agree that in a manufacturing trade the wages might be a vital point, whereas in the distributing trade, even if they were too high or too low, they would not be of the same importance?—Your costs of production certainly have to bear a certain relation to the price of the goods, otherwise you will be up against competition which may overtake you; and that is the great advantage of the Trade Board system, and why we are advocating it: it would put us all on pretty much the same level.

(*Mr. Huggon withdrew.*)

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4504. *Chairman (to Mr. Gardiner)*: What is your occupation?—(Mr. Gardiner): I am Drapery Manager for the Co-operative Wholesale Society in Glasgow—the Scottish Co-operative Society. I have charge of their drapery business.

4505. That is the same society as Mr. Huggan represents?—It is the same society.

4506. You have given us a written statement which we will make part of your evidence. You expressed the opinion that the abolition of Trade Boards would, in time, lead to a return of sweating. You have got figures about unemployment?—Yes.

4507. You say that the opinion advanced by some that Trade Boards tend to unemployment has, in your opinion, little or no foundation in fact; hardships may at times occur, particularly to those who have to go out to work as learners comparatively late in life, but an amendment of the regulation which fixed wages according to age, and not according to ability, would meet the case. I suppose that the paragraph refers to the fact of which we have had a good deal of evidence, that if wages of learners are fixed to advance according to age only, that discourages the employment of learners of a fairly advanced age?—Yes.

4508. Because they may not be worth the wages which have to be paid to them?—I am strongly of opinion that that at times hinders individuals seeking work from getting a start because of the wage at which they would have to be started. In my own experience, a young woman, say, of 17 or 18 years of age, is not of much more value in a factory as a learner—perhaps sometimes less—than a young person of 14 or 15 years of age; and in that case, because of the wage having to be paid according to age and not according to ability, it hinders that person getting employment. I think, so far as I have any knowledge or am capable of judging, that is the only direction in which Trade Boards could tend to unemployment.

4509. How would you deal with that?—The only way would be to pay them according to the amount of work they do, or perhaps you could make it half way: part according to age and part according to ability, but not wholly, as it is now, on an age basis only. I think there would surely be ingenuity enough and ability enough to adjust that in a way which would meet the case to a large extent.

4510. When you say according to ability, do you mean according to length of employment?—No, I mean according to their ability. I am thinking specially of folk seeking work in textile factories; that is the only industry of which I have any special knowledge. They would be paid according to the rate that is ruling in the particular industry in which they were seeking work.

4511. I am wondering how in a Trade Board scale of wages you can deal with ability. That must surely be a matter for the judgment of the employer?—I am of opinion that that can be dealt with by applying the piece rate to some extent, at any rate, in the case of the folks I have instanced here, because in most factories there are both time rates and piece rates, and I think the piece rate to some extent could be utilised in connection with these young folks seeking work.

4512. *Lord Weir*: Is that prohibited now? Are you not allowed to pay the young folk, as you call them, a piece rate?—No, I think not.

Dame Adelaide Anderson: Is there any obstacle in the Act as it stands?

4513. *Chairman*: I suppose it is not everybody who cares to pay a learner a piece rate?—No, I am informed that it is quite permissible to pay them by piece rate, provided that their pay does not fall below their time rate.

4514. So that you get back to the old difficulty?—Yes.

4515. I do not quite understand yet how you get rid of the difficulty. You say, quite fairly, that learners ought to be paid according to ability, and not according to age?—Yes, that is so.

4516. I was wondering how you could secure that. Would you have a minimum rate for all learners and let the employers raise the learner according to ability, or would you put in your scale that the learner must be raised according to length of experience or something of that kind? Which solution would you recommend?—I certainly would recommend that the pay of the learners should always ensure them getting work and they should be paid according to their ability, that is to say, according to the amount of work that they can do.

4517. I am afraid that that does not solve my difficulty, but I daresay we can deal with the rest.—On this I am quite sure: many young people are hindered from getting work by the basis upon which they would be paid, and that is why I sought to draw attention to it in the evidence which has been submitted by me.

4518. Do you find less willingness to employ young people than there was before the Trade Board existed?—No. It increases the unwillingness to employ young people when they get to a particular age, because at that age they have to be paid a particular rate, and whenever a factory manager or a person engaging these folks knows that that rate has to be paid and that it means that they will not be profitable for the time being, they simply decline to give them a job.

4519. *Mr. Layton*: Are you still on the Scottish Drapery Board?—I was on it in the early days of Trade Boards, but I have not been for some time. I think the Board I was on has been abolished. There has been no meeting held for a very long time in Scotland.

4520. Is that the Drapery Board or the Dressmaking Board?—No, the Shirtmaking and Clothing Board is the Board I was on originally.

4521. When you say that there has been no unemployment as the result of Trade Boards, are you thinking of the employment in the co-operative organisation or are you speaking generally?—Generally speaking, I do not see how it can in the smallest degree create unemployment, and I have never been informed of any, but I have heard of instances of young people not getting a start because of the wage which under the Trade Board Regulations they have to pay.

4522. A good deal of evidence has been brought before this Committee indicating that there is substantial unemployment and the employers have urged that the high rate of wages and the failure of that rate to fall sufficiently rapidly has been an important cause of unemployment, particularly in country districts?—I am surprised to hear it. As a matter of fact I do not see how a Trade Board can create unemployment, that is, if there is work in the country for people to do, and for this reason: that everyone is put on the same basis in regard to the rate of wages to be paid.

4523. *Lord Weir*: It might be a case of transference of employment?—It might.

4524. *Mr. Layton*: You would agree that the rate, if it were sufficiently high, would probably cause unemployment?—It might depend. If it compelled the giving up of the usage of certain goods—if it injured the sale because of prices—it might; but I do not see wherein the Trade Board can cause unemployment so long as everyone is put on the same footing with regard to the wage which has got to be paid, piece rate or time rate. So long as that is imposed upon all manufacturers I do not see wherein it can create unemployment. I do not agree with it at all.

4525. Would you not agree that the high level of prices in the last 12 months has been one of the causes of unemployment just because people cannot afford to pay those prices?—I do not think that the Trade Boards are answerable for that at all.

4526. *Chairman*: You are not engaged in retail trade at all, are you?—No, wholesale trade only.

4527. *Dame Adelaide Anderson*: And not in export?—No, no export at all. I would like to say that the only export we have is in what are termed

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by-products in connection with our various mills, which are sent to the Continent. That is the only thing.

4528. *Mr. MacCallum Scott*: The evidence which has been given to us already to the effect that the Trade Boards were causing unemployment has, I think, been evidence chiefly from the retail bespoke tailoring trade. Your evidence does not cover that?—My evidence does not cover that at all. I am speaking for the wholesale trade, in which I am engaged, but I wish to say this, that I have had a very long experience in the drapery trade, and I do not see wherein a Trade Board can be blamed for unemployment at all. Probably the general state of the trade in the country may be answerable for it.

4529. The suggestion which has been made is that the rate of wages which has been fixed in the bespoke tailoring trade—

Chairman: And drapery, too.

Mr. MacCallum Scott: Yes, but I am thinking specially just now of the bespoke tailoring trade as an example.

4530. The evidence was that the rate which had been fixed raised the cost of the material which had been ordered to such an extent that instead of ordering it locally the people were now buying ready-made articles from the wholesale firms, and therefore the bespoke tailoring trade was practically being extinguished?—I would like to say this, that I believe that the bespoke tailoring trade has been very adversely affected during perhaps the last 12 months, but in my opinion that is not due to the Trade Board at all, but to the fact that the tailors' union has raised the price of their work to such an extent as to make it in many cases prohibitive. People have unfortunately less money to spend now than they had during pre-war times or shortly after the war, and they cannot give the big prices which are demanded in the tailors' workshops for bespoke clothing. My opinion is that that is not due to the Trade Board at all, but to the union.

4531. I wanted to elicit your view upon it. The other point is this: It has already been suggested, and I think you rather confirmed it, that the operations of the Boards are having rather a detrimental effect upon apprentices and learners—that there were not so many being taken on. Is that so?—At a particular age, I wished to convey, it had a detrimental effect, because of the fact, in my opinion, anyway—I may be mistaken in it—that they had to be paid a wage according to their age and not according to their experience.

4532. Then you are not dealing with the younger ones, you are dealing with those who enter the trade at a later age?—Yes, that is right.

4533. You are not dealing with young people?—No, not with the general question.

4534. You do not think it has had a detrimental effect upon the young people?—No, I do not think it has.

4535. You are only thinking of exceptional cases of elderly persons entering the trade?

Chairman: Not elderly.

Mr. MacCallum Scott: I mean over the usual age.

Chairman: An old young person.

4536. *Mr. MacCallum Scott*: I mean over the age of 20?—17 or 18 years of age. I mean this, that in some families some circumstance overtakes them which lessens their income, and instead of being able to stay at home, as many young girls have done, and like to do, they have to go out and seek work, but because they go to a factory under the operation of the Trade Board to seek a situation or employment they are debarred from getting it because of the wage they have to be paid at this late start in life.

4537. Are they numerous cases?—They occur anywhere. I would not like to say whether they are numerous or not, but at the same time, I think if it is possible to prevent any hardship, even in a very small number of cases, it is as well that it should receive the attention of the Committee.

4538. When you suggest that they should be paid by ability, that is a general phrase, and it does not give any clue as to the particular way in which one should gauge ability?—The amount of work which they are able to do.

4538a. It is piecework without the time basis?—The time basis might, to some extent, be introduced. I do not think it is beyond the wit of people to do it, but they would require to be paid upon the production basis, and perhaps the time basis too, and the revision would have to be frequent in connection with them.

4539. But you mean a lower time basis than the one which exists at present?—Yes.

4540. *Dame Adelaide Anderson*: The whole difficulty there really arises, not with the young learner who is coming in at the earliest age at which she can come in, but a worker coming in rather later, who, through misfortune or accident, could not begin at the earlier age?—Yes, if the Trade Board rate to meet the Trade Board regulations does not prevent it. You are tied down.

4541. I understand that. I simply wanted to ascertain where the difficulty really begins. It begins at the older age only?—At the older age, not the young persons just leaving school at 14 or 15.

4542. You do not see any objection to a young person who has begun at the beginning rising according to age?—Not at all.

4543. Because she gains her ability and experience in the place?—Yes, that is right.

4544. And if she does not prove to have enough ability to earn her wage, it is open to the employer to dispense with her services?—Quite so.

4545. There is no increase in unemployment in that case, only there is a difficulty in beginning the employment of a learner at a later age?—Yes, that is right.

4546. If she is not really very quick?—Yes, that is it.

4547. That is the one point that wants consideration?—Yes. Of course, if the learner at the later age is put on to a piece rate then she gets what she earns.

4548. *Chairman*: I want to develop Dame Adelaide's point to see whether we understand your evidence. I suppose it might happen that the learner beginning at, say, 14 years of age does not learn very fast, and as she goes on she may not be worth the higher wage which has to be paid when she attains 16 or 17 years of age. In that case I suppose she does run the risk of being discharged?—She would run the risk of being discharged, because there is no other remedy for it, as far as I am aware, than discharging; but I think the factory people will support this view, that as a rule they get as good results with a young person going at 14 or 15 as with one of 17 or 18 years of age, and in some instances the young person of 14 or 15 years of age is more adaptable than someone starting at about 17 or 18 years of age.

4549. That I understand, and that is a point which has been fully brought out; but we were told—I do not know whether you will confirm it or not—that sometimes the learner does not learn quickly enough, and although she may be worth the small wage at 14 years of age, she is not worth the bigger wage of 17 or 18 years of age, so that she has to go. Do you think that that might happen?—I think paying them according to their ability and not according to their age is quite a reasonable and equitable position to put them into.

4550. But I want to know whether you apply that principle, not only to people who begin work at, say, 17 or 18 years, but to those who have begun rather earlier, but have not progressed in ability as was expected?—The only remedy for those who are not progressing as their age is going on is, I am afraid, to ask them to give up the employment.

4551. *Dame Adelaide Anderson*: Unless you can intensify the training and give them a better chance?—Yes.

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4552. The fact that they have to be paid the higher wage is a motive for improving the training?—Yes.

4553. Is not the difficulty in the case of the young worker practically the same as that in the case of the older worker who is not very quick?—Quite so, it would be the same.

4554. It is essentially the same problem?—Yes, but in the case of the older workers being wholly upon piecework their earnings are in accordance with the efforts which they are putting forth. As we all know, the Trade Board wages are fixed on a basis both as to time rate and piece rate, and they are fixed for an ordinary worker, and a worker falling short of an ordinary worker's output would certainly have to be classed as a sub-efficient worker. That is the only way.

4555. *Lord Weir*: You had personal experience of one of the early Boards, had you not?—Yes.

4556. It was the Shirt-making Board, I think?—Yes, that is the one I had experience of.

4557. Have you found any particular benefit accruing to the operations of the new Board under the 1918 Act as compared with the old Act?—No, I am not prepared to say that I have.

4558. *Sir Arthur Pease*: I think you or the previous witness expressed the view that for learners there should be minimum rates so that there would be room for a specially quick learner to be paid above minimum rates?—(*Mr. Alexander*): I think I was the one who made a statement on the minimum wage. I think that is what you mean.

4559. Even for the learner the rate ought to be a minimum rate so that there is still room for a higher wage to be given to a specially quick learner?—(*Mr. Gardiner*): Yes, but with the qualification that the learner should do a certain amount of work satisfactory to some extent to the employer. It would scarcely be equitable to fix a minimum rate and attach no condition whatever to it, and I think an employer should, in cases where a learner is not coming up to his expectations, or rather to what is reasonable under ordinary circumstances, have the option of putting the learner on to piecework.

4560. Would you not agree that for a learner automatically to get these advances irrespective of the work he could do would have a very depressing effect on him as regards developing his full faculties; if he got it absolutely automatically he would not get on as well as he would otherwise; would you not agree?—I am a very strong believer in endeavouring to reward folk according to their ability. I know that in many quarters there are contrary opinions held, but I am a strong believer in piecework, and I think I would even try to pay it in the case of the young ones after, say, a short period—not at the very beginning; perhaps that would have to be conceded, but after a period.

4561. Of course, one of the points which have been made on the other side is that a new worker wastes

(*Mr. Gardiner withdrew.*)

4571. (*To Mr. Pollitt*): You are Labour Adviser to the Co-operative Union Limited of Great Britain and Ireland?—That is so.

4572. We have got south of the Tweed now?—Yes.

4573. How many societies are registered in your union?—1,500.

4574. They are co-operative societies in all parts of the Kingdom?—Yes.

4575. Of those, 1,379 are retail distributive societies, and 122 are productive and manufacturing societies?—That is so. I should also like to call your attention to the next figure, the number of employees in the organisation, namely, 114,500 on the distributive side and 87,000 on the productive side.

4576. *Mr. Layton*: Would the greater proportion of those 114,500 be connected with the Grocery Trade Board?—The majority certainly, but we embrace every phase of the distributive trade.

a considerable amount of material?—That may apply for a very short time, but as far as I am acquainted with it, that is to say in the textile trade, the making-up trades, there is not much of that happening, and then a manager who understood his business would not give to a learner work that she could spoil; he would select the work.

4562. *Chairman*: Thank you, we are much obliged to you (*Mr. Alexander*): Might I ask that Mr. Huggan from the same society should be re-examined upon that question of the learners? The point was not put to him.

4563. *Chairman*: Yes.—(*Mr. Huggan*): There is only one point which I think might have a bearing upon that, and that is that the grocery scale has been based upon a combination of age and experience, not age alone, and we make provision for late entrants. For instance, a man entering the trade at the age of 20 would not get the salary at the age of 20, but he would start midway between the commencing salary at 16 and the salary at 20, that is to say he would start at the rate operating for 18 years.

4564. Have you got your scale there?—Yes. (*The same was handed in.*)

4565. You set out the minimum rates according to age, and then you insert a proviso: "In the case of a worker entering a trade for the first time or re-entering a trade at or over the age of 18, the commencing minimum wage shall be that applicable under the above tables to a worker whose age is half-way between 16 and the age of the worker in question."

4566. *Lord Weir*: That is really basically an age scale, is it not?—Yes, but there is a combination there of age and experience which you cannot get away from. The assumption is that a man entering a trade a little bit later, two or three years older, will be able to pick up the trade more quickly than a young lad of, say, 16 years of age, and the result is that he is paid more than the rate applying to that age.

4567. You agree, though, that probably it would be necessary to consider the two questions differently—the distributive trade such as you are illustrating and a factory or workroom trade such as Mr. Gardiner was speaking of?—Yes, certainly, there is a considerable difference.

4568. *Chairman*: That is what you wished to add?—Yes.

4569. *Chairman*: Is Mr. Gilchrist here?—(*Mr. Alexander*): Mr. Gilchrist is not here. Mr. Gardiner deals with the same department at the Scottish Wholesale Society, and if you wish to ask any further questions upon it he will be prepared to answer, but it is not Mr. Gardiner's evidence, of course.

4570. *Chairman*: We had better not question him about it; he might not agree.—(*Mr. Gardiner*): Some of it I do not agree with.

4577. It would be more than half?—Yes, I should think so.

4578. And more than half of the productive side?—No, the productive side is not—

4579. I mean more than half would be engaged in food industries?—No, in clothing.

4580. The great majority are in clothing, are they?—Clothing, boots and everything of that description—as I said in my evidence, everything that is required in a domestic home they manufacture.

4581. *Chairman*: Then the figures in the next paragraph are turn-over, I suppose?—In the third paragraph, yes.

4582. You put the amount for the distributive trade at £263,611,560, and for the productive societies £140,532,590?—That is so.

4583. Making a total of £404,140,150?—Yes.

4584. Your view is in favour of the maintenance and extension of Trade Boards?—That is so.

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4585. Including extension in the distributive trades?—Yes.

4586. Is it a fact that as a rule your societies pay higher rates than the Trade Board rates?—Yes. I may say that I deal with the whole of the co-operative movement throughout the United Kingdom, and I have to deal with the whole of the rates of wages that are paid throughout the area, and I can safely say that in rare instances—and they would be very rare—do we ever come down so low as any rates set forth by Trade Board Orders.

4587. So that the effect of the Trade Board Orders is not to affect the wages which your societies pay, but rather to bring up the wages paid by others nearer to your scale?—Yes; but that is not exactly our idea. We have a rather wider view than that. We hold the opinion which has been expressed by one or two of the previous witnesses that every worker should have a fixed minimum rate of wages, and that we think would be an immense advantage to everybody concerned, and speaking from my own experience as a member of two Trade Boards, I find that there is an amount of goodwill between employer and employed which is absolutely necessary if the Trade Boards are to be a success at all—that there is a feeling in favour of fixing a fairly decent wage for the workers.

4588. You mean that that promotes goodwill?—Yes, there is goodwill between the two. One of the points that I mention in my evidence is the great advantage of the Trade Board in improving the status of the trade. That is possible, and is being done in some cases.

4589. Have you any views about the question whether Trade Boards lead to unemployment in many cases?—No. I think you will find that I deal pretty largely with that, and although my duties take me all over the country I have not come across any cases where the introduction of Trade Boards has led to unemployment. In the distributive trades I cannot see how it can do, because, as I said in my evidence, people require a certain amount of food and clothing, and they have to be provided somewhere, and there is only a certain number of assistants to provide them; and if they are not provided in one shop they must be provided in another. There may be just isolated cases where, owing to the modern tendency of to-day towards concentration of businesses, it may lead to unemployment, but I do not think it can be attributed to the action of Trade Boards.

4590. It would not apply, would it, to the same extent to the productive trades, because there the consumer comes in, and he may elect to consume less, rather than to pay the higher price?—I have discussed this matter with a good many managers of productive works where Trade Board Orders do operate, and I cannot find even in those cases that it leads to unemployment. Unemployment is due to other circumstances outside the action of the Trade Board.

4591. *Mr. Layton*: But do you urge that unemployment has no relation to the rate of wages paid, or is your argument that the Trade Board rates have always been so low that they have not been an effective influence on unemployment?—Wages have been so low that they have not affected the question of unemployment, and I do not think the increasing of the wages affects it, because you are bringing up the level all over the country. If you were only bringing up a portion of the trade, then it might have some bearing, but, of course, you are bringing up the whole of the trade to one level. I cannot see how it can lead to unemployment, because the goods are required and a certain number of assistants are required to produce them.

4592. *Chairman*: That is in the distributive trade?—It is exactly the same in the productive trade.

4593. It does not apply to the productive trades, because goods are not required; there are some goods that people can do without.—Yes, but I do

not think that the effect of Trade Board rates has been such as to raise the prices so that people would not buy them.

4594. No doubt you have not had an opportunity of seeing the evidence which we have had before us; you are speaking now of your experience as representing the co-operative societies?—Yes, and, as I say, I meet a good many people outside the co-operative movement—managers of productive works—and discuss this question with them. I have read all the evidence that I could find that has been published, and a great part of it I entirely disagree with.

4595. *Lord Weir*: Were these people with whom you have discussed it people entirely engaged in domestic industry, or were they engaged in export trade?—Chiefly in domestic industry.

4596. The question of cost does not in the first stage affect you so much, because you pass it on to the consumer?—That is what everybody does.

4597. Yes, in the domestic trade.—The consumer pays everything in the long run.

4598. *Mr. Layton*: If he can?—He has to do without the goods if he cannot, and I do not think wages have—

4599. *Lord Weir*: You have no competition from abroad in distribution in your grocery trade, for example?—No, we have not.

4600. There is surely a vital difference between the two things?

4601. *Mr. Layton*: Has your turnover shown any tendency to fall off during the trade depression through which we have just been passing?—Very considerably. Many of our retail societies have fallen off at least 15 per cent.

4602. If you could have lowered your prices sufficiently, you might have saved some of that trade perhaps; do you not think so?—No, I do not think so. I do not think wages have that effect upon prices which is generally made out.

4603. I said: If you could have reduced your prices, the reduction in the turnover would have been smaller?—If we had done that then we should have been under-selling other people.

4604. Do you consider that improper?—To some extent, because it would have meant that the other people would have reduced their prices and taken it out of wages, which is something of which we do not approve.

4605. *Lord Weir*: Does that mean that you had it in your power to bring down prices?—No, we could not have reduced prices. I think I should point out this: we have reduced our prices somewhat; in accordance with the general fall of the market we have reduced our prices, but we have maintained our wages as high as we possibly could, with the result that our surpluses at the end of the year have fallen off very considerably.

4606. How much longer can that go on?—Of course, we can go on without paying surpluses.

4607. *Mr. Layton*: You do not wish us to assume that you refrained from lowering your prices for the sake of your competitors, do you? You said that you did not lower them because otherwise you would have taken the trade from your competitors?—No, we have not refrained from lowering on account of our competitors. As a matter of fact, we do not take a very serious view of the prices of competitors. Our endeavour is to put an article at the price at which we think it ought reasonably to be sold.

4608. Is that based upon the cost of production?—Undoubtedly, because we have to buy in the open market like anybody else, goods which we do not ourselves manufacture.

4609. Including your own wages?—Including our wages.

4610. *Chairman*: I am struck with a sentence on page 11 of your statement. You say: "It can perhaps be admitted that some dislocation of labour will result—possibly a few cases of hardship in the case of small business concerns with one or two

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assistants." I want you to direct your mind, not to your big concerns, but to these small shops throughout the country?—Yes, I was referring to small shops here.

4611. Suppose wages are put too high—I ask you to make an assumption without saying that it is true—that must have the effect, must it not, that the trader will pass on his wages to the customer?—Yes.

4612. The point must come where if the article is something which the customer can do without he will do without it?—Yes.

4613. And then the trade falls off and the staff has to be reduced, and so unemployment results. I want you to direct your mind to that question, because that is the kind of evidence we have had. If you can criticise it I should be very much obliged to you.—I should look at it in this way. Taking the case of the people you are referring to, they already have a certain percentage of their expenses to pay in the form of wages. A Trade Board Order comes along which increases those wages; but in my opinion the percentage increase is not sufficient, even if added to the cost of goods, to prevent customers from buying them.

4614. We get traders coming here who say it is, and that they are losing their custom. Theory will not comfort them at all.—Following on your argument, if you will excuse me a moment, if the increases were such that they did increase the cost, then I can imagine a falling-off; but I cannot see, nor do I find, from any experience I have had, that the increases that any Trade Board has instituted are such as would seriously affect the purchasing power of the customers, even if added to the cost of the goods.

4615. That is what you referred to when you talked of a few cases of hardship?—The few cases of hardship I meant would be those. You might have a small shop where it might be a hardship in that case, because in a small shop the percentage of wages and other expenses to the prices, the general cost of groceries, are higher than in a more efficient establishment. But that is taking place to-day and causing unemployment. There would be a few cases when it might happen, but not very many.

4616. Apart from the hardship to the individual, do you think that a good thing?—Undoubtedly, I do.

4617. To shut up the small shops?—Personally, I think so, yes. I am not speaking now from a co-operative point of view, but I am speaking from the point of view of the consumer. You get better service, more efficient service, and I was going to say you get a better quality of goods, because these people have to compete with more highly-efficient places, and there are only two ways in which they can do it. If their other expenses are higher proportionately, which they undoubtedly are, they have either got to do it in lower wages or inferior articles.

4618. You think it is a good thing if a small shopkeeper goes to the wall?—To a certain extent there will always be an opening to the small shopkeeper, but for the small shopkeeper to deal in general business, considering the interests of the community, I should say sooner or later he will go out of existence even without Trade Boards.

4619. Dame Adelaide Anderson: Some of your stores locally. I suppose, are very much smaller than others?—Oh, yes. We have societies ranging from 140 members up to 100,000.

4620. But is the strain found to be greater in these small stores than in the larger ones as regards cost? Yes, undoubtedly it is.

4621. But they are all so strong that they are able to hold on, whatever the state of trade, however great the depression?—Oh, yes.

4622. They are backed, I suppose, by the larger stores?—No, each individual society is self-dependent.

4623. Do any of them carry on these retail productions, such as retail bespoke tailoring, retail dressmaking to order, and so on?—Oh, yes; I should think

out of the 1,300 I have mentioned, more than half of them at least carry on retail bespoke tailoring and dressmaking.

4624. Have you not experienced no unemployment there; have you not had to part with any workers?—No, not through the effects of Trade Board Orders.

4625. Are the numbers employed equal now to those before the depression set in?—Oh! no, because the general depression has affected everybody.

4626. And you attribute that shrinkage solely to general trade conditions and not to the rates you have to pay your workers?—Certainly I do.

4627. Is it your opinion that efficiency is a very important point, the maintenance of efficiency in the worker, for success in business?—Yes, it is, and speaking of the retail bespoke tailoring trade, in that case I think the small retail bespoke tailor will gradually be forced out of existence. There has been introduced during recent years what is known as the division of labour system into bespoke tailoring, which considerably reduces the cost, and makes it impossible for a small shop which cannot introduce the division of labour system to compete, so far as prices are concerned, with a larger establishment where that is introduced.

Chairman: You think we ought not to continue a nation of shopkeepers but become a nation of large stores?

4628. Sir Arthur Pease: Your stores are mainly confined, are not they, to large towns and to large villages; they do not go into the small villages, do they?—They go into the smallest villages practically in the country.

4629. Even in the rural districts?—In the rural districts, Devon, Cornwall, and even into the Isle of Wight.

4630. Then in some of your trades, productive trades, at any rate, the wages are fixed by the trade unions, are they not?—Yes.

4631. Do you follow those trade union rates when they are fixed, or do you give something in excess of them?—In every case we never pay less than the trade union rate. That is an axiom which we always follow, and in many cases we pay higher than the trade union rates.

4632. Do you make a practice of paying higher, or do you reckon to pay the trade union rate with a little variation?—I should say the general practice is to pay higher. We do not accept paying higher as a principle and say we will pay higher so far as the productive side is concerned, but we do definitely say we will not pay less than the trade union rates.

4633. Then with regard to Trade Board rates, you say that they have not affected you because your rates are so much higher?—That is so.

4634. But those you are paying now—10 per cent. above the Trade Board rates—if the Trade Board rates were to come down, would you not be probably still paying only 10 per cent. above the Trade Board rates?—In all probability, yes. Might I give you an illustration?

4635. So that your relationship with Trade Board rates would probably remain permanent?—Yes. I would give you another illustration, if you will allow me. Under the Boot and Shoe Repairing Trade Board in Lancashire and Yorkshire we have been paying all along 36½ per cent.—I think that really worked out on a previous log—we have been paying, at any rate, 28 per cent. higher than the Trade Board rate. There is now a disposition to come down to 20 per cent. above Trade Board rates, and in that instance I may say we have found no falling off in trade.

4636. Appendix 2 belongs to you, does it not?—Yes.

4637. You have found it necessary to vary your rates pretty considerably in different parts of the country?—We have different rates in different parts of the country, because in fixing up our rates they all had some bearing upon rates that were obtaining in other industries, and as the rates in other industries are higher in some parts of the country, so our rates are higher than in other parts of the country.

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4638. There has rather been a tendency to bring them all on to the same level, but that is going the other way again now, is it not? During the war there was rather a tendency to put all wages on to one national basis; but is not the tendency rather to go back again now to different rates in different parts of the country?—No, I think so far the general tendency is to come down more to one level. Speaking generally, I find that that is the tendency.

4639. I am not talking about the Trade Board rates; I am talking about the actual rates?—Yes, the actual rates.

4640. *Mr. Layton*: Would you say that is true to-day; is that tendency still operative to-day, or are you speaking of last year?—I am thinking of to-day, because there have been more rapid changes during the last six months than there have in any other previous two years, I think. We have had to deal with more changes.

4641. *Sir Arthur Pease*: Would you not agree that the actual quality of labour varied in the different parts of the country; that a man did more work in some parts of the country than in another?—That is true. A man does more work in the north than in the south.

4642. And, therefore, there ought to be a variation in the rates of wages?—There are variations in the rates of wages. I have copies of the wages we pay in different parts of the country, and in the northern counties we pay higher rates than we do in the south.

4643. And yet probably that labour does not cost you any more, because the man is doing more work? Proportionate to turnover it does not.

4644. *Chairman*: Are you a Northerner?—I come from Manchester; but even there we are only half way, because in the counties of Northumberland and Durham the rates are higher than in Manchester.

4645. *Dame Adelaide Anderson*: You would not say that the wages always are higher in the north because of the personality; there is probably some long historical reason for wages being higher in the north?—Well, I do not know.

4646. You think that maintenance of efficiency is one of the important reasons for a Trade Board minimum?—Yes.

4647. And provided you could keep up the wages you get greater efficiency?—Yes; but you cannot get as great an amount of efficiency in the south as you can in the north.

4648. No amount of gradually increasing the rate in the south would increase the efficiency at all?—Not at all; the climatic conditions are different.

4649. *Mr. Layton*: Has not this tendency to uniformity in your trade been affected by the recent tendency of the level of agricultural wages to vary in different districts?—I did not quite catch the question.

4650. It is a fact, is it not, that in the last few months there has been a tendency for agricultural wages to revert from a fairly uniform condition in which they were during the war to local variations again?—Yes.

4651. Has not that reacted upon wages in the different districts?—I do not think so.

4652. It is too soon to have made its influence felt, perhaps?—*Mr. Johns* perhaps could have answered that question more fully than I can, because his organisation already are farmers to the extent of 57,000 acres of land in this country, and they pay considerably higher rates of wages than the ordinary agricultural labourers get, and their employees work a less number of hours; but so far as I know it has not affected them at all in that direction. *Mr. Johns* might have been able to deal with that more specifically.

4653. Have your rates been reduced by collective bargaining—you have no form of sliding scale?—No. There have been proposals made for a sliding scale and in every case there was a proviso that wages should not fall below a certain percentage above the rates paid in 1914. I remember a case which we had

in the Midlands about three months ago, where the co-operative societies covering the whole area offered to the trade union a sliding scale with a proviso that wages should not fall below 50 per cent. over pre-war. The union would not accept it.

4654. You offered the 50 per cent.?—We offered a sliding scale with a proviso that wages should never fall below 50 per cent. over pre-war.

4655. What was the ground of the union's objection?—They do not want a sliding scale at all.

4656. Then every time you have to enter on a fresh negotiation—whenever you suggest a reduction?—That is continually going on, yes.

4657. You must have a very large number of negotiations under your supervision?—We have a complete organisation covering the whole of the country for dealing with these questions. We have a district covering a fair area where we have a negotiating body for the district, and then we have a larger one which covers a larger area. For instance, in London here we have an area which reached from Norfolk right down to Wiltshire. In that area we have ten smaller negotiating bodies, all linked up with the central negotiating body, and all of which, of course, are in touch with my department.

4658. And the function of your department is to co-ordinate the wage changes which occur right throughout?—Yes, that is so, from the employers' side.

4659. Can you say that there is any principle on which you have endeavoured to co-ordinate these movements lately; have you merely followed the cost of living index number, or what have you tried?—The index number has had some bearing, because when we were considering advances the index number had a bearing then, and consequently the index number has a bearing so far as reductions are taking place; but we do not strictly follow the index number.

4660. Although the employers' side of this bargaining is co-ordinated there is nothing in the way of national bargaining in respect of co-operative wages?—No.

What we have endeavoured to do has been this: Recognising that there are certain differences in different districts we have had this district negotiating body, but upon any question that affected more than one district then we have taken in the larger area and dealt with it on a larger basis.

4661. Have you never attempted to set up anything in the way of a Whitley Council for the co-operative movement?—Not a large Whitley Council. At the present moment we, in conjunction with the Trade Union General Council, are considering the question of creating a negotiating body for the whole of the area; but that is only in its initial stages.

4662. That is for the distributive side of the co-operative movement?—For the distributive side; and in all probability for the productive side as well.

4663. *Chairman*: Would there still be local differences?—In all probability, yes.

4664. You say something about the slow and inefficient worker; you say that the Trade Board rates may lead to hardship in a few cases of that kind?—Yes; that was the point that *Mr. Gardiner* mentioned, which I did not think he put forward as plainly as he might have done, or as he intended to do. Under the Trade Boards Acts we are limited in the area covered by the permits. Now we all know that in the distributive trade a certain appearance has to be kept up behind the counter. When a man becomes fairly old in years he has a difficulty in keeping up that smartness and that appearance, and, as a member of a Board, I do think that the permit system might be extended further than those limits which are set upon it by the Act at the present time. I think that the granting of permits should be left almost entirely in the hands of the Board, and should apply not only just to those two infirmities, but to other causes as well.

4665. Infirmities or physical injuries are the words in the Act. It is left to the Trade Board, is it not, at present? It is entirely in the hands of the Board

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or its Committee, but they are confined to those two categories, "infirmity or physical injury, which render him incapable of earning the minimum time rate." You think that might be extended?—Yes. From my experience on the Board, I should feel myself quite safe in leaving the granting of permits without any limitation entirely to the Board. I do not think any injustice would be done either to the workman or to the employer.

4666. *Sir Arthur Pease*: In fact, it would prevent people being thrown out of employment through not being quite up to the mark?—Yes. So far as my own experience goes, we are very careful indeed in granting these permits. If there is an application for a permit from anywhere within a fair distance of where I live, then on behalf of the Board I interview both the man and the employer individually and separately, not collectively, and form my own judgment upon the statements made by the employer, and the statements made by the workman, and if possible I try and see how he does his work and how far he is capable of doing it.

4667. *Chairman*: Do you think a man would be willing to admit that he was an inefficient worker?—In some cases, yes; in a great many cases, yes; in the majority of cases with which I have had to deal, yes.

4668. But you have only dealt with people with some physical infirmity?—That is so.

4669. I am speaking now of a man who is a slow worker, who really cannot work as fast as other men do?—I do not know whether he would be prepared to admit it or not. Certainly as one having experience I should be able to judge whether he could or not, and I take the other members of the Board to be in the same position.

4670. You mean that if he would not admit it, the employer would probably allege it and then you could judge?—Yes.

4671. *Lord Weir*: I should like to take you back for a minute to what Mr. Layton has asked about organisation. You say in your statement "The advantage of the Board to employees lies in the fact that they improve trade union organisation." Now, in what way has that been shown?—Well, I am only speaking of my experience.

4672. That is your experience, say, in connection with this grocery work?—No, I am not on the Grocery Board; I am on the Milk Distributive Trade Board and the Boot and Shoe Repairing Trade Board. My Assistant is on the Grocery Trade Board, and I am somewhat familiar with what takes place there.

4673. The point I want to get at is this. The 1918 Act was very largely based as regards conditions on one of the Whitley Reports. The Trade Boards were to be set up where there was inadequate organisation?—Yes.

4674. And the Whitley Committee indicated that later on these Trade Boards would become Whitley Councils when the organisation was improved?—Yes.

4675. Is that being demonstrated, the accuracy of that?—No.

4676. Is that what you mean when you say the trade union organisation is being improved?—Yes. I think the trade union organisation has been improved, but I do not think it is going to tend towards the creation of Whitley Councils.

4677. Let us take it stage by stage. On the employers' side do you believe the organisation is improved, or is improving?—I think it is improving, for this reason, that the employers' side have become quite aware of what is going on in regard to Trade Boards, and they have urged people who are outside their trade organisations to become members of the organisation, pointing out to them that the organisation would look after their interests on the Trade Boards.

4678. Then so far the forecast of the Whitley Committee is right, but you say that in spite of that you

do not think the Trade Boards tend to become Whitley Councils?—No, because my experience of Whitley Councils is that they are not so effective as a Trade Board because their decisions carry no penalty with them, and they are not looked upon in exactly the same light. I have been a member of the National Council for Administrative Clerical and Technical Staffs of Municipal Authorities, and we have had very great difficulty indeed; in fact, the National Council has broken up. There was also a Whitley Council for the baking industry. That has not met since April, 1919; that has practically broken up.

4679. But were these two comparable in any way; were they well organized?—Yes, undoubtedly.

4680. *Dame Adelaide Anderson*: It is really that power to maintain by legal force the lowest limit that a worker shall receive that is the real strength of the Trade Board?—That is so.

4681. And you are firmly convinced that there will be no bargaining as between an individual employer and the employee as to taking a less wage than is sufficient to maintain a worker in efficiency?—That is so.

4682. A wage sufficient to keep the body in working capacity?—That is so.

4683. *Chairman*: We have taken a good deal of your statement in the course of discussion. Might I pass now to your practical suggestions? The first proposal is as to time. You suggest that in the case of first proposals two months should be allowed for objections, as at present, but for all subsequent alterations of the Order two weeks would be sufficient?—Yes. Personally, I would have liked to shorten the time of the two months, but upon careful thought I do not see how it can possibly be done. There is a point half-way down in that paragraph which to me is a very important one, and that is where I say: "This period would, in our opinion, give sufficient time for objections to be sent in, and at the same time meet one of the requirements of the Ministry, which is that objections should, if possible, be *personal* objections." When the Ministry send out a Trade Board Order and for objections, they ask that they shall be *personal* objections. Now, we do not get *personal* objections to-day. What happens on both sides is this: that the organisation, the committee of an organisation, or the officials of an organisation, draft an objection which is their own *personal* objection. Many individuals would perhaps have no objection, but being members of the organisation they are afraid of taking any step that would be different from that sent out by the central committee, and as a result we get a large number of objections which contain word for word, and in the same paragraph, and in the same words, the same thing many times repeated.

4684. Every Member of Parliament has experience of that.—I daresay he has; but you see my point, that we do not get what the Ministry ask for, and what I think, we ought to have, that is to say, the individual objection, not the organised objection.

4685. Do you think if you shortened the time you would be more likely to get the individual objections?—Yes, because if the time were shortened the organisations would not have time to draft these circulars and get them all over the country and get replies. Further than that, there is the point that at the present time, when wages are changing so rapidly, the present time is too long. A different set of circumstances entirely has arisen between the time when a Board fixes a rate and the time when it can come into operation.

4686. Will you tell me another thing about the time; the two months run now from the date of notice of the proposal, I think?—Yes.

4687. Of course, that may be some time after the actual making of the proposal, because it takes time.—We generally find it takes about seven or ten days. After a Board has fixed up a rate it is seven to ten days before it is published.

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4688. But it may be a good deal longer before it reaches the individual employer, may it not, when you have a large trade?—They are generally sent out by one post. It is about seven to ten days afterwards, I think.

4689. I had in mind the grocery trade, where, I am told, three weeks were taken, but no doubt that is exceptional.—Yes.

4690. So that you would not gain much by making the time run from the date of the proposal; you would only gain a week?—You would only gain a week there.

4691. Then, as regards the Minister you suggest that one week would be enough time in which to consider the matter?—I think it is sufficient. The point, to my mind, is that the Minister's position is certainly to consider what effect an Order may have, but if it is an Order that has been passed and agreed upon by the employers and workmen, both of whom have opportunities of judging how far it would affect the trade, I do not see that it should take much time for consideration.

4692. No, but I suppose the idea is that people who are not fully represented by the members who are appointed to the Trade Boards should have some opportunity of putting forward their views to the Minister?—Well, I do not think there are very many people who can say that they are not represented, because so far as I am aware the Ministry make very careful selection of the representatives, not only as representatives of organisations, but as representatives of districts. I might just give you an example. I know a Board which is at present being reconstructed, and there is a certain part of the country where there is no representative on the employers' side, and the Ministry are now asking, or practically stating, that from one part of the country where there are a number of representatives one representative shall be dropped and another representative from another part of the country brought in; so that you would get the other part of the country represented.

4693. I do not doubt that everything possible is done; but still there are people who think they have no real representatives on the Board. However, you do not think that is a serious matter?—No.

4694. Then you suggest that a definite standard wage might be adopted upon which the rates might fluctuate according to the cost of living?—Yes, something on the lines that I stated a few months ago, with the proviso that they shall not fall below a certain percentage over the 1914 rates.

4695. You would make it legal to fix a rate on those terms?—Yes.

4696. *Dame Adelaide Anderson*: There would not be opposition from the trade union to anything like a sliding scale—it is of the nature of a sliding scale?—Many of the trade unions have already adopted a sliding scale.

4697. *Chairman*: Do you think that an Act of that character would be thoroughly understood in the country?—Yes, I find so, speaking from experience. I travel all over the country dealing with these questions, and I find that a law of that sort would be acceptable and would be understood.

4698. Then you suggest that businesses coming under the Board should be registered?—Yes, Sir. I attach rather great importance to that. One of the difficulties that we have found, on the Boot Board, for instance, is the number of small places that there are in back streets and by-ways which it is very difficult to get to know, and we do not know anything at all about them; we do not know what rates of wages are being paid or under what conditions they are being carried on. Now the Boot Trade Board, both as to employer and employed, is constituted with the definite object of raising the standing of the industry and of the workman, and this is one of the main obstacles that we have. We have asked the Ministry to do this for us, that is, to bring in an Act that everyone should be registered. Our sole object there is not to prevent new businesses being opened, but when a person has

opened a business that he shall register with the local authority his place of business, so that it will always be open for anyone to obtain a list of the places where such work is carried on, and the inspectors would then know where the places were that they had to visit.

4699. It would impose a new burden on traders and cause some expense both to them and to the country?—I do not think there is much expense involved. In the milk retail business every retailer has to be registered. Of course, we know that is done from the point of view of health.

4700. *Dame Adelaide Anderson*: And every factory and workshop is registered compulsorily by notification?—All they would have to do would be to notify the authorities that they had opened a certain business at a certain place.

4701. You would not ask for a separate notification in places where they are already notified?—How do you mean?

4702. I mean a factory or a workshop always has to be notified; it is a punishable offence not to notify: the one notification could serve for all purposes?—Yes.

4703. For factory inspection or Trade Board inspection?—Yes. I look upon it from the point of view of inspectorship. We have had this question over many times with the Ministry, the inadequacy of the inspectors and the number, and we know they have a difficulty in finding out those places. I think it would help to a better service and better carrying out of the Orders if these places were registered.

4704. *Lord Weir*: Do you believe that many more inspectors will be required?—Undoubtedly, but I think you will find in my evidence that I make the suggestion as to how I think it could be done without any considerable expense.

4705. That is by using the Home Office inspectors?—By using the local authority.

4706. The Home Office inspectors?—No, the inspectors of the local authorities, not the Home Office inspectors.

4707. *Sir Arthur Pease*: What would you call carrying on a business? If a man repairs boots would that come in?—A man who employed labour. The unfortunate part—and I do not see how you are going to get out of it—as far as cutting is concerned is what is known as the one-man business. We have discussed that question for hours with some of the Trade Boards and tried to get at it, but we do not see how we can bring it under the Trade Boards. If it was possible it would be welcomed, but I do not myself see how you can do it at the moment.

4708. *Chairman*: You mean every man who employs labour in a trade?—Yes, in a trade which is governed by an Order.

4709. Then you say something about including the whole of the industry in the operations of the Board?—Yes, that is so, and here I give specific attention to the milk industry. We had some little difficulty there; in fact, it is not cleared up at the present time. I am of opinion that the milk industry as an industry—not just the retail of fresh milk, but everything that comes under the milk industry—should come under the Milk Trade Board.

4710. *Mr. MacCallum Scott*: Does that include agriculture?—No. Agriculture is the production of milk; I am dealing with the distribution of milk—dealing with it after it has left the farmer. It does not touch the production of milk at all, and the same thing would apply in a good many of the other trades, I think. Take the Grocery Trade Board: At the present time, for a shop to come under the Board, out of a given number of articles which they sell they must sell twelve of them to come under the Board, unless they are shops something like the Maypole, which deal in four or five specific articles only. In my opinion every shop that deals in groceries should come under the Grocery Trade Board.

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4711. Do you mean that you do not quite agree with the definition of the milk trade as at present framed for the purposes of the Trade Board?—That is so.

4712. You want a different definition of it?—I want a different definition to include the whole industry. At present, the definition states that it is the retail sale of fresh milk where such is a distinct department or distinct branch of business. Well, if that was applied literally, and I think legally, according to the wording, then at present 80 per cent. of the creameries in this country which are at present working under the Trade Board Orders drop out.

4713. *Chairman*: Is there anything more in your statement to which you wish to call attention? We have the statement, of course—Yes, there is just a point on the question of the appointed members. I rather differ from my colleague, Mr. Johns, upon that point; that is, that you should have a business man as chairman. Personally, I should prefer a legal man from experience. So far as our Board are concerned we have had very great assistance from having a legal gentleman as chairman, which I feel certain, we should not have had, had it been a business man.

4714. *Sir Arthur Pease*: Which Board is that?—The Boot and Shoe Board, particularly. With regard to expenses of representatives I differ from Mr. Johns entirely there, because I think that if the representatives' expenses were to be borne, say, the employers' expenses by the employers' side, then you would get as representatives only people connected with big organisations. You would get on the workers' side only Trade Union officials. At the present time we do get workers as workers in addition to Trade Union officials, and having the two we get a fair idea of the business from their point of view.

4715. *Chairman*: You could not expect the worker to pay his own expenses?—No, and if he became a member of an organisation then the officials of the organisation would come as the representatives of the worker.

4716. *Lord Weir*: Do you support the extension of the Trade Board principle?—Yes.

4717. Can I take it from that that you believe there should be a Trade Board for every trade in this country; is that really what you mean?—Yes, I do. As to how it is to be done, I agree, is a matter for consideration. I remember two years ago last February, when the first conferences were held in Westminster, the old Assistant Secretary of the Treasury, Mr. Wardle, I think it was, at that time, stated that the Minister viewed with favour the idea of having one Central Board with panels for each different trade. That seemed to be the idea at that time, but, anyhow, it was changed. I do not know how far that would be successful. What happens at the present time, I think, is this: that there is a general tendency to make the minimum the same in all trades where no particular skill is required. There is another point I would like to emphasise, which I have put down in my evidence, and that is the effect of Trade Boards upon establishments where they have employees who come under a good many Trade Boards. I give the instance of our Leeds Co-operative Society, where they have a large number of employees—over 2,700, I think I stated—where they come under at least 10 or 12 different Trade Boards, and they find no difficulty whatever in complying with the Orders of the Boards.

(The Witness withdrew.)

(Adjourned for a short time.)

MR. JOHN CAMPBELL, called and examined.

4730. *Chairman*: You are a director of Messrs. Pettigrew & Stephens, Ltd., of Glasgow?—Yes.

4731. You come here to-day on behalf of the Scottish Retail Drapers' Federation?—I do.

4718. *Chairman*: We were told by some witnesses that where the rates differ and operate in the same place of business the tendency is for everybody to get the highest minimum rate—the men ask that they shall all be paid the highest minimum rates?—I do not think so. I think you might take, for example the rates which the grocery trade have fixed. They were based to a very large extent, so far as shop assistants in the grocery trade were concerned, on the shop assistants in the Milk Distributive Board, which Board fixed the rates before they did.

4719. But the grocery rates are not in operation?—They are proposals.

4720. There is no experience to judge by, I mean; but we were told by a gentleman who had personal knowledge of shops where there were different Trade Board rates in operation that the tendency was for the men who were on the lowest scale all to ask to be paid the highest of the minimum rates?—I do not think so.

4721. You say you do not think so, but have you any experience at all of the matter?—I have only the experience of our own movement. There used to be different rates of wages for different trades inside our own movement, so far as the retail side is concerned.

4722. Yes?—Well, there is a tendency at the present time to modify that and to bring them to one level, and not always to the highest level, as a minimum.

4723. Through the Trade Boards?—No; that is outside the Trade Boards. We have only two Trade Boards in the distributive trades at the present time, the milk and the grocery, and the grocery have come more nearly to those already fixed for the milk shop assistants than what they were before.

4724. You mean that the Boards will try to bring the rates to a level; that is your point?—Yes, and there is this point there, which I should like to mention. I have seen a statement somewhere that no one should be allowed to be a member of more than one Trade Board. Now, I think that tendency of which I have just spoken, the tendency to bring about a uniform minimum, is helped by the fact that a person is a member of more than one Board, because he can bring the experience that he has of one Board for the benefit of the other Board.

4725. Of course, a system of grouping Boards would tend in the same direction?—Yes.

4726. *Dame Adelaide Anderson*: I understood you to say in reply to Lord Weir that you would extend further than the Act of 1918 the Trade Board system?—Yes.

4727. Beyond the cases where there is no adequate machinery for effective regulation of wages?—Yes; my idea is this, as I stated, that every worker ought to be assured of a sufficient minimum rate of wages. To my mind the Trade Board is the best machinery we have at the present time for securing that, and that is why I should like to have an extension of Trade Boards covering all workers.

4728. But supposing you have adequate organisation, you would not force the Trade Board on an industry which preferred unanimously or by a great majority to remain outside?—Well, that is supposing something which I cannot suppose at the moment.

4729. But, at any rate, you are satisfied that it is necessary to apply the Trade Boards Acts to those cases where there is no adequate machinery for regulating wages?—Yes.

4732. What is your experience of trade?—I am, as you say, Chairman of the Scottish Retail Drapers' Federation, and also an ex-Chairman of the Scottish Garment Makers and Milliners' Federation. I am

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[Continued.]

also an ex-Chairman of the Glasgow and West of Scotland Retail Drapers' Association, and of the Scottish Distributive Trades' Federation. I have been closely identified with all the movements in connection with the organisation of the drapery trade in Scotland.

4733. Have you something to say about special Trade Boards for Scotland?—Yes. I might explain, however, that the Scottish Retail Drapers' Association is a federation of retail drapery associations in various parts of Scotland, particularly in Edinburgh, Glasgow, Dundee, and Aberdeen, and also in other cities and towns in Scotland. The membership consists of about 750 employers, and they have in their employment somewhere about 10,000 employees. The Scottish Retail Drapers' Federation is the only body, so far as I know, that has sufficient authority to speak for the retail drapery trade throughout Scotland. We have no connection with any English association; we represent Scotland solely; and no English association can speak for the trade in Scotland. In connection with the Retail Drapers' Federation, I have, of course, been in close touch with the operations of the Dressmaking and Women's Light Clothing Trade Board (Scotland), and the Hat, Cap and Millinery Trade Board (Scotland), and I have followed quite closely the Trade Board movement since its inception, although I am not sitting on any Trade Board. I should like to say that in the beginning of 1919 a statement was circulated that the then Minister of Labour was about to create British Trade Boards for the distributive trades. This caused a considerable amount of apprehension in Scotland, and meetings of the various distributive trades were convened who were unanimously of the opinion that the system proposed was inexpedient and impracticable, and that the only practicable method of applying the Trade Board system to Scotland was by treating Scotland as a separate unit for Trade Board purposes. A large, important, and influential deputation from the various distributive trades waited on the Minister of Labour in London to represent their view and, as a result thereof, the Minister decided to give Scotland separate Trade Boards. We attach very great importance to this—many of us served on war committees having their headquarters in England, and our experience was that the time and expense involved in attending meetings, frequently with trivial results therefrom, and the difficulty of getting Scottish opinions made effective where they had varied from the opinions of the predominant partner, all alike showed the impracticability of this system. Further, the difficulty of getting suitable representatives to spend the necessary three days to attend each meeting in London, and the serious call involved on the time of those having charge of businesses (whether large or small) emphasise the importance of Scotland having a separate Trade Board system. Even with Scottish Boards established, the sacrifice of time is not at all inconsiderable. Then let me here state that, so far as the drapery trade in Scotland is concerned, we have no wage agreements whatever. The last agreement terminated at the end of 1920, so that there is freedom of action for employer and employee to negotiate individual wages. As a trade we (recognising that we are only partially organised) have accepted the principle of the regulation of minimum wages by a Trade Board with legal enforcement on all concerned. This attitude is somewhat different from that of many other retail distributive trades on the subject. I think the difference is accounted for because as a trade we have had the actual experience of these different Trade Boards, and as a consequence, and having regard to the fact that the Boards are comparatively new and have introduced a new principle, and feeling that any difficulties hitherto caused by Trade Boards have been due only to the lack of experience both of the chairman, the appointed members, and the Boards themselves, we are not seriously apprehensive of any particular danger arising in the application of the Trade Boards to the distributive trades.

4734. I did not follow that last sentence. Did you say owing to the want of experience?—We say that we, as a drapery trade, are in favour of Trade Board principles, but there is much apprehension amongst other distributive trades in Scotland. They are rather opposing the principle of setting up Trade Boards as applied to their individual trade. We think there is a good deal of apprehension on their part in regard to the consequences, and I think that very largely arises from a want of knowledge of the operations of the Act. We have had practical working experience of these Trade Boards as applied to the making-up sections of our trade, and while we do not agree altogether with their results, we are not scared by any means as to the consequences of the wages and conditions being fixed by the Trade Board. We feel that any defects are temporary in nature and are quite capable of being rectified. As I have said, it must not be assumed that we accept everything that has been done by those Boards as satisfactory. We, as a matter of fact, are very critical of the present working of the Boards, but we are, nevertheless, of opinion that the principle underlying the Trade Board system is sound, is calculated to be of benefit both to employers and employees, and their present defects (although in many cases serious) are capable of being remedied. Among the reasons for our acceptance of the principles are, first, that it is desirable to have the minimum wage scale set up; secondly, that we are, like all retail distributive trades, only partially organised. This may be said equally of employers and employees. Thirdly, that owing to its conditions, the trade necessarily includes a large number of businesses whose profits are very small and whose margins of existence are very narrow. Under these conditions, the tendency to pay low wages in such businesses is strong. On the other hand, the paying of low wages by some employers always tends to keep depressed the wage level all round. Fourthly, in country places, opportunities of employment are limited. Employees in such districts cannot organise; and as they are, in many cases, by their conditions, restricted to some kind of employment in the district in which they live, they are defenceless against unduly parsimonious employers; and lastly, so far as we can see, there is no way, other than by the Trade Board, of protecting a good employer desirous of paying a fair wage from the unscrupulous competitor paying low wages.

4735. *Chairman*: Have you had any experience in Scotland similar to that on which we have had evidence, of works being closed owing to the rise in wages?—Well, that applies, of course, to the making-up trades, and I understand there are two witnesses here this afternoon who are to speak on that subject. I am really dealing with the distributive side of the drapery trade, not the making-up side. I could, of course, give you some information, but I think it had better be left to the other two gentlemen.

4736. By all means.—Then we have considered the question of a universal minimum wage scale as an alternative to the Trade Board system. In our view it is impracticable, looking to the great differences in the conditions and cost of living, not only between different parts of the country, but even between different parts of a county area, where, for example, there are sparsely populated areas, and almost invariably one or two fairly large towns or industrial areas, so that the cost of living in the sparsely populated area would be out of all relation to the cost of living in the industrial area.

4737. *Lord Weir*: When you say universal minimum wage scale, do you mean by the word "scale" varying according to areas, or a scale over the different grades of labour in the trade?—I think, so far as the distributive trade is concerned, we should have to set up a wage scale based on age, say, from 14 upwards. That is what we mean by a scale of wages, applicable to persons of 14 years of age, and upwards, and we assume a national minimum wage scale would be a fixed scale for the whole country.

4738. For the lowest class of labour?—Yes. You would fix your minimum standard.

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[Continued.]

4739. A minimum standard?—A minimum wage. We do not propose to set up a standard wage; we propose to set up a minimum wage.

4740. *Chairman*: You are pointing out that that should not be fixed for the whole country, but for different areas?—The difficulty of applying a flat minimum wage to the whole of Scotland is this. We say there is a distinction between living in Glasgow and living in a village. A minimum wage which would be suitable for Glasgow would be altogether unsuitable for a village, or *vice versa*.

4741. *Mr. MacCallum Scott*: Would it be possible to have it graded in accordance with the area—a certain scale for large towns?—I think the difficulty would arise, if you fixed a county area, that almost inevitably in every county you would find a fairly populous centre where the cost of living was fairly high, while in other parts of the same county you would find sparsely populated places where the wage could not be supported. In our view it is impracticable to set up this national minimum wage scale as an alternative to Trade Boards, looking to the great differences in the conditions and cost of living, not only between different parts of the country, but even between two parts of a county area, where, for example, there may be sparsely populated districts and almost invariably one or more large towns.

4742. *Sir Arthur Pease*: How do you propose that the Trade Boards should get over that difficulty?—Well, I can give you an example of a recent decision of the Women's Light Clothing Trade Board. I am not a member, so that this is only information which has been passed on to me. They have now recognised the principle that there should be a distinction between towns of 12,000 inhabitants and over and places with a smaller population than 12,000. They make a distinction in the rate from 9½d. in the populous parts to 8½d. in the smaller towns. That is a simple way of getting over the difficulty.

4743. *Mr. Pugh*: Is that being done by the Trade Board?—By the Women's Light Clothing Trade Board.

4744. *Mr. MacCallum Scott*: Would not that apply also to the minimum wage?—It might, but what we want, of course, through the Trade Board, is a legal enforcement of this wage.

4745. I mean a legally enforceable general minimum wage. I thought your objection to it was that it would not be varied in accordance with the district?—There is another aspect of it, of course, and that is the ability of certain kinds of trades to carry a burden. I will put it in this way. It might be quite possible for the drapery trade to set up what was considered quite a fair minimum wage scale, based on age from 14 to 19, or any other age you like, and you might fix a progressive scale up to 24 years of age, but in the drapery trade there is a considerable degree of skill required. If you apply the same principle to a newspaper shop or a book shop where there is a lesser degree of skill required, if you apply the progressive rate up to 24 or 25 years, if you will find that the employer will say that a girl of 18 can as effectively hand out papers and books, and even serve confectionery and fruit, as a woman of 23 or 24 or 25 could; he would quite naturally say in that case that it was no use his paying a woman 5s. or 10s. a week more when he could get a younger person equally efficient for the purpose for which he wanted her. That is just one of the difficulties you are up against in fixing a minimum wage scale.

4746. Does not that apply to any rate that is fixed by any Trade Board?—Well, of course, you would have regard to the ability of the trade to pay a rate. For example, I do not think it is so very important to fix a low scale of wages for the distributive trades, but I can quite see the importance of fixing a low rate for a manufacturing trade which does an export trade. Even the rates between Great Britain and Ireland, I think, ought to be considered. There is a complaint made that handkerchief hemmers in Great

Britain have a wage scale of, I think, 10d. an hour, while in Ireland it is 7d., and they are doing precisely the same operation and exporting their goods to the same parts of the world. Now, I think it is quite a reasonable argument for the handkerchief hemmer in this country to say that he should have quite as favourable rates as those operating in Ireland. We think in the distributive trade that it might cause more serious unemployment if you were ruthlessly to apply a minimum wage to the country as a whole without very careful consideration.

4747. *Dame Adelaide Anderson*: When you speak of wage scale you apply it to Trade Board regulation just as to a proposed minimum for the whole country? By "scale," do you mean solely according to age; is that the sole test you would apply?—Yes, for a young person beginning at 14 the wage scale would be low.

4748. You would not take into account the scientific investigation as to the amount of support needed for harder work?—In the distributive trade it is fairly level, I should think.

4748A. But trades vary; a scale fixed only according to age might not take account of the need of greater efficiency for heavier work?—I do not think in the distributive trades there is a very serious difference in the amount of energy required. There is a varying degree of skill.

4749. But you are not proposing to fix minima for skill, but only for age. Am I right?—A little later I will advocate that the wage scale be applied from 14 to 19 years only—a progressive scale between those ages.

4750. *Mr. Pugh*: Do you propose saying what you will do with regard to the highest scale in the drapery trade?—I think I covered that in the course of my statement. I have stated our reasons for the acceptance of the principle of Trade Boards. We are further influenced in our objections to the universal minimum wage proposal by the great differences in the ability of different trades to carry the same burdens without serious dislocations to trade. I have indicated that in the fruit trade, the confectionery trade, and the newspaper trade. If a universal or localised general minimum were to be fixed, it would be fixed presumably by a Government Department, which in that case would have the whole responsibility of fixing the rate without the necessary organisation for undertaking the work. It would result in a general feeling that the Government Departments were interfering unduly in trade affairs. There is a very distinct prejudice against the interference of Government Departments. Personally, I do not entertain that view altogether, but that is the considered opinion of the distributive trades as a whole. In any event we do not think that a Government Department could do this without creating dissatisfaction either among employers or employees. We further consider that those who are to pay and those who are to receive the wages are the best judges of the rates to be fixed. The success of any scale of wages fixed by a Trade Board depends on its being passed by the agreement of both sides, and on its not being imposed by either side on the other. Then that brings us to the consideration of whether a Trade Board should be set up for each main distributive trade. That is the proposal of the Minister. While recognising the advisability of Trade Boards, we cannot approve of the Minister's decision to set up a Trade Board for each main distributive trade. This would include, for example, starting separate Trade Boards for the retail sale of the following: Men's clothing, umbrellas, hatters and hosiers, watchmakers, perfumery, hairdressers, china and glassware, ironmongery, furniture, furs, etc., women's clothing, fancy goods and stationery, boots and shoes, jewellers, chemists, optical goods, toys and games, household furnishings (such as carpets and linoleums)—these among others. We might explain that throughout, at least, a large

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portion of Scotland we have a seven o'clock closing hour, applicable to most of these trades. They not only close at the same time, but start work at the same time in the morning. They have substantially the same working conditions as well as hours. The employees therein are drawn from the same class of the community, living in the same streets; their children attend the same schools; one member of a family is often employed in one kind of shop, and another member of the family in another. The social standing of the employees is practically identical. Is the Minister's decision to start up separate Boards for each main distributive trade, wise under these circumstances? I may say that in October, 1919, we had a general meeting of distributive and shop-keeping trades in Glasgow, representative of the whole of Scotland, and the view of that meeting was that it was desirable to have only two Trade Boards for the distributive Trades (particularly the retail distributive trades), one being for the perishable food stuffs and the other for furnishing and allied trades. This may be carrying the principle of cutting down the Trade Boards to the uttermost, and it might be found necessary to have more Boards than two. Is there any reason for setting up separate Trade Boards unless essential differences between the trades, in the matter of wages and working conditions, can be shown?

4751. *Chairman*: I dare say you have considered the point whether, if you set up one Board for a large number of trades, you would have to make the Board a very large one?—I think we should take the risk of that. We should cut down the numbers as far as we possibly could. We think it can be quite well done by grouping a good many trades.

4752. I dare say, it would be necessary either to have each trade represented on the Board or to have some system under which the Board could inform itself of the opinions of each trade?—Yes. We think that the Board with a reasonable grouping of these trades, should not exceed 30 on either side.

4753. You do not tie yourself to the two Boards only?—Not necessarily, but the principle is there that we think that the multiplication of Trade Boards is an exceedingly bad thing.

4754. *Lord Weir*: Do you propose these two Boards, the perishable and other things, in preference to the other proposal that was made—food, clothing and furniture; that is three Boards. Has that been before you?—I understand the Minister is going to set up a Trade Board for each main trade, that those trades which I have enumerated would each have a Board attached to it. We are opposed to that principle altogether.

4755. I am quite clear on that point. Your proposal was two Boards. Another proposal has been made for three Boards, divided into food, clothing and furniture. What is your view of that?—I think that clothing and furniture could quite well be grouped, furniture and furnishing I take it you mean. That would include necessarily household linen, a thing that every draper keeps; carpets most drapers keep; linoleums most drapers keep; and as I have indicated, the same class of employee is working in these establishments, the same class of people are working in drapers' shops and furniture shops.

4756. You draw the line at perishable foods, as being a different class of occupation?—Yes.

4757. *Mr. Poulton*: And in your practical experience you are quite satisfied you would be able to carry on the work efficiently by those two Boards?—You mean the food trades as distinct from the clothing and furnishing?

4758. Yes.—Well, that was our decision in 1919. I am sorry to say the distributive trades in Scotland have rather gone back on that principle and they are altogether opposed to Trade Boards now. I am simply relating what took place in 1919; but we do know that the Minister proposes to apply a Trade Board to the drapery trade, that is, to the women and children's clothing trade, and one for the men's clothing trade; I believe one for boots and shoes, I think one for glass, one for umbrellas. He has

already indicated his intention to apply a Trade Board to each of those trades, and we think it is simply ridiculous.

4759. And your practical experience shows you that that is quite unnecessary?—Absolutely unnecessary.

4760. *Sir Arthur Pease*: If you limit the members of your Boards to 30, having regard to the fact that you have to take into account areas as well as trades, would it not be very difficult to confine the numbers to that unless you allowed someone to attend the Board and put the case for that particular trade?—Well, I think the time is not very far distant when you may experience very great difficulty in getting representative employers to sit on Trade Boards at all, unless they are going to be more expeditiously conducted. That is our experience already, and I think that Trade Boards as a whole would be practicable if their federations could appoint two or three representatives to sit on the Trade Boards to represent their views.

4761. Yes; but the thing you want is a practical decision, and we have had a good deal of evidence stating that there was not sufficient representation from certain districts, and that the rates fixed are pressing very hard on certain districts?—Yes. It has been our view all along that it is extremely important that country areas should be well represented on these Boards, perhaps over-represented, shall we say, in comparison with the cities and towns, because up to now they have been fixing a flat rate applicable to the whole of the country. Now that we have introduced a principle of differentiation between town and country, I think the case of the country employee will receive more consideration, at least in Scotland; but I do not think it would be a very difficult thing to compose a Board of reasonable size from a very substantial group of those trades which I have mentioned. They are all correlated; the same class of employees are employed.

4762. *Chairman*: You would not have District Committees, I gather?—I think that is only making confusion worse confounded. After all they must report to the parent committee, and then the whole thing has to be considered afresh. I think there is something to be said in favour of a distinction being made between quite small towns, say of 5,000 inhabitants, or 3,000 inhabitants, and possibly 10,000 or 12,000, as we have done in the Dressmaking Trade Board, and cities with a larger population.

4763. *Sir Arthur Pease*: The Co-operative Society's witnesses who have attended this morning make a distinction between different parts of the country in their actual rates of wages, North and South and in the Midlands, and so on. Have you that in Scotland at all?—I think in Scotland Sheriff Fyfe issued a very fine Award about 6 or 12 months ago which was applicable to the whole of Scotland. I am not aware that there was any distinction between one part of the country and another, and for that reason I think that many of the country Co-operative Societies, while they were parties to the Award, would not put the scale into operation.

4764. Of course, if you have a general minimum rate, or nearly a general minimum rate, for certain classes or sections and so on, it is a comparatively simple thing, but if you begin to have rates which are graded according to classes of employees; then you must have somebody who thoroughly understands each section of trade on the body, must you not?—Oh, certainly.

4765. Or take evidence from somebody else?—Yes, but I think that so many of those trades which I have indicated are so similar that there would be no difficulty in getting a Board of 30 persons on either side to legislate for these trades with general acceptance.

4766. That is for the distributive trades?—Yes.

4767. *Lord Weir*: Taking Sir Arthur's point a little further, surely the small number of even large Boards dealing with a comprehensive group of trades would only be possible if you were going to fix real

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minimum wages, but not if you attempt to regulate wages in different trades?—Our proposal, of course, is that the function of the Trade Board is to set up a minimum wage scale applicable to age.

4768. The point is just what you mean by "scale"?—Well, we are talking of the apprentice up to the age of 19 years.

4769. And for all classes of labour in the trade, or only for the lowest paid class?—We do not attempt to set up a standard wage; we are not proposing to do that at all. We want a minimum wage fixed for each class of employee which will prevent anything in the nature of sweating conditions, leaving it to the employer, and if there be a trade union association, to that as well, to adjust the standard wages, or leave it to the individual bargaining as it has always obtained in the past between the employer and the employee. That is as far as we are prepared to go.

4770. *Chairman*: What do you mean by each class; that is what I want to know?—Well, there is the porter class, for example, in most places, delivery porters, or cleaners, or people doing more menial work than salespeople. The rate will probably vary for each.

4771. *Lord Weir*: You really mean you fix a minimum rate below which no one in the millinery or drapery trade shall be paid; is that your view?—We say that nobody shall be permitted to pay a wage less than that fixed by the Trade Board, but they may pay as much more as they please.

4772. But do you fix several in that trade?—No, we do not propose to do that, unless, of course, for smaller towns.

4773. You propose to vary that for smaller towns? Yes.

4774. *Mr. Pugh*: But would not there also be a variation with occupation? For instance, if you take a person, I will assume a light porter, at 19 years of age, and a person of the same age, say, in a distributing fruit shop; would the minimum be the same for both those persons at that age; is that the idea; or would you have variations in occupations, as well as your variations in districts?—In all probability we would have variations according to occupation.

4775. But in respect of that occupation, if he was a porter, whether in a drapery establishment or in a grocery or fruit establishment, he would still get that wage?—Yes. I think it would be quite possible to fix a rate which would be equitable and applicable to all branches of the distributive trades, just as at present they have in London a wage scale for drapers' assistants, men and women, they have a wage scale for porters, men and women; and a wage scale for cleaners, men and women. The same principle I think would apply if the members of the Trade Board so desire it, but of course it is up to the Trade Board to determine these things. The Trade Board, I presume, is there to function in harmony with the wishes of the employers and the employees, and no doubt the various types of people engaged in the distributive trade would be carefully considered.

4776. *Mr. Poulton*: You see no difficulty as a practical man in setting up those varying scales of minima?—No, none whatever; that is to say, of course, if you set out with goodwill on both sides.

4777. *Sir Arthur Pease*: But your main point is that these should be minima and not standard rates, is it not?—Yes, that is so.

4778. That there should be a margin above that?—For the recognition of ability and skill.

4779. And it is very important that the minima should not become standard rates, and that most employers should pay above them?—That is so.

4780. *Mr. MacCallum Scott*: In your own business do you come under one Board or several Boards?—So far as the distributive side of our business is concerned, there is no wage scale in existence, either through a Trade Board or a trade union. We have had agreements with the trade unions, but the last one lapsed a year ago, since when there has been none.

4781. So you have no experience in your trade, at present?—Except in the making-up section, that is in the dressmaking and millinery and ladies' tailoring.

4782. Do you come under several Boards there?—Three Boards already—in fact four, I think, including corsets.

4783. Do you experience any difficulty owing to these Boards fixing different rates for labour which is fairly similar?—Yes, it causes a degree of jealousy among the employees.

4784. What do you do in these circumstances? From some people we have heard that the simplest way out of it was to pay the higher rate?—Our organisation is sufficiently large to provide separate workrooms for each class of worker, so it is not so acute in our business; but I can understand that it is an extremely difficult thing when workers in the dressmaking, tailoring, and millinery trades, which have different rates, are working in the same room.

4785. Do you experience any cases where the same individual, such as a porter, may be working in these three different departments during one week and may therefore come under varying scales?—No, porters are legislated for under these Trade Boards.

4786. There was a case of a porter which was quoted to us.—I imagine in the handkerchief hemming trade there is a trade union wage for a man doing ordinary portering work in a business of that kind, and he may be employed in the morning at that particular kind of portering work and in the afternoon he may be asked to handle the hemmed handkerchiefs, or something of that kind, when his wage would have to be adjusted in harmony with the higher Trade Board rate.

4787. Do you experience any difficulty in that?—We do not. We do not do that kind of work; but it has been reported to me.

4788. In your own business, do you in fact pay the Trade Board rates, or do you pay in some cases higher than these rates for the labour?—The principle we apply is that we must pay the minimum. If there are people who are more highly skilled, if one individual is more skilled than another, then they are to be rewarded accordingly.

4789. What I want to find out is whether the wage fixed by the Board in your business comes to be the actual standard wage, or whether it is a minimum above which you do pay in many cases?—It is not the maximum; it is only recognised as a minimum, and we do pay people, in many cases, considerably higher than the Trade Board rates. Well, we were dealing with the decision of the distributive trade as a whole in Scotland, and advocating the principle of the two Trade Boards, one for the food and perishable trades and the other for drapery. That, of course, was a decision taken in 1919, and the conditions have altered considerably since; so that I am afraid to-day that is not quite representing their views.

4790. *Chairman*: What is their view to-day?—Well, it is somewhat mixed. I think the majority of them would like to be left severely alone to negotiate their own wages. The drapery trade is unique in differing from that in advocating the opposite view. We have asked the question: Is there any reason for setting up separate Trade Boards unless essential differences between the trades, in the matter of wages and working conditions, can be shown? If that can be done, then, of course, there may be some justification for it, but our contention is that there are many trades where the working conditions are practically identical, where the employee is drawn from the same class, they live in the same streets, and their children attend the same schools, and, in effect, that one Trade Board could quite well apply to them all, thus simplifying matters and making for a very distinct economy, which is a thing we must not lose sight of. It is certain that different Trade Boards would create varying rates, and varying conditions of employment, not because of there being any necessity for

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such conditions, but merely because of the regulations being separately dealt with by different persons. This would result in a constant agitation among employees for uniformity, and more particularly so, because of the fact that the rates of pay would be public property. We incline to the view that such a solution would tend to form social unrest among shop-keeping employees as a whole. We consider it unwise to set up separate Trade Boards for each main distributive trade not only from the point of view of the trade as a whole, but also from the special conditions of our own trade. It is well known that a comparatively small business starting to sell drapery, frequently adds to its activities, as the business develops, the sale of millinery, dressmaking, men's wear, umbrellas, sunshades, fancy goods, toys, stationery, boots and shoes, ironmongery, furniture, china and glassware, and furnishings. In every town of any size, shops at all stages of this development can be seen, due to the increasing volume of trade in large centres of population. Even in a business of a very moderate size, several Trade Boards would, under this decision of the Minister, function. For instance, in a moderate sized shop selling men's wear, women's wear, umbrellas, furnishing and furs, you would have no fewer than five Trade Boards—in larger emporiums, of course, the number of Trade Boards would be indefinitely increased. I think in our business with which I have the honour to be connected, we would come under some 36 different Trade Boards. This would apply still more strongly in the case of the village shop which sells everything, and consequently the application of the principle of a separate Trade Board for each main distributive trade creates very considerable apprehension in the minds of those who are carrying more than one class of merchandise. With regard to the retail sale of clothing in drapery shops, we are informed that we are to have two Trade Boards for this class of trade only, namely, one for women's and children's wear, and the other for men's wear. Two Trade Boards for the retail sale of clothing are quite unnecessary. In addition it is proposed to have another Board for the sale of house furnishings, which would include household linens, a class of merchandise which has always been sold by the draper. The following difficulties occur in connection with this multiplicity of Trade Boards: Firstly, assistants usually handle more than one class of goods, and there would be great difficulty in determining under which Trade Board such assistants fall to be classed. Secondly, assistants are frequently transferred from one department to another for a half day or some such short period. Again the difficulty of the rate of payment arises, should Trade Boards with varying rates be involved? Thirdly, under the Act employers are under obligation to keep records to show that the Trade Board Acts have been complied with, and failure to do so is treated as a criminal offence. Then again, the difficulty of inspection and of enforcement of rates under these conditions, in our opinion, is almost insuperable. These considerations make it clear that some other solution than a separate Trade Board for each trade will have to be found. We, therefore, consider that the solution of all the difficulties involved will be found in grouping trades between which there is, for Trade Board purposes, no essential difference. To sum up, we put forward the following recommendations: First, that the Minister of Labour should apply the Trade Board to our or any other trade only if he is satisfied that the rate of wages prevailing is exceptionally low as compared with other employments. The mere fact of a trade not being organised does not seem to us a final reason for the application of a Trade Board.

4791. *Chairman*: That is going back to the 1909 Act?—Yes. Secondly that any arrangements made in connection with the Trade Board system as a whole, or in connection with its application to a particular trade, should be on broad lines, and should be such as can be easily understood, that is to say not involved. Thirdly, that every effort should be made, if necessary

by warning and advising members of Trade Boards, to avoid the mistake of having an elaborate wage scale and, in particular, a wage scale fixing "standard" instead of "minimum" wages. We are of opinion that much of the agitation against Trade Boards has arisen from the fact that standard wages instead of minimum wages have been fixed. Many of these rates were fixed in a period of expanding trade. In a period of diminishing trade they, naturally, have to be diminished. Trades then find that it takes about six months to make any alteration in them, and employers and employees consequently suffer alike—the one through having to pay too high wages, and the other through unemployment. The cure for this is to fix minimum wages which will allow for sufficient elasticity with regard to the actual or standard wage to meet any variations in trade conditions.

4792. How would you enforce that on the Boards?—I think that any alteration in the wage scale should be carried through in two months.

4793. That deals with time. How would you compel a Board to fix a minimum wage which is not a standard wage?—We are fixing minimum wages which would be enforced, of course. Everybody would have to pay the minimum, but it is not in any sense the maximum. Is that the point you want?

4794. I know that, Mr. Campbell, but you are recommending, I dare say very wisely, that the Board should fix minimum wages and not standard wages. I suppose in order to bring that into practical effect you would have to put something in an Act of Parliament, on your definition, or somewhere, which would show them that their duty was to fix a minimum only. Have you any suggestion to make of words other than those which are to be found in the Act already?—I have not, but I think every Trade Board announcement sets out quite clearly that this is a minimum wage scale.

Lord Weir: It does not give any interpretation of what a minimum is; what do you mean by a minimum?

4795. *Chairman*: They call it the minimum?—The lowest scale wage which can be paid by employers.

4796. *Dame Adelaide Anderson*: By any employer?—For that particular class of labour.

4797. *Mr. MacCallum Scott*: But they might in effect pay a standard wage?—Well, I dare say there are some people who shelter themselves behind paying the minimum, and looking upon that as a maximum; but if you want in our particular business to get the best class of worker, it is necessary to pay more.

4798. I do not think you have quite got the difficulty. You said previously that some of the Boards had fixed wages which were, in effect, standard wages?—Yes; I am thinking of the Tailoring Board at the present time.

4799. According to the definition you have given just now, these really were minimum wages, because nobody was allowed to pay less?—Yes.

4800. What exactly do you mean by a minimum wage?—Well, the lowest wage which anybody would be allowed to pay that particular class of worker. It may be fixed by the Board in harmony with the cost of living, and very likely it would be.

4801. Supposing I took double the present rates and said nobody should be allowed to pay less than that, would that be a minimum wage?—Yes, if a Trade Board so decreed.

4802. What do you mean by saying that in effect they were standard wages?—Some of the Boards have fixed a rate which is really the highest standard which can be paid in the particular kind of business. You have had an agitation in England against the rate fixed by the Dressmaking Trade Board. I think of 10½d or 10½d. per hour. Happily in Scotland we have ordered things better, and we have not felt the consequences that the English higher rate have had.

4803. How would you suggest that the Trade Board should be bound down to fix rates which were really minima, and which were not in effect standard; must that be left just to common sense?—To common

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sense and experience, of course, and if your Appointed Members and your Chairman are really conscious of the possibilities of setting up too high a rate, I do not see any danger. I will put it in this way. If you need to get the services of a carpenter you must employ a carpenter at the standard rate of wages. If you want a plumber you must pay him the standard rate of wages, and so on, for any particular class of labour; but if a lady wants a dress it does not follow that she must have one made to order; she can get a beautiful thing readymade. The effect of fixing too high a rate for a handicraft like dress-making has a tendency to send people to the ready-made article, which to-day is produced very beautifully indeed. The tendency, therefore, is to destroy the handicraft, and to foster the machine-made article, and the gniding man on the Board, the Chairman, and the Appointed Members on the Board must be people who are very carefully selected, and who will take into account the consequence of fixing a rate too high for that particular industry to carry.

4804. *Mr. Pugh*: I think I quite follow what you mean by the minimum; you simply say, "Here is a rate below which no one shall pay a porter," or whatever he is. That is not necessarily a standard rate. You agree that for skill, or perhaps for service, or perhaps for certain conditions of employment, a higher wage should be paid. How are you going to enforce that higher wage? You would be able to enforce your minimum wage under the Trade Boards Act, but you do not propose applying the Trade Boards Act to wages above the minimum?—If there is no organisation to effect a higher standard wage, then it must be left to the employer and the worker to negotiate.

4805. That, of course, so far as a good employer is concerned, might be all right; but if you cannot enforce it either by trade union machinery or by legislation, would not the tendency be in a very large number of cases that the minimum would become the maximum?—It has that tendency, but at all events the worker is protected up to a point, which is better than the present condition where there is no protection.

4806. There is protection with the Trade Boards?—Where they exist, where they operate; but they do not apply to the distributive drapery trade, for example, to-day.

4807. But of course we are discussing Trade Boards?—Yes.

4808. And at the present time the Trade Boards do fix wages which are not necessarily permanent minima?—Each Trade Board can function for itself, I quite understand that; but I see the possibility of very serious dislocation of labour if these rates are fixed too high. I am not out to pay a small wage; very far from it; but I am sufficiently interested in the employee to advocate that nothing of a drastic nature be done which will cause unemployment.

4809. And then, of course, your minimum would have to be sufficiently low to cover that, and I am anxious to find out how, as a trade, you are going to arrange as a trade to enforce higher wages which would admittedly be paid for skill, for service, and so on, unless you have some means of enforcing it; whether your low minimum, which would be sufficiently low, would not tend to become the maximum, and there would be no protection to the worker?—Well, I think there is always a demand for the higher grade of employee. You would only get the lowest grade for your minimum rate, and if you want a better type of person, a higher degree of service, you would have to pay for it. The law that operates at present I am afraid must continue to operate, with this difference, that the worker would be protected by the minimum wage.

4810. It is simply to prevent a sweated wage, that is all?—That is so.

4811. *Dame Adelaide Anderson*: If in effect you have to take into account the small employer who could not make a profit if a minimum rate were fixed such as to yield the same amount of subsistence as you get in a factory, you would continue to say

that it must be the employer's power to pay, rather than the subsistence wage needed for the worker? You spoke of a tendency of the hand work to go into the factory?—Yes.

4812. You would fix that minimum so as to keep matters standing where they are?—To keep the trade alive; you must have regard to that.

4813. Rather than that the standard of what is necessary for the efficiency and well-being of the worker?—No, I should think your minimum wage would ensure, at all events, a living wage.

4814. *Mr. Poulton*: You would start from that; that is the basis?—Oh yes; legislation without providing a decent standard of living is, in my opinion, useless.

4815. *Dame Adelaide Anderson*: But then if you take the worker, who has to spend more to comply with the conditions of his occupation, the minimum for the one would not be a sufficient minimum for the other?—You mean in the distributive trade, or the making-up business?

4816. Well, any industry.—I have pointed out, of course, that in the distributive trade it does not seem to me to be so very essential to keep the wage low, because you are not suffering there from the competition of other people, from abroad, for example, like a manufacturer. The dress and millinery trades do, however, suffer to a certain extent from outside competition and also from the factory principle.

4817. But in so far as the subsistence wage does reduce the trade of the occupier of the small places, you would let the subsistence wage operate even if it was adverse to the small employer?—Oh, I think any trade which cannot maintain its workers in common decency should not exist. It may be a very serious hardship even to the person who is receiving the very low wage. You take, for example, a small dressmaking organisation in a town of, say, 3,000 inhabitants, where the choice of employment is extremely limited. If you fix a fairly high Trade Board rate and apply it, it may be that the employer cannot pay that wage, and he simply closes down his place. Well, one has to ask oneself the question whether you are doing the worker a kindness in imposing that rate. She may have no alternative employment in a town of that size.

4818. The moment may come when she may have to migrate?—That is just the difficulty; so that our advice is to "Gang wairly" as we say in Scotland—to go cautiously in all regulations so as not to create unemployment—not with a desire to have low wages; far from that; that is not my point of view at all, but to serve the trade.

4819. *Chairman*: You have given us three recommendations. Are there any others?—We also recommend that a wage scale should be fixed to cover only the period of five years from the time of the assistants joining the trade. We assume that they begin at fourteen years of age, and we recommend that a wage be arranged until they are nineteen.

4820. *Lord Weir*: That, of course, only applies to your particular trade?—Yes.

4821. *Mr. MacCallum Scott*: What happens after that?—We think that that is a big rough step to take in the first instance, suitable adjustments being made for late entrants. That is a very important thing, as was mentioned this morning.

4822. There should be no rate fixed for adults?—No. There should be the first step. We also recommend that there should be no extension of this until the trade has fully adjusted itself to the wages scale; and we further recommend that for the purposes of Trade Boards a universal forty-eight hours' week be adopted, to save an interminable discussion as to whether it is to be a forty-four, forty-six, forty-eight or fifty hours' week before overtime is paid. It does not follow that they are going to work forty-eight hours.

4823. *Chairman*: They may work more, but they would be paid overtime?—Yes, or they may work forty-four hours or forty-two hours; but we say that overtime should not be paid until forty-eight hours have been worked.

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Mr. JOHN CAMPBELL.

[Continued.]

4824. *Lord Weir*: As a matter of fact, is there any variation in the hours, for example, in the four Trade Boards under which you work?—Forty-six hours has, I think, been approved. As a matter of fact, a good many of us work forty-four hours. I am told that it is forty-eight hours for the tailors and forty-six hours for others.

4825. *Dame Adelaide Anderson*: With regard to those forty-eight hours, there would be some hour in the day at which overtime would begin. It is not only a weekly maximum but there is some daily maximum?—So far as the distributive trade is concerned we have the Shops Act, which limits the number of hours to be worked per day. There is a Closing Order, say, for seven o'clock for three days a week; there is the weekly half-holiday at one o'clock; there is permission to keep open until eight o'clock on Friday and nine o'clock on Saturday, or something like that.

4826. Does that now limit the productive department?—Not the productive department; that is in the distributive department.

4827. Then in the productive department you would need a daily limit?—That would be advisable.

4828. In addition to the forty-eight hours' maximum weekly limit?—Yes, there should be some regulation so that the day would not be excessively long.

4829. *Mr. Poulton*: To be settled by the Board?—Yes.

4830. *Mr. MacCallum Scott*: You did express strong approval of the principle of Trade Boards?—Yes.

4831. I was not quite sure whether you were in favour of them being applied to your own trade or

not?—Yes, the drapery trade of Scotland is distinctly in favour of it.

4832. I just want to mention two points that strike me. The first was that you suggested definitely that Trade Boards should be limited to those trades in which the rate of wages was excessively low?—Yes.

4833. Would that admit your trade?—The Minister would need to satisfy himself from evidence submitted that the wages were excessively low. I am not prepared to say that they are; I do not think so at the present time.

4834. Would that exclude your own trade or not? I want to know whether that opinion which you have expressed is one which would exclude your own trade?—So far as the masters in the federation are concerned I should say yes; it would mean that we would not have a Trade Board applied; but then I have only access to our own employers' figures. I do not know anything beyond that.

4835. Then the other point which seemed to me to limit your approval of it was that you were not in favour of Boards fixing the rate for adult labour, that is to say for ordinary labour, but only for learners during the first five years?—Yes, during the first five years; then a minimum adult wage, and then leave the Board to determine whether there is to be an extension.

4836. You would leave it to the Board to determine that?—Yes, certainly.

4837. You seem to me to be following the maxim "Gang warily."—We are doing that as much in the interests of the employees as of the employers. We think that they are more likely to suffer than the employers.

Chairman: We are much obliged to you.

(*The Witness withdrew.*)

(*Lord Weir took the Chair.*)

Mr. ARTHUR BALFOUR, J.P., called and examined.

The witness handed in the following statement:—

Proof of evidence of Mr. Arthur Balfour, J.P., Deputy President of the Association of British Chambers of Commerce, Chairman and Managing Director of Messrs. Arthur Balfour and Co., Ltd., Sheffield, Chairman of High Speed Steel Alloys, Ltd., Director of the British Trade Corporation, and Local Director of the National Provincial and Union Bank of England, Ltd. Member of various Government Commissions.

1. Witness attends on behalf of the Executive Council of the Association of British Chambers of Commerce, which comprises 116 Chambers, with a total membership of over 45,000.

2. The following two resolutions were unanimously adopted at the Annual Meeting of the Association on the 16th June, 1921.

(a) "That this Association views with grave apprehension the multiplication of Trade Boards and the large increase in officialism and expenditure, and emphatically protests against the action of Trade Boards in fixing rates which become practically minimum rates of pay and also in the fixing of wages according to age. Further that the action of Trade Boards is disastrous in creating unemployment, and in killing many valuable crafts.

(b) "That this Association strongly urges the Minister of Labour to limit the application of the Trade Boards to those trades in which they already exist until the suggestions of the Council of this Association have been acted upon by the Ministry of Labour."

3. The suggestions of the Council referred to in Resolution (b) were contained in a resolution passed at the quarterly meeting of the Association on November 10th, 1920, urging upon His Majesty's

Government the necessity for an immediate inquiry into the administration of the Trade Boards Acts and the general policy of the Ministry of Labour in connection therewith.

4. The Executive Council of the Association have had under consideration summaries of the views expressed by the individual Chambers of Commerce as to the working and effects of the Trade Boards Acts and the following is a general summary of the views of Chambers of Commerce.

5. The fixing of the so-called minimum time rate, which has become, in practice, the standardisation of a maximum rate, has inequitably benefitted the inefficient worker at the expense of the highly efficient, with consequent detriment to the industry.

6. The method prescribed by the Act for the payment of piece-workers is wholly antagonistic to the principle of payment by results the only method of obtaining economic, and encouraging increased production. This method also provides an equivalent (Section 8 of the 1918 Act) for the payment of "waiting time" a Trade Union demand which has been successfully resisted wherever directly made in connection with piece-work employment.

7. The operations of the Acts have restricted the employment of competent operatives, limited and discouraged the employment of less competent operatives, prevented employment in many instances, and deprived employees of continuous employment on agreed terms, thereby enlarging the category of casual or intermittent workers.

8. In establishments where more than one Trade Board operates dissatisfaction conducive to industrial discord is created by reason of the fact that in the same workshop one particular section of operatives engaged on work necessitating no higher skill than that required on the part of another section, on other work is paid at higher rates.

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[Continued.]

9. Rates fixed by Trade Boards are enforceable on employers; they are not enforceable on employees. Cases are known where employees under threat of strike demanded and secured rates much higher than those adjudged adequate by the Trade Board.

10. The fixing of rates according to age ignores the ability and worth of the individual operative and thereby penalises efficient workers.

11. Learners' rates have been fixed at too high a standard, with the result that employers are compelled to engage only the minimum number and employment and training is accordingly restricted.

12. Experience has shown that the inspection by Trade Board inspectors is in the main confined to well-organised establishments, where proper records of wages and time are kept. Refusal or neglect by smaller employers to keep such records has been ignored, and the scale of wages paid by those who keep no records is unknown, to the prejudice, as it is believed, of the honest employer.

13. The Trade Board system has fostered amongst workers the spirit of competition for higher wages irrespective of the class of work involved, and has directly contributed to the increased cost of living and unemployment.

14. Trade Boards have not stimulated any increased zeal on the part of the operatives, who look upon the wage conditions regulated by the Boards as something totally independent of their own exertions and worth.

15. There is no justification for the suggestion made by the Ministry of Labour that consequent on the extension of the Trade Board system industrial disputes have decreased. Disputes have decreased owing to the extent of unemployment.

16. While data illustrative of the actual cost of the Trade Board system is not available, it is authoritatively estimated that on the average each Trade Board meeting costs £100. In March last, it was officially admitted that Headquarters' cost of Trade Board officials amounted to £45,000. This sum is exclusive of the cost of part-time services of officials in other Government Departments who do certain work for Trade Boards. It is also admitted that up to the present each Trade Board, of which there are 63, involves an annual expenditure of at least £1,000. These figures are the extreme minimum. There is substantial reason for the belief that the system even in its present state imposes a much heavier burden on the Treasury and on industry.

17. There appears to be very little objection to the Act of 1909, which was enacted for the purpose of remedying the evil of "sweating" and limited to the four industries scheduled thereunder, namely:—

- (1) Ready-made and Wholesale Bespoke Tailoring and any other branch of tailoring in which the Board of Trade consider that the system of manufacture is generally similar to that prevailing in the wholesale trade.
- (2) The making of boxes or parts thereof made wholly or partially of paper, cardboard, chip, or similar material.
- (3) Machine-made lace and net finishing and mending or darning operations of lace curtain finishing.
- (4) Hammered and dollyed or tommied chain-making.

18. In the Act of 1909 it was laid down that the Act should not be applied by the *Board of Trade* to industries other than those specifically scheduled *without the consent of Parliament*, whereas under the Act of 1918, the application of the Act to other industries is not subject to the consent of Parliament and confers on the *Minister of Labour* the power of making a Special Order applying the principal Act (that of 1909) to any specified trade if, *in his opinion*, no adequate machinery exists for the effective regulation of wages throughout that trade.

19. The Amending Act of 1918 was not the result of any public demand. It was projected by the Ministry of Labour and rushed through the House of Commons at a time when the attention of the whole nation was concentrated exclusively on the war, and it became law before anyone realised how dangerously it contributed to the development of bureaucracy and unemployment. By removing the application of the Trade Board system from Parliamentary control and giving a free hand to the Minister of Labour, this Act legalised a new departure in State interference with industry, for which no demand had been made by any section of the community.

20. Up till 1918 the Act was only applied to five industries, but since the passing of the Act of 1918 some 54 Trade Boards have been set up, and it is understood that the Ministry of Labour has in contemplation the establishment of an additional 170 Boards.

21. In the opinion of this Association it is not sound policy that such unrestricted powers as those given under the 1918 Act should be vested in the Minister of Labour, and the general opinion of the Chambers of Commerce is that the 1918 Act should be repealed or drastically amended.

22. Capital for industry cannot be raised freely if the industry is controlled by a Trade Board.

23. Time has shown that wages decisions imposed by Government on either employees or employers often break down owing to the operation of the economic law of supply and demand.

24. Competition between Trade Boards and Whitley Councils and deliberate interference in settled trades by the Ministry of Labour.

4838. *Lord Weir*: You are the Deputy President of the Association of British Chambers of Commerce?—Yes.

4839. You are the Chairman and Managing Director of Messrs. Arthur Ballin & Co., Ltd., of Sheffield?—Yes.

4840. You are the Chairman of High Speed Steel Alloys Ltd.?—Yes.

4841. You are a Director of the British Trade Corporation and local Director of the National Provincial & Union Bank of England, Ltd.?—Yes.

4842. You have been a member of various Government Commissions?—Yes.

4843. You attend to-day on behalf of whom?—On behalf of the Association of British Chambers of Commerce, and that represents 116 Chambers with 45,000 members.

4844. I understand that certain resolutions were unanimously adopted at the Annual Meeting of the Association?—Do you wish me to read those? I think every member has a copy of them, and I think you may take those as read.—The first view of our Chamber was that it was unnecessary for the Association of Chambers of Commerce to give evidence because we thought that each Trade had better come before you and give its own evidence; but when we found that every one of our Chambers had reported to us that they were against Trade Boards, or criticised them in some way adversely, we thought that it was better for us just to come before you and tell you of that fact and of course let them deal with their detailed criticisms as they come before you as Trades.

4845. So that you only want to emphasise certain general points, probably?—That is all. I propose with your permission just to take three or four points out of my statement and not to read the whole document, which you have before you. I thought I would take paragraph 5 first, if you are agreeable. The feeling seems to be that you cannot fix a minimum wage without it becoming the standard wage or the maximum wage or whatever you like to call it; and the difficulty is that when you have once fixed a wage the experience of our Chambers seems to be that it is impossible after that to pay for extra efficiency on the part of workers—that the moment you commence to pay for extra efficiency of workers

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[Continued.]

you are immediately met, and I think quite reasonably when you have got the thing so controlled by Trade Unions, with an attempt to increase the minimum to the wages which you pay to the most efficient.

4846. I take it that that does not mean that you object, for example, to the 1909 Act?—I am entirely in favour of the 1909 Act and I think that in any industry where it can be shown that there is sweating you must have something like the 1909 Act; but I do not think that you can apply it generally and set up Trade Boards for every trade in the country. I think that you get into an impossible position if you do.

4847. *Mr. Pugh*: But if in the case of the higher wage that tends to become the maximum would not your minimum based upon sweated conditions tend to become the maximum?—I am afraid it does. That is why I am against setting it up except in a trade where there is real necessity.

4848. You are in favour of the 1909 Act applied to sweated trades, but would not your argument equally apply there?—I think it does apply there: I think that is one of the difficulties in attempting to legislate by Government or by anything controlled by Government between employer and employee.

4849. It hardly disposes of your difficulty, does it, because that is surely an argument against the 1909 Act?—I agree that it is. I think that these things ought to be settled between employer and employee better than by any interference of the Government; but on the other hand you have to meet the point which was raised in some of these Trades in the 1909 Act and you have to do something, and I think it is better to do that than to do nothing. That is my view. Now, if I may, I will take paragraph 8 of the statement.

4850. *Lord Weir*: Perhaps there is a point on paragraph 6. You might develop that a little.—Paragraph 6 says "The method prescribed by the Act for the payment of pieceworkers is wholly antagonistic to the principle of payment by results, the only method of obtaining economic, and encouraging increased, production." I have really touched upon that already. It is the difficulty of getting increased efficiency and paying for it in relation to what you get.

4851. *Mr. Poulton*: What do you mean when you say "The method prescribed by the Act for the payment of pieceworkers is wholly antagonistic to the principle of payment by results"?—Because it fixes the wage.

4852. Payment by piecework is payment for the piece of work done, which is surely payment by results?—It is, that is true; but several of our Chambers have raised this point and they object to the waiting time connected with the piecework rate.

4853. That is entirely a separate question, I suggest.—It comes into the same question, surely.

4854. A portion of my own trade comes under that principle of waiting time and as I understand it, it is because the employer insists upon the pieceworker staying on the premises and will not let him go because some work may come; and the argument is that if the employer wants the man there surely he should pay him something for keeping him there.—There might be some justice in that except that it is increasing the piecework rate really by paying for waiting time, is it not?

4855. If the man is there at the express wish of the employer surely he is liable to pay the man for keeping him?—Is that always the case?

4856. Well, that is the basis of it.

4857. *Mr. Pugh*: It is not an uncommon practice in industry to pay for waiting time?—It may not be in some industries but it does not apply in most industries. I will take paragraph 8: "In establishments where more than one Trade Board operates dissatisfaction conducive to industrial discord is created by reason of the fact that in the same workshop one particular section of operatives engaged on work necessitating no higher skill than that required on the part of another section on other work is paid at higher rates." Some of our Chambers do find

that where two Trade Boards or three Trade Boards are working in one concern under the same roof, the higher rates fixed for one class of the trade which is no more skilled than another class of the trade do cause discontent. Paragraph 9 is "Rates fixed by Trade Boards are enforceable on employers; they are not enforceable on employees. Cases are known where employees under threat of strike demanded and secured rates much higher than those adjudged adequate by the Trade Board." That is considered a serious grievance.

Lord Weir: Can you give us any suggestion as to that?

4858. *Mr. Poulton*: That is dealing with minima?—Yes, but still you are holding the employer to pay the wage, but you are not holding the worker to receive it.

4859. No, because it is a minimum. If you held him to that you would hold everybody down to the absolute minimum.—I have already dealt with that point. I have told you that the moment you go away from those Trade Boards wages you have the difficulty that an attempt is made to raise the whole wage to the higher rate; and I think that is an inevitable result of attempting to fix a wage.

4860. *Mr. MacCallum Scott*: Do you suggest that it should be made a maximum?—It becomes a maximum.

4861. But do you suggest that it should be made a maximum beyond which it would be a legal offence to go?—I do not think you can fix it at all—not generally, except in sweated trades.

4862. *Mr. Poulton*: Although the trades of the country have been doing it for a quarter of a century?—Yes, between themselves, but that is a totally different thing. Take the Union which any of you gentlemen represent and, for instance, my trade; we can come to a conclusion together and we can both carry it out because we have come to that conclusion, but if that is forced upon us by a third party, if it is uneconomical, it will not hold water; and if one side says that they will not work under it what is the good of having fixed it at all.

4863. Again I suggest to you that it is only the minimum, and you will have the same difficulty in your voluntary agreement: if a man considers that he is worth more than the minimum he refuses to work at the minimum.—Yes, but you can fix more detailed rates in negotiations between employer and employed than you can by negotiations between a Trade Board and a Trade. You can select groups of workmen for certain work and fix their wages, and you cannot attempt to do that with a Trade Board.

4864. They do.—You cannot possibly cover the trades in this country on those lines without having a mass of Trade Boards, which would cost the country much too much money.

4865. *Mr. Pugh*: Surely we have the same principle operating in the trades which you and I understand. Our standard rates are the minima which the employer is compelled to pay, and he recognises that he is compelled to pay the minimum, but it is quite open for the workman to apply for higher wages and for the employer to refuse and so on; but you have the same principle operating even under our voluntary arrangement.—No, I do not think so. I think you can pay a man much more in detail under our voluntary arrangement than you can under a compulsory arrangement.

4866. The objection is to compulsion, surely?—Yes.

4867. *Dame Adelaide Anderson*: Even if you had a very wise Trade Board thoroughly representative of the industry and the rates were very wisely fixed?—It depends. If you have a very wise Trade Board I do not think they can fix a rate covering a trade in detail. They have got to take a wide view of the thing and they cannot take a detailed view. I feel that the only way in which we shall get the trade in this country back is by every man working to his full capacity and being paid for the efficiency which he shows; and I do not think you will ever do it under Trade Boards.

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[Continued.]

4868. Not even in the trades where they are thoroughly satisfied with the Trade Boards?—I find very few trades that are thoroughly satisfied amongst our members. There may be some, but I do not know of them. I am leaving each Chamber to give the details as to its trade, because I am not competent to speak of each trade.

4869. *Lord Weir*: What is the next point that you want to emphasise?—Number 10. There is a strong feeling against fixing rates according to age, because "The fixing of rates according to age ignores the ability and worth of the individual operative and thereby penalises efficient workers." It is really the same point as I have already dealt with.

4870. *Mr. MacCallum Scott*: According to what would you fix it?—I do not want to fix it in that way at all. I only want to fix it to the extent of stopping sweating where sweating exists, that is all.

4871. Would not the objection which you intend to express then be that you object to fixing it at all?—I object to fixing it at all in a compulsory way; I do not object to fixing it at all with a Union.

4872. But what I am wondering is why the word "age" is brought into that paragraph?—It is brought in because we find that the rate which is specified for a boy who becomes eighteen years of age is too high, and the consequence is that a boy just in his best learning years from eighteen to twenty-one is very often let go on account of the fact that you can employ a man for the same wage, and it is better to employ a man.

4873. Would you fix it at nineteen years? Do you mean that the age is too small?—I think the age is too small.

4874. That is not an objection to fixing it according to age?—It is an objection to fixing it according to age, because one man at nineteen may be worth a good deal but another man at twenty may be worth much less. If you have got to pay him according to the Trade Board decision you have to pay him as a man.

4875. Are you not suggesting that the wrong age is taken?—Yes, I think the basis of the objections which we have had given to us is that the wrong age is taken.

4876. Then that is not an objection to fixing it according to age; you would just simply substitute another age?—I am not very fond of fixing on age really.

4877. That is what I want to find out. If it is fixed at all, on what principle would you suggest that it should be fixed?—They think as a whole that twenty-one years is the old age at which a boy becomes a man and that it should be something like the age; but eighteen years is much too low.

4878. That is fixing it according to age?—It is, I agree.

4879. Then the objection is hardly correctly expressed there?—That is the wording of our Chambers; that is the view of the whole of the Chambers on age. We find that there is no objection at all to the Act of 1909 or the principles of the Act of 1909 and all our Chambers seem to be in sympathy with the idea of that Act. I will take paragraph 21. The Chambers feel that the unrestricted powers which are given in the 1918 Act to the Ministry of Labour are too wide and the general opinion of the Chambers of Commerce is that the 1918 Act should be repealed or drastically amended.

4880. *Lord Weir*: When you say "unrestricted powers," what have you specially in mind?—The Minister of Labour has very wide power under that Act to enforce a Trade Board on to a trade.

4881. As compared with the 1909 Act?—Yes, as compared with the 1909 Act, he certainly has.

4882. *Mr. Poulton*: After full enquiry?—Yes, I agree.

4883. *Lord Weir*: Do you submit that it is a very unrestricted power which gives the Minister power to impose a Board on a Trade where there is inadequate organisation? That is the only difference from the other Act?—That is the difference from

the other Act, I admit, but the general view of the Chambers is that the Minister of Labour has too much power upon this question.

4884. *Mr. MacCallum Scott*: What is the suggestion that lies behind that? Is it simply that the 1918 Act should be repealed or is it that in certain respects the power of the Minister should be limited?—I think that on the whole the 1918 Act should be repealed. Other Chambers think that it might be drastically amended but generally they think that it should be repealed. With regard to paragraph 22, there is a very strong feeling that anybody who applies for capital for an industry, if they advertised in their prospectus that the industry was controlled by a Trade Board, would have very great difficulty in attracting capital to the business.

4885. *Lord Weir*: Have you any definite evidence upon that?—No, we have no definite evidence except the statement of the Chambers. I am only giving you the boiled down evidence of about 29 or 30 Chambers.

4886. *Mr. Poulton*: May we expect any evidence upon that?—I hope so. I have impressed upon the different Chambers that when they come before you they ought to try to back up the evidence which they have put before us as a whole. Then paragraph 23 is "Time has shown that wages decision imposed by Government on either employees or employers often breakdown owing to the operation of the economic law of supply and demand." I have, of course, already dealt with that. With regard to paragraph 24, we find that there is a certain amount of competition between the Trade Boards and the Whitley Councils. I have some information which was given to me in Sheffield in relation to the silver trade. A canvasser was sent down from the Department of Trade Boards to try and foist a Trade Board on the Silversmiths' trade in Sheffield, which was absolutely unnecessary, as they had worked amicably together for twenty-five years. Nobody had asked for it, but a canvasser is sent down, and one of the arguments is, "If you do not have a Trade Board you may have a Whitley Council." On the other hand, we have people sent down from the Whitley Council Branch of the Ministry of Labour who say, "Look here, if you do not have a Whitley Council soon you may have one of those dreadful things called a Trade Board." It does seem to me that if you have in one building here two staffs competing with one another there is something wrong. We also feel that perhaps in the case of the Silversmith Workers' trade, where there is no reason for it at all, you are really stirring up trouble where it does not exist, and also causing enormous expense to the taxpayers of this country.

4887. *Mr. Pugh*: Has there been any representation from the workmen's side to the Department, or do you suggest that they have initiated the thing?—Absolutely. In the case of the Silversmiths' trade they initiated it absolutely. There was no representation from the workers' side at all. It was a lady canvasser who was sent down by the Ministry of Labour.

4888. They have already got good machinery of negotiation, have you?—Absolutely. They have worked smoothly together for twenty-five years, and I have never known them to have a really serious difficulty which they have not settled themselves, and both employers and employed wish to continue.

4889. *Dame Adelaide Anderson*: The whole object of Whitley Councils is to encourage co-operation and communication between the two sides, is it not?—I think it is.

4890. This investigation was rather an investigation than a proposition, was it not?—No, I do not think it was an investigation at all. It was merely that a lady canvasser was sent down by the Ministry of Labour to try and impress on the trade the desirability of having a Trade Board.

4891. Of having some sort of organisation?—Which they did not need. I think that covers all the information that I can give.

4892. *Mr. Poulton*: I should like to ask one or two questions, because there are some very extraordinary statements here, and I think we ought to have the

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[Continued.]

evidence of them. In the resolution (a) in paragraph 2 it says: "The action of Trade Boards is disastrous in creating unemployment, and in killing many valuable crafts." I suggest that, when we have a statement like that as to killing many valuable crafts we ought to have the evidence here?—I will certainly ask the Chambers to give you that evidence. I will communicate with them. I think the previous witness rather referred to that, did he not? Did he not point out that that was killing the small crafts?

4893. *Lord Weir*: I take it that we will have evidence from the Chambers of Commerce supporting this statement?—That is quite right. We shall be putting before them the evidence which we are now giving, which is based upon their evidence, and asking them when they come here as, for instance, the Boot and Shoe Trade, and when they come here as different trades to back up those statements.

4894. *Mr. Poulton*: Are we really to have this kind of statement put in and no evidence adduced, but to wait for somebody on the assumption that they will come along? Because, of course, the Boot and Shoe Trade is coming along to ask for the Board to be continued because it is so beneficial?—I mentioned the Boot and Shoe Trade as the first that came into my mind. They may. There may be others that will not.

4895. *Lord Weir*: It is not quite so satisfactory as if we could have the details first and the generalisa-

tion afterwards?—I agree, but you will agree that I could not possibly give evidence for all the trades of the country, and that is why, in the first instance, we did not intend to come to you at all. It was only on getting these unanimous opinions over such a wide range of trades of the country that we thought we ought to come and tell you in this form what the conclusions are.

4896. *Mr. Pugh*: I take it that the Association does not want us to regard this as merely a pious resolution?—No, I do not think they do. That resolution was passed with all present; it was at an annual meeting.

4897. So that they will be giving us evidence?—Yes, they must give you evidence. I have asked them to give you evidence.

4898. *Mr. Poulton*: As you have no evidence upon that point I should like to ask whether you have any evidence upon paragraph 7, that: "The operations of the Acts have restricted the employment of competent operatives"?—I think that the Chambers have put up cases to us where that has been the case, but I have not got them and I cannot give you the details of them. I will mark it so that somebody does give you a reply.

4899. *Lord Weir*: *Mr. Poulton* points out that those are very strong statements?—I agree that they are, but they are taken from the views of each of the Chambers as expressed to the Association.

(The Witness withdrew.)

(Adjourned to to-morrow morning at eleven o'clock.)

TWELFTH DAY.

Thursday, 8th December, 1921.

PRESENT:

The RIGHT HON. the VISCOUNT CAVE,
G.O.M.G. (Chairman).

The RIGHT HON. LORD WEIR OF
EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

The Hon. Mrs. ALFRED LYTTETTON,
D.B.E.

Mr. W. T. LAYTON, C.H., C.B.E.

Mr. E. L. POULTON, O.B.E., J.P.

Mr. A. PUGH.

Mr. A. MacCALLUM SCOTT, M.P.

Mr. H. D. HANCOCK (Secretary).

Mr. R. M. MAXWELL, Mr. CHARLES WATT, and Mr. J. M. CROSTHWAITE, called and examined.

4909. *Chairman (to Mr. Maxwell)*: You are a director of Messrs. John McIntyre and Company of Edinburgh, and I think you have come on behalf of the Scottish Garment Makers' and Millinery Trades' Federation?—(*Mr. Maxwell*): That is so.

4901. What is your own occupation?—I am a director of Messrs. J. and R. Allan, Limited, which incorporates John McIntyre and Company.

4902. What is your position in the Federation? Are you Chairman of the Federation?—"I am Chairman of the Scottish Garment Makers' and Millinery Trades' Federation, which is a Federation of trade associations in various parts of Scotland, and which includes the Glasgow and West of Scotland Association, the Edinburgh Association, the Dundee Association, the Aberdeen Association, and also the Ayr Association. The Federation, accordingly, includes members in most districts in Scotland, excluding, however, Orkney, Shetland, Stornoway, Ross-shire, Caithness, Argyllshire, and the Hebrides. So far as I know this Federation is the only organisation in Scotland that can speak for the dressmaking and millinery trades in Scotland.

"It may here be explained that we have no connection with any English association, and represent Scotland solely. No English association can speak

for the trade in Scotland. The Association comprises, roughly, 300 employers, in whose service there will be approximately 7,000 employees.

"Our trade as dressmakers and milliners is dealt with by two Scottish Trade Boards, namely, the Dressmaking and Women's Light Clothing Trade Board (Scotland), and the Hat, Cap and Millinery Trade Board (Scotland). I am a member of the Dressmaking and Women's Light Clothing Trade Board (Scotland), and have been since its inception. I have, therefore, practical experience of the working of the system at first hand.

"I might further explain that as a trade we are not at all interested in piece rates; we are concerned only with time rates. This has been the basis of remuneration in the trade all along."

4903. As to what you said about time and piece rates, do your members not give out work to be done at home?—Very seldom, but that would not be paid by the piece. In the handicraft trade you cannot work to advantage by the piece. It would be a very different thing if we were wholesale manufacturers, whose work is practically repetition work, but with regard to dressmaking, that is done to measurement and to order. Many times ladies require little alterations after they have in the first place decided.

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Those have all got to be taken down, and it becomes a very awkward business to deal with your workers on piece-rates when you have to take down and make to meet the tastes of the customers.

4904. At all events, that is your practice in Scotland?—That is the practice in Scotland.

"Importance of forming Scottish Trade Boards.—In May, 1919, we took part in a deputation from Scotland to the Minister of Labour, urging the importance of giving Scotland separate Trade Boards from England. We have to express our satisfaction that the Minister of Labour agreed to form Scottish Trade Boards, for we are certain without a special Scottish Board it would be quite impossible for Scotland's position to receive reasonable attention.

"Our experience during the war of Committees having their headquarters in England, the time and expense involved in attending meetings, the trivial results frequently thereof, and the fact that the Scottish representation on any such body must necessarily be small, resulted in our conviction that for us the only workable plan was to have Scotland make a separate unit of organization. My experience of the Trade Board has confirmed this opinion, for reasons which I shall explain later."

We come to the principle of wages regulation by Trade Boards, and we approve of them. "Generally speaking, our trade in Scotland, contrary, perhaps, to the majority of trades, and certainly contrary to the trade in England, is in favour of the general principle of the regulation of wages."

4905. *Chairman*: Do you mean you are in favour of the regulation of wages for each class of worker, or only for the minimum wage to be regulated?—For the regulation and fixing of minimum rates.

4906. I want to be clear about that. Do you mean fixing the minimum rate for the lowest class of worker, or do you mean that it is desirable to fix minimum rates for every class of worker?—Personally, I say that the minimum rate should be fixed at a rate which would produce a reasonable sustenance wage for, say, the least efficient worker.

4907. *Lord Weir*: The least efficient worker in each class of worker employed in that trade?—Yes.

4908. That is full regulation—minima for all classes of workers in the trade?—For all classes of workers in the trade.

Dame Adelaide Anderson: One fixed minimum for the whole, or for main classes.

4909. *Mr. MacCallum Scott*: You have different ranks of skilled workers. Do you mean one minimum for the lowest class, or do you mean different minima for each of the ranks of skilled workers according to the degrees of skill?—As far as dress-making and millinery is concerned, we would fix minimum rates for the learners up to the age of 19.

4910. *Mr. Poulton*: Not beyond?—Not beyond. At 19 years of age then the minimum would be fixed whereon you could work for your experienced workers.

4911. *Chairman*: For adults?—Yes.

4912. Men and women?—We have only women employed in the trade; there are no men employed in it. It is all female labour. "*Reasons for approval of Trade Boards.*" We are in favour of this for various reasons, namely: (a) A more highly-organised community necessarily must mean the extension of the principle of collective bargaining in place of individual bargaining. We shall not be able to avoid this in the future—it is a necessary development; (b) these trades consist of a large number of small employers who have never hitherto been organised. Many such businesses do not have any employees at all, while in many cases dressmakers go out by the day to work in the houses of private persons. In view of the humble conditions of the businesses of many of such, the narrow margin of profit, and the nature of the occupations, it is very difficult to say if they ever can be fully organised; (c) these conditions result in a tendency, in many cases, from economic pressure to pay low wages. This tendency to pay low wages will be permanent

in the trade unless some State regulation takes place."

4913. *Mr. Poulton*: Is not that over 19 years of age?—Yes.

Chairman: I see that your scale does include workers of adult age.

Mr. Poulton: I understood the witness to say a moment ago that they were not in favour of any regulation over 19 years of age.

4914. *Chairman*: No.—That is so—not over 19; we are in favour of a minimum rate to be fixed at 19.

Chairman: I did not understand that.

Mr. Poulton: He says so now.

4915. *Chairman*: I have your scale, and it does fix a minimum rate for adults, does it not?—That would be the scale between us and the Union. (*Mr. Crosthwaite*): No, the Trade Board scale went to 20 years of age. (*Mr. Maxwell*): That went to 20 years of age, only one year further than I am suggesting now; it was 9½d. at 20 years of age.

4916. The scale which I have is the Dressmaking and Women's Light Clothing Trade Board scale. Is that the Board?—Yes.

4917. I see a heading: "General Minimum Time Rates for Male Workers: male workers of 22 years of age and upwards, 1s. 2d."—We have only female workers.

4918. The scale provides for male workers.—That is for the wholesale sections, which are on the same Trade Board.

4919. Is it confined to wholesale workers?—The male workers. We have no male workers in the dressmaking and millinery retail branch of the trade.

4920. I beg your pardon, I see it is only Part 1 of your Trade Board scale which applies to the retail branch; is that so?—Yes.

4921. And that does seem to be confined to learners; it runs up to 19 years of age?—That is quite right. After that the qualified worker is to get 9½d.

4922. Then you get female workers other than learners?—Those are the qualified workers.

4923. At 9½d.?—Yes.

4924. That would include adults, I suppose?—Yes.

4925. That is where I think there might be a misunderstanding?—That was the minimum for the adult workers, which I maintain is too high for them.

4926. *Lord Weir*: Just to be clear, the point which I tried to make was that above the 9½d. you did not attempt to regulate wages?—No, I do not believe in any regulation of wages beyond that.

4927. *Mr. Poulton*: Not by the Board?—Not by the Board. We believe in payment according to the ability of the worker.

4928. But that is to be by voluntary agreement?—By voluntary agreement.

4929. *Dame Edith Lyttelton*: But you admit that collective bargaining is impossible in the trade at present, owing to its unorganised state?—It is impossible in an unorganised trade.

4930. In the unorganised state of your trade you admit that collective bargaining is impossible?—It is impossible in the unorganised part of the trade.

4931. I only want to get it quite clear; yet you wish to leave anything above 9½d. to the individual employer to arrange with his workpeople?—Yes.

4932. *Mr. Pugh*: Then in that case how are you going to enforce your arrangements over the whole trade? Will you not have a case where a good employer will pay a high rate, and another employer will tend to make the minimum the maximum?—Wherever the trade is organised the trade union will look after that.

4933. But where it is not organised, what will happen?—Where they are not organised you must leave it to competition.

4934. Then the good employer will be at a disadvantage as against the less satisfactory employer?—There always will be anomalies created, as far as I can see, in whichever way you take it, and I think the best way is to take it in the way which creates the least

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4935. *Chairman*: I suppose there is competition for skilled workers?—There is great competition for skilled workers at the present time; they are very short.

"(d) In order to prevent this tendency it is desirable that some kind of minimum wage should be compulsorily and statutorily established. The Board seems to us the best method of doing so.

"(e) It has to be kept in mind that the payment of low wages by one employer tends to result, through competition, in the payment of low wages by others. The Trade Board system seems the only way of preventing this. It protects the good employer, paying reasonable wages, from the employer who pays a sweated rate of wages.

"(f) Further, in country districts the opportunities of shopkeeping employers are necessarily restricted, and employees have not, as in towns, the possibility of organising to secure reasonable wages. The Trade Board system seems the only method of safeguarding employees in country districts whose wages, through the operation of economic circumstances, may tend to become unduly low.

"(g) While, in trades highly organised into federations of employers, it may be possible to arrange questions for the whole trade between employers and employees direct, this system is not practicable in the case of trades wholly consisting of small businesses up and down the country, owned by those who, in many cases, have little or no trade consciousness.

"(h) The Trade Board system, therefore, offers in our case a preferable method to that of fixing trade wages between the employers' federations (which, in the circumstances of our trade, can never include all employers) and the Assistants' Union (which, for similar reasons, can never include all the assistants).

"(i) Although our experience, unfortunately, has been to the contrary, the probability is that the system may tend to diminish strikes, as it affords a means of exchanging opinions and settling disputes and, at the very least, gives employers and employees an opportunity of hearing each other's points of view."

4936. Have you had strikes?—Yes.

4937. How did those come about?—There was a strike at the very commencement of the Dressmaking and Women's Light Clothing Trade Board in Scotland; I think it was about the month of April, 1920, when we sat first. Previous to that we had had an arrangement with the Union on which we worked.

4938. What Union?—The Shop Assistants' Union. In those days we negotiated with them, and we were in the midst of bargaining when the Trade Board was set up. When we decided to fix the rates up to 20 years of age, fixing 9½d. at 20 years, we agreed with them that instead of waiting for the specified time until the rates had been passed by the Minister, we would bring them into operation on the 31st of the following May, which we did.

4939. What was the strike?—Immediately after that they insisted upon higher rates, 11d. and 1s. 1d. for the adult workers, with which we disagreed, and the consequence was that we had a strike, which I am coming to immediately.

4940. *Mr. MacCallum Scott*: The point is that there was a strike for a higher wage than was fixed by the Board?—A higher wage for the adult workers.

4941. *Mr. Poulton*: That is for those over 20 years of age?—Yes.

4942. *Mr. Pugh*: How did the 9½d. compare with the proposals that were before you in your negotiations with the Union?—They wanted 1s. 1d.

4943. The Union wanted that?—Yes. "(j) As a trade we see no other method of satisfactorily regulating wages in the trade."

4944. *Chairman*: Before you go to the next head, tell me about the learners. You say that your scale fixes rates for learners rising every six months according to age.—Yes.

4945. It has been suggested to us that that system may discourage the learner from improving herself as she ought to do. Do you find that at all?—No, I do

not see how that can. In fact, I should think it would rather have the opposite tendency. The rates are minimum.

4946. *Mr. Poulton*: It would act as a spur?—Yes.

4947. *Chairman*: It is suggested that if a girl knows that whether she works hard or not she will have her wages raised every six months, she may tend to become less diligent.—Of course, those are minimum rates. If there were one particular worker in the trade who shines and is brilliant, I should never hesitate about giving that girl more than the minimum rate which is fixed. I should give her a rate according to her ability, even although she was a junior or a learner.

4948. No doubt, but supposing a girl is not brilliant and does not do her work well, and her wages nevertheless rise, is there not a risk that she may be discharged and lose her place?—Yes, another trade might suit her better.

4949. I do not doubt that, but the point put to us—and I want to get your opinion on it—is this: that supposing a learner does not improve herself as she ought to do, as her wages under the Trade Board scale rise, the time may come when she is not worth the minimum wage, and then she is turned out?—I quite follow you. There might be a case of that description arising, and she should find work more congenial to her.

4950. I am putting to you cases which, so we are informed, have arisen in England to a very large extent, and I wanted to know whether you had any experience of that?—We have had no case of that description brought before us. The difficulty of which I have heard complaints in Scotland, has been as to girls entering the trade, say, at 17 or 18 years of age. Dressmakers, in the country districts very particularly, maintain that those rates are too high for a girl at that age to commence at. The consequence is that I myself know of many people who have brought their daughters to get engaged as learners at about 18 years of age, and when I have explained to them the position they have been very sorry, because they have kept their girls at school for considerably longer than they would have done for the purpose of giving them a good education, and then they find when they come to about the age of 18 that they are really too old to start; although we have provided for that in this way, that a girl starting at 14 years of age comes on to the higher minimum at 19 years of age—after five years or when she becomes 19 years of age—and the same thing with a girl starting at 15; she comes on the higher minimum after four years, when she becomes 19 years of age, and so on up to the scale.

4951. *Lord Weir*: Before this Trade Board rate for learners was fixed, how did you deal with the learners, for example, in your own business? You gave them a starting rate, and promoted them as they got older, or was it in accordance with their ability?—We promoted them according to their ability to work.

4952. Quite. So far as this constituted a definite change, have you approved of that change?—That constituted a definite change, but personally I prefer the other method. I would prefer myself to start with a minimum at 14 years of age, and then go right onward according to their ability. That is as far as I am concerned myself.

4953. That is not the general view in the trade, is it?—No, I could not say it is the general view.

4954. *Dame Adelade Anderson*: You think that under this plan of promoting the girl as she rises in years, you do get fairly good results?—You get better results by paying according to merit.

4955. By promoting according to age?—No, by promoting according to ability, not according to age.

4956. I see; but you said a little while back that the rising scale according to age worked quite well?—That is with regard to the juniors, the learners only.

4957. With regard to the juniors, but not those who come in at a later age?—It would have worked very much better if the scale had been lower. The scale was fixed too high; but I am coming to a point

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presently where I will explain to you exactly why that scale was so high.

4958. But still it encourages the normal girl to rise after a time?—The fixed rate?

4959. The minimum rate rising according to age?—It does not, it encourages a can-can.

4960. It does encourage the girl?—I beg your pardon, not according to age—according to ability it encourages the worker to work.

4961. But I thought I understood you to say a little while back that the rising according to age worked quite well for the juniors?—It has worked fairly well for the juniors, but it might work better if it was the other way.

4962. It might, but is there something also in the method of teaching?—Yes, there is a great deal in the method of teaching.

4963. There is something in the method of teaching which carries on a girl, gives a girl good instruction so that she may earn her wage as she advances?—Yes, but if you have not got the girl with the taste and inclination for dressmaking, it does not matter what kind of a teacher you give her; you will make nothing of her.

4964. And after a time, if you make nothing of her you part with her?—Yes, undoubtedly; there is nothing else to do.

4965. Mr. Poulton: Take the case of the girl you have just mentioned, say, at 17½ years. I can understand it when a girl comes in at 14, because she starts when she leaves school, and the scale works satisfactorily, because every six months there is an inducement; if she does her work well she will have a rise?—Yes, that is right.

4966. Could not something be done with the girl who comes in at 17½, because, as you say, the parents have kept her at school so that her education is better; could not something be done by some elasticity which would allow for those special cases?—That is met in this way, that a girl who comes in at 17 has only two years to serve and comes in at a higher rate.

4967. I understood you to say that the higher rate is acting as a deterrent when you explain to the parent that the girls must come in at the earlier age?—Yes, but we have provided for that since: "16 and under 21 years of age"—that is for the girl starting from 16 and under 21 years of age—the first six months of employment after the age of 16 there is 2½d.—that was at the very commencement of the Trade Board—and the second six months she gets 4d., the third six months she gets 5½d., the fourth six months 7½d.; during the third year, 8½d., and the fourth year, 9d.

4968. Chairman: What are you quoting from?—I am quoting from the first scale that we fixed.

4969. Mr. Poulton: Has that scale on the whole worked satisfactorily? Have you had sufficient experience amongst those girls who come in at that later age to form an opinion upon the working of it?—Well, it has not proved quite as satisfactory as it might have done, and here is the latest one which I can give you.

4970. Chairman: Are you quoting from some scale which has been superseded?—I have been. I am now going to quote the present scale.

4971. That is what I have before me.—Starting at 17 and under 19 years of age the girl enters for the first six months at 2½d.; the second six months, 3½d.; the third six months, 4d.; the fourth six months, 6½d.; and then the third year she gets 8d., and in the fourth year, 9d.

4972. Mr. Poulton: Have you had sufficient experience of that scale to form any opinion of the girls who come in at those later ages?—We have not had sufficient experience of this scale yet, but this will undoubtedly help the position very considerably, because the girls are getting a much more reasonable rate.

4973. Now let us take the opposite girl to the one you have stated—the girl who comes along and just for a start she would like to take up dressmaking, but then she has no adaptability. Let us take the other girl who has been kept at school until she is

17 and who has adaptability; does not the fact that she is kept at school for the longer period and comes along with a better education, with an inclination for the work, and with a determination to pick up the trade, does not that help her in picking it up more quickly than otherwise?—That is what we have arranged for.

4974. Lord Weir: You arranged that by the shorter term?—The shorter term.

4975. Mr. Pugh: The point is that you have been able by means of Trade Board machinery to adjust that matter in a way satisfactory to the trade.

—Well, I would not like to say that it is satisfactory to the whole trade; it is not satisfactory to the whole trade. I do not think the trade have yet got quite accustomed to it; in fact, in many districts in Scotland, the great bulk of Scotland, they know nothing at all about the Trade Boards. That is the position, but it is the Ministry of Labour which is to blame there, because they do not notify them all. If they do notify them they take no notice of it.

4976. Chairman: What I want to understand is this. Where in this scale is the scope for recognising the ability of the learner?—Well, it is here, that you do not necessarily require to stick to those figures. Those are minimum rates, or should be, and if you have an exceptionally smart girl, well, pay the girl accordingly, and you get your results.

4977. That must be by some payment above the Trade Board rate?—Above the fixed Trade Board rate. There is nothing to prevent anybody doing that.

4978. Dame Adelaide Anderson: It is a real minimum?—It should be a real minimum.

4979. And the mere fact that the girl who is brighter or more diligent gets better pay is a spur to the others?—When I say it should be a real minimum, in many cases in the trade I should say that it has become a standard, for the simple reason that the minimum is fixed too high to begin with, and it does not allow for expansion. I mean by that that you cannot pay the best workers better, workers to whom you would like to pay more money, because your pay sheet is already burdened with minimum rates that are too heavy.

4980. Mr. Poulton: So that during the period of learning, on the whole you think the rate is so high that you do not in very many cases exceed the amount to the individual?—In many cases they will not be exceeded; there are exceptions, but the exceptions are only in the larger cities.

4981. Chairman: Now you are going on to another point?—"Unemployment and Trade Board Rates." A good deal has been said recently as to the extent of unemployment due to Trade Board rates. In our case we think that is justified to some extent in Scottish country districts, owing to the failure of the Trade Board to differentiate the rates, and it possibly also has caused unemployment in Scottish towns among the humbler classes of business. We, however, are of the opinion that the real causes of unemployment in our trades are much wider and more deeply rooted. Some of these causes exist in the trade itself, such as the rapidly increasing tendency towards the selling of ready-made garments. Many employers blame the Trade Board, however, as the sole cause of unemployment, because of the natural and human irritation at being subjected to fresh regulations, which may involve some little adaptation of their ordinary business activities, an irritation with which we have all full sympathy." Then I deal with "Amendments proposed in connection with the Inauguration of Trade Boards."

4982. Just before you go from that, I gather your view is that the working of the Trade Boards, although it is not one of the main causes of unemployment, has contributed to unemployment?—I believe in many districts that it has to a certain extent, but not anything like to the full extent.

4983. And you put that down as one reason, failure to differentiate between the different areas?—I do. It is not consistent with common sense to impose the same rates on a place in the North of

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Scotland that you would impose in Edinburgh, or Glasgow, or Aberdeen—you could not reasonably apply the same rate in a small country village or town.

4984. *Mr. Poulton*: Are you now talking of Boards in general, or are you confining your remarks on this point to the millinery?—I am sticking to the one I know something about.

4985. How has it caused this unemployment, seeing that you have a rate only up to 19?

Chairman: I thought we had got rid of that.

Mr. MacCallum Scott: There is a rate for over 19.

4986. *Mr. Poulton*: But I understood Mr. Maxwell explicitly to say in answer to that, that at any rate there is no rate over 20 in their trade.—That is so—no statutory rate.

4987. *Chairman*: I do not understand this. I thought there was a misunderstanding there, and that we had corrected it. I have got your scale, Schedule, Part I, "General Minimum Time Rates for Female Workers in the Retail Branch of the Dressmaking and Women's Light Clothing Trade: Section 1, female workers (other than learners, as defined in Section I, part vi, of the Schedule): 9½d. an hour." Then you come to learners; but does not that first section, Section I, apply to adult female workers?—Yes; 9½d. an hour.

4988. And to all adult female workers?—All above 20 years of age. That is the minimum.

4989. That is what I thought.—That is so.

4990. *Dame Adelaide Anderson*: Without differentiation for different classes of worker?—That was the minimum; 9½d. was the minimum without differentiation for the whole of Scotland—the small villages and the large cities. Now we have differentiated, as I will presently tell you.

4991. *Lord Weir*: Put it in this way: That is the protection which the Board have given to workers over 20?—That is so.

Mr. MacCallum Scott: There has been a little confusion about this, because yesterday I asked a question about this, and I was assured that they only regulated for the first five years.

4992. *Chairman*: There has been some confusion; that is why I was anxious to clear it up and to look at the document.—I may explain that to you in this way. When the Trade Board first sat, and up to a certain period, we went up to 20; but I am coming to something which will explain the whole thing. Now we are regulating the workers up to 19 instead of 20.

4993. And you are also regulating the wages of workers over 19?—We are creating a minimum for workers over 19, for them to start off with. Then "Amendments proposed in connection with the regulation of Trade Boards." We, however, do suggest the amendment of the Trade Board legislation in connection with the circumstances under which Trade Boards are to be brought into existence. Wages: The mere fact that no adequate machinery exists for the effective regulation of wages is no reason why a Trade Board should be called into being, unless it can be shown that 'sweating' exists (or tends to exist) to a considerable extent in the trade or sections thereof. The expression 'having regard to the rate of wages' is much too indefinite, and probably some words, such as 'in view of the exceptionally low rate of wages prevailing' should be substituted. As regards a definition of 'sweating,' we do not propose to attempt this, but we recognise that in our trade, in those districts which a union never can touch, and will never be able to organise, 'sweating' may exist, and we accordingly raise no objections to the application of the Act to our trade." Then we come to "Notice of proposed formation of a Trade Board."

4994. *Mr. Pugh*: On that point, before you leave it, you appear to hold that Trade Boards should apply themselves to dealing with sweated workers. Is it not a general experience that entirely unorganised trades tend to pay very low wages, and that consequently there is a necessity for making some provision for negotiating machinery where trades are not or-

ganised?—I quite agree with you. "Notice of proposed formation of a Trade Board." Prior to the establishment of a Trade Board, more notice should be given than merely the laying of a special order by the Minister of Labour before Parliament." There are many people in the trade who do not get the notices at all. I do not think they can have a full list, and I would suggest that they should apply to the Factory Inspectors. The Factory Inspectors ought to be able to furnish them with a list of those.

4995. *Chairman*: I am told that the Ministry do apply to the Factory Inspectors; but that would not give them a full list, would it, because the Factory Inspector would not have the small people who do not come within the Factory Acts?—Well, he should have the small people who employ a few hands, who occupy workrooms.

4996. Yes, but some employers, I suppose, do not come within that category?—Oh, yes, there are many who do not come within that category. "A formal notice of this sort does not bring the matter before the notice of the trade, particularly an unorganised trade. Individual notice should also be statutorily given to those in the trade, and any associations connected with the trade. As business men, we think the old legal fiction of publication in a document like 'The Edinburgh Gazette' (which nobody reads) being sufficient, will no longer suffice for a business community where a suggested change is going to interfere with the delicate mechanism of trade." We should suggest that is should be advertised in the "Scotsman," or something of that kind, or the "Glasgow Herald."

4997. *Lord Weir*: Would you consider that sufficient—to advertise in the newspapers?—No, I would not consider it sufficient; but I should recommend a popular paper that is read by the people.

4998. Suppose you are unable to find all the employers, suppose you are unable to get a list of them all, then would newspaper advertising help?—It would undoubtedly help to a very large extent, because the majority of people read the papers. An individual notice is not given just now to many of those people in the outlying districts.

4999. *Chairman*: I am told that the Ministry does advertise in most of the trade Press, and also in the general Press?—I have never come across any of them in the "Scotsman" or the "Glasgow Herald." At all events, my point is that the thing is not made sufficiently public, and wherever it is possible at all individual notice should be given.

5000. *Mr. MacCallum Scott*: It has been suggested that a great deal of delay takes place in finding out the names of individuals and circularising individuals about this, and that that delay in effecting changes was prejudicial to the working of the Boards; and it has been suggested that some other method of communicating with the trade, other than individual communications, should be found, such as publication in newspapers or by public notices exhibited in the Post Offices?—I think they ought to have individual notice.

5001. *Chairman*: You are speaking now of the original formation of the Board?—Yes.

5002. *Mr. MacCallum Scott*: Do you think the same notice is desirable for alterations in the rates after the Board has been formed?—I do not follow you.

5003. When it is proposed to make alterations in a rate, to vary a rate, do you think it is necessary to give the same notice to individuals?—The notice is too long by half.

5004. Then you think individual notice is as necessary then?—Yes, decidedly. "It has to be observed that forty days are statutorily allowed for lodging objections to the formation of a Trade Board, whereas two months are allowed for lodging objections to a Trade Board rate. There is surely some want of proportion here! The erection of a Trade Board should not be lightly embarked upon, as so many feel it is at present. The present procedure is very suitable for rushing a Trade Board through before anyone has awakened to the gravity of the

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situation. If only a formal notice as at present is given, the real objections against a Trade Board being formed are much more likely to be overlooked. If personal notice of the formation of a Trade Board is given, the time for lodging objections at present allowed is not unreasonable, otherwise this probably is too short." Now we come to the personnel of the Trade Board.

5005. *Mr. Pugh*: On the point of notice, having got your Trade Board established, do you think that the present period allowed for notice should be curtailed where it is only a matter of varying the rates?—Yes, I do.

5006. We have had a good deal of complaint of delay in getting variations. You think that could be curtailed?—Considerably curtailed, and it would be better for both. "*Personnel of Trade Board: Appointed Members: General objections to the present method of appointment.*" The method of appointing the Chairman and the Appointed Members is seriously open to objection. So far as can be seen, the system seems to be to appoint a K.C. as Chairman, a Professor of Political Economy, and a lady with some record of public work. It would seem as if the one essential qualification of an Appointed Member of the Trade Board was a lack of personal trade knowledge. The result is, that our statements being made from either side, there is no first-hand knowledge by which to check them, and the votes of the Appointed Members are accordingly lacking in the authority which comes from real knowledge."

5007. *Chairman*: There would be some difficulty, would there not, in appointing either an employer or a worker in the trade as Chairman?—I quite agree.

5008. It might be suggested, I dare say unfairly, that he might have some bias on one side or the other?—I quite agree with that.

5009. Therefore you must search amongst the persons who have no interest in the trade to find a suitable Chairman?—Yes, my Lord. I will follow on with an explanation of that. "*Chairman—importance of having capacity to conduct a Meeting.*" The Chairman, so far as can be ascertained, is frequently an individual with no knowledge or experience in the conducting of meetings, and with little capacity for deciding questions of precedence in motions, amendments, counter-amendments, etc. This results in a serious waste of valuable business time."

5010. You are speaking now of your own Board?—I am speaking of my own Board—at least, the one I sit on. "The capacity of a Chairman to conduct the business of the meeting and his tactfulness and ability to create the right harmonious atmosphere is most important, and should be considered before he is appointed. *Waste of time through inefficient Chairmanship.*" We have, in our trade, frequently seen two days, and even three days, wasted on business which, properly and tactfully managed, should have been overtaken in a third of the time. A meeting, to be properly conducted, requires previous preparation, particularly by the Chairman, to save waste of time. In view of the loss that this represents to employers, we strongly think that the weakness thus experienced by us must be corrected if the Trade Board system is to survive. We have at times had our members so disgusted with the waste of time through inefficiency of management of the meeting, that we have had difficulty in persuading them to attend further. On one occasion, for example, a Chairman stopped the whole business of a meeting in order that a trade union official might 'in perfect silence' draft a resolution (of which notice had been given at a previous meeting). After waiting about 15 minutes, the employers' representatives protested against the waste of time, and left the meeting. One of the drawbacks of appointing a K.C. to be Chairman is that he is apt to forget that the making of trifling points either for the one side or the other, has, as a rule, very little to do with the broad decision of the question at issue. *Appointed Members.* In our opinion, it is essential that Appointed Members have either industrial, commercial,

trade or financial experience, or at least some personal experience of the fixing of wages and the practical results thereof on business and on over-turn. Otherwise the amount of time involved in explaining what should be elementary points is quite out of all proportion. The lack of any real knowledge of the subject will be fatal to the Trade Board system. Our experience of Appointed Members is that their usefulness is seriously limited without some knowledge of the business. Unfortunately, our experience of Appointed Members has been unsatisfactory, but we cannot see any method of doing without them. In all cases the Trade Board concerned should have the right of veto with regard to the Appointed Members proposed to be selected. *Employees—should be engaged in the Trade.* Employers and employees should be so chosen as to represent all sections of the trade and all districts in the country. The present system of appointing practically all the employees' representatives from the trade union involves the non-representation of non-organised workers, and particularly of workers in country districts where trade unions have few members. In the Dressmaking Board, for instance, we have, so far as we know, only one non-union member. We quite recognise the practical difficulty of securing non-organised employees from country districts, and the objections which many employers may have of giving an assistant leave of absence for this purpose, but that is a problem for the Ministry (if necessary with the help of the employers) to solve."

5011. *Mr. Pugh*: On that point, how are you going to arrange for collective representation of the non-trade union workers? An individual appointed from a particular establishment would represent himself only, would he not? What means do you propose to adopt whereby the non-trade union members may be represented collectively? How are they to be given a voice in their representation? Is not that the difficulty?—The unions, of course, ought to do their best to organise the whole of Scotland.

5012. Quite, but they are not organised. How are you going to improve on the present position? That is what I should like to know. Can you help us in that respect? When you get better representation, you get it principally through the workers who are organised, and therefore can express themselves collectively?—If the Minister has a full list of the trades in Scotland, I do not see any difficulty whatever in getting representatives from the unorganised portion of the trade. They could be invited direct by the Ministry.

5013. But they would then have to be appointed, say, from an establishment. There would have to be some collective points expressed, surely, if they were to be representative. Do you suggest you can take a vote of the establishment and send some individual to represent them?—Well, of course, in a small country place there is no reason why the people should not meet together, as we do in the larger towns, and discuss the problem, and send a representative from there.

5014. Would you have a form of district committee: would that be your means of getting collective opinions?—No.

5015. *Mr. MacCallum Scott*: But there are many small towns and villages; are they all to send representatives?—Not necessarily. We have only so many representatives allowed on the Board, but still those people living in the outside districts could speak for possibly a portion of the county, or all the county. I do not see any difficulty in getting someone to speak for a county, possibly, such as Perthshire: it is not very thickly populated.

5016. *Mr. Pugh*: By what means would you appoint them; how would the person be appointed? Who would appoint him or her?—By notification through the Ministry of Labour.

5017. Oh, yes, but this individual has got to represent a large number of workers in a given district. How is he going to be appointed?—It might possibly encourage them to organise. That is what we want.

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5018. *Mr. MacCallum Scott*: If they are organised there is no difficulty; but the point is that they are not organised. How are you going to appoint someone to represent them?—We would do our best to encourage them to organise. It might encourage them to organise.

5019. Does not the present system encourage them to organise, because they know if they organise they could have a representative from that organisation? What more can one do to encourage them to organise?—Well, we are doing our best.

5020. I am sure that, but what more can the Government or the Ministry do?—Show that it is to their advantage to be fully organised so as to defend themselves.

5021. *Chairman*: I thought you told us that the workers in this trade never could be fully organised?—It would be difficult to organise them in places like Orkney, Shetland, and the Hebrides, but we suggest that those places should be left out altogether.

5022. At all events, until there is good organisation, have you any method by which representative non-union workers may be selected? That is the point put to you. You say that there is no difficulty, but we would like to know what your suggestion is?—That is a difficulty, of course, and a very serious one, and the only way that I can see in which to meet it is for the association and federations which are in existence to spread out as widely as ever they possibly can, and to do their best to get to those places and get them organised. It might be necessary to do that.

5023. *Dame Adelaide Anderson*: You think it is better that the organising should be done by the workers or by the federations themselves, rather than by the Government?—No, I do not think it is, in these widely scattered districts.

5024. *Mr. Pugh*: Until you can get them organised, you are rather dependent for your representation, are you not, upon the body of workers who have made provision whereby they can speak collectively, and, therefore, in that case you are bound to have a smaller proportion of unorganised representatives?—That is quite right, but still we can improve very greatly upon the present state of affairs, and in time we might get a little bit nearer perfection.

5025. *Chairman*: With that pious hope we will go on to the next subject.—“*Professional Representatives of Employers and Employees*. Great care should be taken when employers’ representatives are being appointed to see that these representatives are workers actually engaged in the trade, and acquainted with its practical details. The swamping of Trade Boards with trade union officials is objectionable from every point of view. Not more than one professional representative on the Trade Board should be allowed on either side for each trade. In view of Appointed Members being without knowledge, confusion becomes worse confounded when the employees’ representatives are also without practical knowledge of the trade. We have no objection, however, to a professional representative being a member of several Trade Boards. In fact, it may be an advantage. *Employers—Importance of appointing representatives of small businesses and country districts*. The remarks in the foregoing section with regard to employees’ representatives apply equally to the selection of employers’ representatives. It must not be forgotten that, while the well-known names in the trade are those of large important businesses, these, after all, represent only a small minority in the trade. The great majority of individuals in the trade are in small businesses, a large proportion of whom come from country districts, and one of the most clamant necessities of Trade Boards, in such trades as ours, at present is that small businesses not only in the urban, but also in the rural districts, should receive just representation on the Trade Boards.”

5026. Has your federation endeavoured to secure that?—We are endeavouring to secure it as far as we possibly can.

5027. I think you nominate for 11 seats on the Board?—Yes.

5028. No doubt in choosing those 11 you do endeavour to get the country districts represented?—Yes, we have done so. I will explain that in a moment.

5029. *Lord Weir*: I am sorry to interrupt, but I think it is pertinent to that point: Since the Board has been established, has your federation developed its activities very largely? Has it had the effect of developing organisation among the employers?—Yes, we have added to our members.

5030. Has it acted as a spur? Comparing it with the normal progress which you were making, did the Board cause you to go at it harder than ever?—It has acted as a spur, and has brought in people who would not have been members of the federation. “While advocating strictest economy in administration, we think that a grant in aid of small country employers who have to face the loss entailed in leaving their business to attend Trade Board meetings might be well-spent money.” That is speaking about small businesses in urban and rural districts.

5031. *Mr. Poulton*: By that means you could, in your judgment, get wider representation?—Yes.

5032. That is the view you would put upon that?—Yes.

5033. And that is the reason for that statement?—Yes, that is what we want.

5034. *Chairman*: The position now is, it is not, that the workers’ representatives get an allowance which covers subsistence and loss of time?—Yes, the workers’ representatives do.

5035. While the employers’ representatives get a grant which covers only subsistence?—That is all. “*Co-operators as Employers’ Representatives*. We, as private traders, strongly object to co-operative societies being represented on the employers’ side. It may seem at first sight unreasonable to do so in view of the co-operative movement having a large organisation covering the whole country. The following points, however, have to be kept in mind in connection with this:—(a) Co-operative societies claim as their virtue that they do not carry on trade on the lines of the private trader. In particular, they do not carry on trade for profit. Profits are divided among their own members from among whom the workers are very largely selected. They are exempt from Income Tax and Corporation Tax. The State accordingly allows them to retain about 50 per cent. more profit than the private trader. (b) By the co-operative system of quarterly dividends, members are in a manner ‘thirled’ to the society, so that they have much greater difficulty in going elsewhere for their purchases. Co-operative societies, therefore, do not sell goods under the competitive conditions that the private trader does. It is well known that prices can be secured by co-operative societies impossible to the private trader, and that members of co-operative societies will submit to inefficiency and inadequacy of service which they would not tolerate from a private trader. (c) The co-operative movement is closely associated with, and almost indeed incorporated with, the labour movement, so that they are much less independent towards the trade unions than is the private trader. They are, indeed, largely subject to the demands of the Labour party and the trade unions concerned. This is almost the necessary result of the directors of Scottish retail co-operative societies being artisans and members of trade unions. (d) An employers’ representative sitting on the Trade Board is himself an employer, and understands the difficulties with which the employers are faced. The co-operative society representative on the Trade Board is, however, himself an employee, and owing to the co-operative method of doing business, is not specially interested in the employers’ standpoint. He cannot be considered as an employers’ representative in the same sense as his colleagues. The curious situation may, and I believe, does, arise where a trade union member or official who is a director or a member of the committee of management of a co-operative society sits on a Trade

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Board as an employees' representative, while the manager of the society (who is his servant) sits among the employers. The system is anomalous from every point of view. We, therefore, suggest that co-operative societies (if they desire this) have a separate Trade Board for themselves. I understand they are well organised on both sides, and so perhaps they ought really to have a Whitley Council."

5036. *Mr. MacCallum Scott*: Is that difficulty obviated to any extent by side voting?—It would enable the Minister of Labour, of course, to see exactly how those decisions were arrived at. Under the present system he does not know who has voted for or against; it merely states "12 for, 16 against," or whatever the numbers may be. It would not be dissected in the Minutes.

5037. Some of the Trade Boards have a regulation whereby the employers' vote is given as one single vote. Even supposing that there are some dissentients among the employers, the dissentients are not counted; they vote as a side?—Yes, that is what we would like.

5038. That prevails in some of the Boards. The Boards can adopt that system themselves, and some of the Boards have adopted it; is not that so?—(*Mr. Crosthwaite*): Yes, some of them have.

5039. I just wanted to see whether your recommendation was that side voting should be adopted on the Board?—(*Mr. Maxwell*): Yes, that is what we are in favour of.

"The sacrifice entailed on employers by the Trade Board system. The Government must face the fact that it is a great sacrifice to employers who have businesses to manage, attending Trade Board meetings. A meeting in London will, in the case of those from Scotland, involve three days at the least; a meeting even in Scotland means, in many cases, two days in the case of those coming from the north for a one-day meeting in Edinburgh or Glasgow. In the case of those who are personally concerned in attending to customers (as dressmakers are in connection with the fitting on of garments) it often means a stoppage of trade for the time being, or, in many cases, a piling up of arrears to be overtaken. We have, for example, found it most difficult to secure a lady representative on the Dressmaking Trade Board for this reason. It has also to be kept in mind that each Trade Board meeting also involves a preliminary meeting of employers' representatives to decide as to their joint views and policy to save the time of the meeting, as well as probably a federation meeting to be attended in connection therewith.

"If these are all added up, and account is taken of odd meetings of Administrative Committees of the Trade Boards, or conference in London, the sacrifice involved to employers, in accepting a post as employers' representative on the Trade Board, is very great, and tends to become greater. Some method of diminishing this hardship will have to be found."

5040. *Chairman*: Have you found one?—We have not found one.

5041. *Mr. Pugh*: Will that difficulty be any greater in trades where there are Trade Boards than it will be in trades which have voluntary machinery of negotiation? Is it any greater in Trade Board trades than in trades which are outside the Boards where there is proper machinery or negotiation?—Yes, it is greater than the methods of procedure before the Trade Boards were set up—very considerably greater. We dealt directly with the union, and we had not to attend the same number of meetings, or anything like it.

5042. Then you dealt with it as individual employers, did you not?—Collectively.

5043. *Mr. Poulton*: The procedure was simpler?—It was simpler.

5044. *Lord Weir*: Do you not think that you had more meetings, taking it all over the country? Think of all the meetings that were necessary all over the country to do the work which is done at the Central meeting.—Well, they still have them.

5045. To the same extent?—Possibly not to the same extent.

5046. It is rather a difficult thing to assess, surely?—I quite realise that there might be difficulties, but still at the same time I think they ought to be endeavoured to be got over.

5047. Is it not really that the work has been concentrated on a few people who feel it, whereas previously it was distributed over a very large number of people all over the country?—Of course, those associations in the various parts of the country are federated with the central body, but the associations require to have their meetings just the same as before.

5048. *Mr. Pugh*: It is something which is not peculiar to the trades covered by Trade Boards, is it not?—It has very largely increased the number of meetings, and the loss of time to the employer.

5049. Do you do any of your work through a sort of standing committee of the Board?—We do the work through our associations and the federation.

5050. But have you got standing committees, or a smaller body representative of the Board, which can act without the full Board having to meet?—We have the Administrative Committee. "This emphasises the importance of reducing the number of meetings and of having the business at these meetings efficiently attended to by the Chairman, and prepared for by employers, employees and Appointed Members." It would save an enormous waste of time if the Chairman were thoroughly posted in the work before he came, and the employers and employees likewise were prepared for the meeting. "Our recent experience in having the question of differentiation for country districts carried forward to three meetings, illustrates this point."

Now I come to the constitution of Trade Boards. "Practice of combining Manufacturing, Wholesale, and Retail Sections in one Trade Board. The practice of including wholesale, manufacturing, and retail sections of a trade in one Trade Board, while having at first sight something to commend it, has with us been found impracticable. Under this system one half of the Board are attending to the affairs of their section, while the other half are inactive and uninterested. This should be corrected by a general grouping of Trade Boards together, retail trade with retail trade, and wholesale trade with wholesale trade. To split the Trade Board into different sections, each of which would legislate for itself, subject to the approval of the whole Trade Board, is not an expedient mode of rectifying this defect. It leads to more meetings instead of less, as, under the regulations, only the whole Board can finally decide rates and conditions for the trade. As the system stands at present, one half of the members vote on matters in which they are not interested, and have neither responsibility nor knowledge. We have been told that the explanation of this is the difficulty in definition. We, however, in Scotland do not have that difficulty, but because the trade in England desire matters to remain as they are, we have to take the same. The system is not desirable."

5051. *Mr. MacCallum Scott*: Before you leave that question: are you suggesting the grouping together of Trade Boards?—Yes. For instance, take the Dressmaking and Women's Light Clothing Trade Board; one half is retail, and the other half is wholesale—manufacturing. The same thing applies to the Hat, Cap, and Millinery Trade Board: one half is retail, and the other is manufacturing. We suggest that the two retail sections should be put together, for the simple reason that milliners and dressmakers are practically on a level and in the same retail trade, and that the same wages should apply to both.

5052. Are you confining that to the sewing trades, or do you mean that all retail trades should be grouped together?—Dressmaking and millinery—the sewing trades; that is the retail manufacturing section of the trade.

5053. Of the sewing trade?—Yes.

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"The scope of the Board should be defined by the Trade Board itself. The Trade Board itself should decide the definition of the trade, and the scope of the Trade Board—subject to adjustment thereof by means of conference with any other Trade Board, who may be affected thereby. The Minister should have the right to decide only in case of difference."

5054. *Chairman*: Would you leave the Trade Board absolutely free to say what occupations come within its scope?—Certainly; I think so.

5055. Is there not some danger that the Board may have a tendency to enlarge its jurisdiction beyond the proper limits? For instance, may I put an instance which was given to us the other day: the Tailoring Board strongly held that its scope would include the making of waterproofs and mackintoshes. Of course, there was grave objection by the waterproof and mackintosh people outside the trade, and in the end it was held that that was beyond the scope of that Board. In a case like that, it would be rather dangerous, would it not, to leave it entirely in the power of the Board to say who it includes and who it does not include?—We do not suggest that it should be entirely in the hands of the Trade Board, but it should be in the hands of the Trade Board to recommend the Minister.

5056. *Mr. Poulton*: I take it you mean that the men and women who have practical knowledge of the trade should define what is meant by the trade?—That is exactly the point.

"Danger of using undefined terms—'tailored'; 'non-tailored.' It is necessary, before dealing with Trade Boards, to understand the terms that are being used. At present we suffer very much from the Ministry of Labour's use of the words 'tailored' and 'non-tailored,' which cannot be defined. We contend that the definition of such terms should be under the control of each Trade Board, and, in the event of clashing of the interpretations of separate Trade Boards, the matter should be decided by a conference between them, with the Minister of Labour as the final arbiter in the event of a difference of opinion." That answers the point which was put to me.

5057. *Chairman*: How does this point about "tailored" and "non-tailored" arise? Is it a question of scope?—It is a question of scope.

5058. The word "tailored" occurs in your definition, I suppose—"Non-tailored garments," and the question arises as to what is a non-tailored garment.

5059. That would be a question between the two Boards, would it?—To consider, and if necessary refer to the Minister.

5060. *Mr. Poulton*: And when they have decided what they mean, that would have the force of legal opinion behind it?—Yes.

Chairman: I thought you said that it should be referred to the Minister?

5061. *Mr. Poulton*: For confirmation?—Yes, if they could not decide—or for confirmation.

5062. *Chairman*: You mean that those gentlemen who understand the trade should first consider the point?—Yes, they should consider the matter.

"Objections to multiplicity of Trade Boards. The tendency to create a multiplicity of Trade Boards is objectionable, owing to the differentiation which this brings out. At present, most of the larger retail houses employ both dressmakers and milliners who have different rates of wages in Scotland. This tends to dissatisfaction among the workers, and leads to trouble in businesses. The remedy on which we have resolved is to join them in one Trade Board, and have only one rate of wage. We are of opinion that the totally unnecessary multiplication of Trade Boards with which we are threatened will involve an amount of time, and will create differentiations causing industrial unrest which will ultimately make the system unworkable, if continued."

5063. Following that out, you suggested that millinery and dressmaking might be combined?—Yes, retail dressmaking and millinery.

5064. Is there any other trade which you think might be combined with those two in one retail

board?—Those are two trades which are carried on in retail establishments. Wherever you come to the manufacture of garments for wholesale, then that is a different matter altogether, and they are not reasonably workable together.

5065. There is no other trade which occurs to you at the moment which might be combined with them?—There is no other trade which we can combine with the millinery and dressmaking.

5066. *Lord Weir*: You have two Boards now?—Yes, we have.

5067. And you object to the multiplicity of Boards, yet you are suggesting that you should still have two Boards?—Yes, we should have two Boards, but we should have two Boards which would be much more satisfactory, and would save a very great deal of time, because the one Board would be entirely retail, and the other would be entirely wholesale—manufacturing. One meeting would do for both.

5068. *Mr. MacCallum Scott*: That does not get rid of your objection to a multiplicity of Trade Boards. Have you any suggestion for reducing their total number?—I am rather referring to the Trade Boards which are looming in the distance—that care should be taken with regard to the setting up of those Boards, to see that they are not multiplied any more than is necessary.

5069. Does not the demand for separate Trade Boards come very largely from the trade itself, who are objecting to being grouped with other sections of the trade?—Possibly it may. I have not come across that. That comes from ourselves.

5070. *Mr. Poulton*: That may have been so in the earlier days, but has not the experience of the Boards, now that they have had some working of them, brought them round to the view that the fewer Boards they have consistent with efficiency, the better?—I believe so.

"Necessity for Simple Regulations. Undue elaboration in the number of Trade Boards, their classification of work, wages or ages, is to be discouraged in view of the fact that these regulations have to be acted on by many persons with little skill to interpret complicated rules—Trade Boards should proceed on broad outlines. Simplicity in regulations is essential. It must not be forgotten that small retail businesses have not the organisation of large factories for dealing with complex regulations. Failure to observe those regulations may involve prosecution at the hands of an inspector with more zeal than discretion, and a conviction means guilt of a criminal offence, and, in many cases, involves a very serious reflection on the character and reputation of the employer.

"Trade Board regulations should be on 'broad' lines. We are of opinion that the affairs of a Trade Board should not be regulated minutely by a Trade Board, but only 'broadly.' If this is not done there is lack of that elasticity which is so essential in Trade Board matters."

5071. *Chairman*: Will you give an instance of that last observation. In what way should they operate more broadly?—Take, for instance, the creation of minimum wages—the creating of a minimum wage instead of a scale of wages according to the age of the worker, and many things of that description. That gives breadth and latitude to their work.

5072. *Mr. Poulton*: The Boards can decide, can they not, on having broad regulations, but you want the Board to decide whether that is the best way of doing it?—Yes.

5073. *Lord Weir*: Surely that is for the Board to settle for themselves now? You are not told to do all these different things; you can settle them if you wish to. Why do you not?—With a Board constituted such as ours is—

5074. That is what we want to know about. What stands in the way?—With a Board constituted such as ours is with two co-operative society representatives sitting on the employers' side, and with the labour side of the house almost wholly composed of Trade Union officials, it is a very difficult matter. We

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are voted down every time, with the assistance of the appointed members.

5075. *Mr. MacCallum Scott*: What exactly do you mean by acting more broadly in the sense of having a minimum wage?—I say that the creating of any minimum is acting more broadly.

5076. I want to see what that means. Take your own case: You have a minimum of 9½d. for workers over 20 years of age—for adults?—Yes.

5077. That is acting broadly. It may be the wrong minimum which is selected, but that is acting broadly?—That is so.

5078. What do you suggest below that? Do you suggest that there should not be anything at all done below that for learners?—The younger minimum is already fixed up to 19 years of age.

5079. I know, but I want to know what you mean by acting more broadly than they are acting now?

5080. *Chairman*: You mean that other Boards should act as broadly as yours does, I think; that is what it comes to. So far as the minimum goes, you mean that other Boards should follow your example and confine themselves to fixing one minimum?—Yes, that is quite right.

5081. *Lord Weir*: You talk about the necessity for simple regulations. Who, as a matter of fact, makes those regulations? It is the Board, is it not? Is it not in your power to do that, and are you not yourselves the people to do that?—Yes, that is quite right, but if you are in the hands of an impossible Chairman—that is why I maintain that great care should be given to the selection of the Chairman and the appointed members.

5082. *Mr. Poulton*: You appear to have an autocrat?—I would not like to say he knows very much about the job he is at.

5083. *Chairman*: You have a very distinguished Chairman. If you say very much more about him, we shall have to ask him to come and defend himself.—I quite agree that he is a distinguished Chairman, and in his own line I have no doubt has great ability.

“Cost of Trade Board system to the Trade Associations fall entirely on the public spirited section of the trade, but should be spread over the whole trade. Reference has already been made to the sacrifice of time involved to employers in connection with the

Trade Board system. No trade can support a Trade Board system unless it has a vigorous, active and vigilant employers' federation. Our experience in connection with the Scottish Retail Garment Makers' and Milliners' Federation is that practically the whole expense involved to the Federation is in connection with the two Trade Boards. We have local associations and a joint federation, involving the payment of four secretaries in different parts of the country, and considerable outlays. None of these associations is able to maintain itself entirely by its ordinary subscriptions. All have to rely from time to time on forced levies from their members or particular individuals among their membership. This work is entirely performed for the benefit of the trade as a whole and for the better organisation of the country generally.”

5084. This is an appeal, is it not, to other people to join your association? We are not much concerned with this part of your evidence.—That is quite right. “The trade, of course, derives the advantage of also being better organised. We think, however, that the cost has now reached a figure as high as we can possibly go.”

5085. Why are you saying all this? This point does not concern this Committee, does it? You are just making an appeal to traders to join your association. This is not the proper place for that.—Very well. That finishes all that I have to say.

5086. We are much obliged to you for your comprehensive statement?—I have here a short Memorandum, if you would like to see it, on the working of the Trade Board, and the business which has been conducted since we set up the Trade Board.

5087. What is that intended to show?—To show how little business we can get through in all that period of time.

5088. *Mr. Poulton*: Then you have got through a minimum?—Yes, a minimum, and a very low one.

Mr. Poulton: I should like to have that in.

5089. *Dame Adelaide Anderson*: But none the less if your machinery and all the arrangements could be improved, you heartily approve the principle of State regulation?—I heartily approve the principle of Trade Boards.

Chairman: We are much obliged to you for coming here and giving us your statement.

(*Mr. Maxwell withdrew.*)

5090. (To *Mr. Watt*): I daresay you have heard Mr. Maxwell's statement. Are you in agreement with him?—(*Mr. Watt*): Not entirely. It may be said that I am representing the minority of the federation. I have been appointed because I come from the smallest town that takes an active part in it, and we differ to a certain extent from our colleagues in the South.

5091. *Mr. MacCallum Scott*: What town is that?—Aberdeen. We are entirely against all methods of Government control of business; we would much rather be free from any control whatever. If that is not thought wise, rather than such a small grouping of Trade Boards as we meantime are under, my local association thinks that something in the way of a national minimum scale for all girls engaged in the sewing trades might well be discovered, fitted to various districts throughout the country.

5092. *Mr. Poulton*: When you say “country,” do you include Great Britain, or are you confining it to Scotland?—To Scotland. We in Aberdeen cannot see why a girl who sews a shirt need be paid a different rate of wages from the girl who sews a blouse, or a girl who is engaged in making caps.

5093. *Lord Weir*: You mean a different minimum?—Yes.

5094. *Dame Adelaide Anderson*: Would you distinguish learners from adults?—We would suggest that if you take it, for argument's sake, that a girl of 19 should be paid 8d. per hour, that is all that requires to be fixed; the machinery that we have is sufficient to adjust from that. I do not suggest the age of 19; I say take a certain age—

5095. Say 18?—If you like.

5096. *Mr. Poulton*: You simply give that as an example?—Yes. If you say 18, I should say 8d. per hour, and if that is fixed for a girl whether she sews pillow-cases, blouses, shirts, carpets, or upholstery, or anything, then there is sufficient organisation to work either up or down from that.

5097. *Lord Weir*: That would be a flat minimum for the whole of Scotland?—No. Take, as an example, Shetland; I take that as a minimum, because a girl can perhaps live most cheaply there. If she is paid 8d. per hour a girl in a comparatively small town like Inverness might need to be paid 8½d.; a girl in a town like Aberdeen might need to be paid 9d.; in Edinburgh perhaps 10d., and in Glasgow, if it is decided that the cost of living there is higher than in Edinburgh, 10½d. or something like that.

5098. Would these variations from the minimum be statutory?—Yes.

5099. Then how would you arrive at them?—I understood that there was some such arrangement existing amongst the postal servants in pre-war days, and that at one time worked quite satisfactorily and with equity to the postal servants?

5100. *Mr. Pugh*: It is an occupational rate with district variations?—Yes.

5101. *Dame Adelaide Anderson*: Then you would leave workers below the age which you suggest—say, 18, 19, or 17 years of age, or whatever it was—to private bargaining between the parents and employers?—And we have a sufficiently strong union throughout the country with the exception of the country districts.

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5102. *Mr. Poulton*: But you would not have all this statutory regulation of your wages for the young people?—No. Our feeling is that the circumstances vary so much. To give a personal example, a mother may come into my place and say: "I very much want my girl just to be taught to sew; can you have her for a year?" I mean apart from the age at which she may be; she may be 16 or 18 years of age. We say: "We do not want a girl who is going to be here a year; we shall be quite pleased to take her and give her such and such a sum per week, if you are going to take her away, because we want a girl to stop on, and we will lose money with her the first year." We used to make arrangements of that kind which were not inequitable.

5103. *Lord Weir*: Does that apply generally; would it cover a good number of people?—It would not cover many people, but many times we are tied down. You have to say to Mrs. Smith if she brings in her daughter: "I am sorry, but I cannot afford to do it." With these remarks I am entirely in agreement with the federation proposals if the present system of Trade Boards continues, and I would suggest some improvements on the present system. Mr. MacCallum Scott asked a question as to side voting. Our Federation considers that that would be very desirable indeed, as you may have instances of a co-operative representation or someone who undoubtedly upsets the prevailing feeling of the employers' representatives sitting on the Board, and may lead to a decision being very far out of what is the general feeling, or a feeling so very much whittled down that you do not get by any means the employers' opinion as to rates or conditions.

5104. *Chairman*: Would not that rather tend to suppress individual opinion?—It does.

5105. Is that altogether a good thing?—What we do find in the working of our own Board is that we may have an instance of 9 employers who are perfectly willing to support a certain rate of increase, or desire a certain rate of decrease, and three employers may differ from them. If the 9 men or women are absolutely disregarded, it does not give the view of the majority of the trade from the employers' point of view, it all goes back to the point that, as at present constituted, in theory a Trade Board should be a very excellent thing, but in practice it has not proved so.

5106. *Mr. Poulton*: In addition to the danger mentioned by the Chairman, is there not another danger, that if you want to depend purely upon side voting you have to get the whole of the vote? Supposing an individual took up an obstinate position—if he said, "No, we have agreed upon side voting, and I do believe in this, and therefore I shall stick out," and he would not give way at all, despite the pressure of his colleagues, and they thought that he was adopting an unreasonable and unreasoning attitude, what would you do then?—The majority in a sense are represented. I quite agree with what you say that even side voting is illogical; I quite admit that. If you have a minority of 25 you want to carry your proposal by 13 to 12, because every vote ought to be worth the same as the others.

5107. *Chairman*: Of course, under side voting the majority on one side would overrule the minority on that side?—That is so.

5108. That is carrying the party system further than it is carried even in the House of Commons?—Yes, it is not a logical system.

5109. *Mr. Poulton*: No, I thought possibly that you would see that it is not.—My statement says: "It is recommended that the Minutes of a Trade Board meeting should show: (a) The number of employers; (b) The number of employees; (c) The number of appointed members, respectively, voting for or against the various motions and amendments." We have found in practice that sometimes the appointed members decline to vote. "This information is essential for the Ministry of Labour, and should not be left to inference. We endeavoured to have this proposal carried at our Trade Board, but it was defeated by the appointed members' votes."

The impression of our Board seems to be, rightly or wrongly, that the appointed members do not wish the Ministry to know their opinions. I may be wrong in making that statement, but that is the impression which is held on our side of the table.

5110. *Chairman*: With regard to the part of your statement which appears under the heading "Work of Trade Boards," the first point about trade union representatives has been dealt with by Mr. Maxwell. Have you anything to add to that?—No.

5111. The feeling is that they rather tend to legislate for the large industrial centres?—Yes. I appreciate the difficulties that must exist in getting out-of-the-way districts to be represented, both as regards employers and employees.

5112. Then Mr. Maxwell mentioned the tendency to buy ready-made garments instead of ordering them, and he emphasised the importance of differentiating wages in town and country. You agree with that?—Yes, that is very important indeed.

5113. Then as to district committees, I would like to know what you say about that?—It seems perfectly feasible that advisory committees might be got together, but we have not so far had district committees. Really the people who are working the trade in Scotland had enormous trouble in securing on the Trade Board a differentiation for country districts. "We believe that by keeping the wages at a reasonable minimum, and by having a differentiation between large industrial areas and other districts, the full requirements of the trade will be met." We are inclined, as a Federation, to recommend that Edinburgh, Glasgow, Dundee and Aberdeen, from whence the union members are mostly drawn, should be at a rate perhaps 15 per cent. above the rest of Scotland. At present the proposal passed by the Trade Board is a reduction of 10 per cent. on the scale of wages favourable to the country districts and boroughs of 12,000 inhabitants and less. That is quite an arbitrary ruling. The employers' side, as a matter of fact, put up a suggestion of 20,000, and the employees' side suggested 5,000, and this is a compromise which is quite a fair method of arriving at a result. "The most serious criticism of district rates is that even in the one district you often find side by side the great industrial centre and the sparsely populated country district." That applies to some of the little country towns round Edinburgh and Glasgow.

5114. *Mr. Pugh*: If you had district committees they would be in an advisory capacity only, to advise the central body as to the local conditions, and so on, and make recommendations, I suppose?—Yes. We have not been able to get really good representation, from the employers' side even, outside Aberdeen, Dundee, Edinburgh and Glasgow, and it is going to be very difficult. Personally, I have gone round some of the Aberdeen country towns, and you cannot find any people taking an interest in it. We suggest that places such as Orkney, Shetland, Caithness, Sutherland, Ross-shire, and the Hebrides, should be left outside Trade Board rates, as we cannot see how they are ever going to be enforced in such districts with a reasonable inspectorate.

5115. That might lead in some cases to the payment of exceptionally low wages in those districts?—Agreed, but unless one is going to have an enormous inspectorate we do not see how the King's Writ is going to run there.

5116. Still, you are no worse off as a trade because they are inside; there is a chance that you may be able to maintain a somewhat better standard of wages than if they were left indefinitely outside to have their own free will?—Naturally, but to our own personal knowledge at the moment, at all events, the Trade Board is absolutely inoperative in those districts.

5117. If those places were left free from the operation of the Trade Board, would you not anticipate a transfer of labour to those places?—No. It would be very difficult. A girl will work in a little village dressmaking two or three days a week, and she will work for what she can get. The tendency, of course,

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is for dressmaking to flow to the bigger centres, like other things, probably.

5118. You believe that if they were left out no particular harm would result?—I do not think so.

5119. Not so much harm as would be done if it were attempted to drop the rates?—I believe not.

5120. *Dame Adelaide Anderson*: I suppose you know that in those outlying districts the truck system survived longer than it did in Scotland, on the mainland?—It did in Shetland.

5121. Do you really think that it would take such a very large amount of inspection reasonably to control the paying of a minimum wage?—Travelling and one thing and another is so slow up there.

5122. You know that it is covered by the Factory Department?—Yes, it is covered in a way.

5123. In a way, yes?—Of course, the tendency to offend against the Factory Acts would be very slight. The tendency even in a town such as Aberdeen to get into trouble with the Factory Acts is very low indeed.

5124. Would not a visit, say, once in two years help to maintain observance of a minimum rate?—I doubt it.

5125. *Mrs. Lyttelton*: One prosecution might?—Yes.

5126. *Dame Adelaide Anderson*: Prosecutions have been taken there by the Factory Department.—In the North of Scotland?

5127. In Shetland.—It is not within my knowledge, but that is quite probable. We think that the period taken to bring a Trade Board alteration into operation or to alter an existing rate (at present about four to six months) is out of all reason.

5128. *Chairman*: There has been a good deal of evidence upon that.—“We suggest that to vary a rate the period of one month or, at the most, six weeks is quite ample.” That applies to the same thing. “It sometimes happens that both sides are agreed about the variation of a rate. Where this is so, and it is desirable to bring the rate into operation at once, a very much shorter notice for variation might be agreed to.” That is to say, when there is absolute unanimity on a Board we suggest that a period of 14 days or less should be sufficient.

5129. Even in that case there might be objections outside the Board?—There might.

5130. *Mr. Poulton*: Still, the Board is supposed to be representative of the trade, is it not?—“The Ministry of Labour should not, as provided by Section 3 (5) of the 1918 Act, have a veto on all alterations made on Trade Board rates within six months. The rates should be changed when and as the trade finds necessary. In times like the present, where fluctuations may for a considerable period to come be both violent and frequent, this is important. It may also be emphasised that many trades are largely seasonal, which may require a rapidity in the alteration of rates.”

Limit of wage scale in the case of wages fixed by age.—An idea seems to have arisen in the minds of employees and appointed members that an individual at age 18 years ought to be self-supporting. We do not think there is any justification for a generalisation of this kind, and we do not think that any age can be mentioned as one at which an individual should be self-supporting. We do suggest, however, that the wage scale should cover a period of apprenticeship of, say, five years, and should then fix a wage for age 19 or, at the highest, 20 years. The wage thereafter should not be statutory and should be according to merit and capacity.”

5131. When you got to that stage, although there might not be a statutory wage for those over that age, would you fix a minimum below which no one should be allowed to go?—The suggestion is that when a girl had arrived at this stage of 19 or 20 years, that should be the statutory minimum.

5132. So that you would maintain a legal minimum at any rate?—Yes.

—*Danger of extending wage scale on basis of age.*—The result of fixing a wage scale for a long period of years on an age basis is that if an individual enters

a trade who, for any reason, is not adapted to the trade, and is not economically productive at the higher rate of pay, then such an individual may not be employed at all. We do not think this is in the interests of the country, and are strongly of opinion that it tends to hardship to employees, to employers, and to industrial unrest and its corresponding troubles. For this reason we do not think it is wise to fix a wage scale by age for more than five years after an individual has joined the trade”—that is, on the assumption that the average age of joining is 15, then the average age of fixing would be 20.

“*Results involved to these trades should the rates of wages be too high.*—The Ministry of Labour and Trade Boards should recognise that wages unduly high or much in excess of rates hitherto prevailing in handicraft, such as dressmaking or millinery, tend to raise the cost of goods to a point at which a demand is created for machine-made articles. This in turn tends to destroy the handicraft, and this is happening to-day in many districts in our trades, with resultant unemployment.” I can give you some actual money figures of what has happened in the last two years in Aberdeen, if that interests your Committee.

5133. *Chairman*: Yes, the Committee would like to see those.—The figures I give you represent the difference between the amount charged to customers for making dresses, and the wages paid out for making garments. I have got four firms. In the year ending January last, one firm lost £379 on its workroom, and it had been getting worse, so they closed last year. Another firm in the year ending 1919 made a difference of £387, employing 48 girls.

5134. Made a difference?—They had more for their makings than they paid out in wages.

5135. *Mr. MacCallum Scott*: They made a profit?—No, this is not a profit, because none of these figures cover overhead charges; so that you may conclude that the loss was in some cases much bigger than indicated by the figures I am giving you.

5136. *Lord Weir*: It is the difference between the account rendered to the customer and the gross wage cost during the year?—Yes. This firm in 1919 made a difference of £387, employing 48 girls. In 1920 the difference had dropped to £180. This year up to date they have dropped their work from 46 to 23 girls, and they show a loss to date or, rather, a difference to date, of £225. Another firm in the year ending January last dropped £667.

5137. *Mr. MacCallum Scott*: Lost that? Do you mean the amount received was less than the amount paid in wages?—Exactly. This year they estimate by the end of January they will have lost £1,200. To-day that firm is employing 97 less girls in its dressmaking department than it did in 1914. The fourth firm in 1920 failed to meet its wages by £409, and this year actually to the end of November they had failed to make their wages by £312. It is a pretty serious state of affairs, because goods to our Aberdeen firms are very large.

5138. *Dame Adelaide Anderson*: That is, they are making garments for their customers partly as a present?—Yes.

5139. *Mr. MacCallum Scott*: Why do they do that?—I am doing it myself.

5140. Why? Is it to keep together the custom, to prevent it going somewhere else?—You keep together your clientele to a certain extent. You cannot say to a lady, “I cannot make you a dress, madam.”

5141. For the present you are selling goods in some cases under cost price?—It would not necessarily follow. If you take a dress divided up into materials and makings, I am not going to allege that the firm lose on the dress; it may get sufficient profit on the materials composing that dress to level up the loss in its actual workrooms. But, so far as the makings themselves are concerned, they are certainly being run at a loss.

5142. *Chairman*: I suppose also you may make up the profit in the sales department?—If you are lucky enough to get a large profit on, say, your silk department, it may weigh up against your other costs, but it would be done by the support of some other

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department—the support of a merchandising department as against a manufacturing department.

5143. *Mr. Poulton*: Has this difference arisen because of reduced output, or in what way has it arisen?—It has arisen more particularly, I should say, in the last few months, because of reduced output. I should say that the output last year was satisfactory. I do not for a moment state that this is entirely due to Trade Boards, I do not suggest that at all.

5144. Of course, you are aware, are you not, that many of our wholesale firms in all kinds of industries are running their industry at a loss at the present moment, because of the crisis through which the whole nation is going?—I do not pretend for a moment that this is entirely due to the Trade Boards.

5145. *Dame Adelaide Anderson*: They want to keep their staffs together, in the hope that times will improve?—That is so, but you can only do that to a certain point.

5146. *Mrs. Lyttelton*: And your point is that the rates are too high to enable that to go on?—Yes. We are paying in Aberdeen the same rate as they are paying throughout the rest of Scotland.

5147. *Mr. Poulton*: You mean for the learners the rates are too high?—Yes. In Aberdeen we pay the experienced girls much above the Trade Board rates, and we feel that they pay us. It is not they that we are losing money on.

5148. *Dame Adelaide Anderson*: Although those figures are so high now, are they unprecedented? Have you had this kind of difference between the wages costs of the garments and the receipts before?—Roughly speaking, in Aberdeen just now our wage bills per average girl in the workroom is approaching 3½ times what it was in 1913.

5149. The remuneration per work girl?—Yes. If you have a workroom of 30 girls the average rate to-day is nearly 3½ times what it was in 1913.

5150. And does that make the difference?—That accentuates the difference.

5151. But you have had these differences in the past?—Oh, nothing approaching them. We have had bad seasons, perhaps.

5152. *Lord Weir*: How much of that is hours? How much of the 325 per cent. is due to the change in hours?—To the best of my recollection we were working perhaps four hours more per week in 1913. It is a 44-hour week now. I think, probably, in 1914 we worked 48 hours. I would not state it as a fact, but I think that is so.

5153. *Dame Adelaide Anderson*: But has that affected output or efficiency—the reduction of hours?—We do not calculate very much increased efficiency, but the change of the hours was quite a voluntary arrangement.

5154. *Mr. Poulton*: If the wages have gone up 350 per cent., or whatever it is—and we have had the wages stated here this morning; I think they worked out at about 3½d. per hour—how does that work out at all in that kind of way? What wage did they receive?—Our young girls received a very low rate of wages. Apprentices were poorly paid in 1913; there is no doubt of that. The girl who to-day, we will say, is getting 50s. a week would have been probably getting 25s. or 26s. in 1913. She has perhaps had her wage doubled. The girl who was getting nothing at all in 1913 may be getting 7s. 6d., 8s. 6d., or 9s. to-day. That is where the cost has jumped enormously.

5155. That would be practically the newcomer?—Yes.

5156. So that that is on the basis of the commencement of the trade?—Yes; that is where we have been hit.

5157. *Chairman*: Then will you proceed to your next point?—“Another effect of extending the wage scale over a long period is that directly a worker falls below the normal capacity she is permanently unemployable. This, in turn, leads the dressmaker to offer her services to private employers direct at reduced rates. The result is that these too

high rates tend to produce too low rates. In the Glasgow evening papers at present advertisements are appearing offering services as dressmakers in private homes at 5s. per day—less than a charwoman's wages. This is bound to result if an unemployable class is thus created whose competition tends further to reduce wages. If Trade Boards are to survive, they must fix minimum and not standard wages. Only thus can they have the necessary elasticity to meet changing trade conditions.” In Aberdeen girls are accepting employment in ladies' own homes at 4s. 6d. per day. I do not say that all are for a minute, but they are offering their services as low as 4s. 6d. per day, and, of course, it is impossible under the present arrangement to enforce any payment to such girls. It is getting accentuated very much by the slackness in businesses.

5158. *Dame Adelaide Anderson*: How would that work out, the 4s. 6d. per day or 5s., as compared with what the girl is earning in the workroom?—If she gets two meals a day—

5159. Which she certainly would get?—Which she certainly would get—she is not badly off; but if I had a girl at 6s. a day, say 36s. a week, that is not what she costs me. In the first place, I have got to give her 14 days' holiday every year, and pay her for it. I have got to employ a dressmaker to look after her, and there are all the et ceteras connected with it; so that she is very much under-cutting me.

5160. *Mr. Poulton*: You mean that your overhead charges and everything connected with a business are saved by that method, and to that extent they become what you would call unfair competitors?—Yes. “At present the trade suffers from the fact that private employers may employ dressmakers and milliners direct and may pay them any wage they like, as the private employer engaging a dressmaking assistant direct is not doing so by way of trade, and is thus outside the scope of the Act. We think that it should be equally obligatory on the private individual as on the dressmaking business to pay the statutory wage, and that the Act should be amended accordingly.”

“Subnormal Workers.”—The present system provides for reduced rates being permitted by the Trade Board to those having mental or physical defect. It has to be noticed that this does not, and cannot, provide for the worker without any objective physical or mental defect, who suffers from some defect in capacity or temperament and so falls below the normal in efficiency. We think this is an added reason for Trade Boards fixing really minimum wages so that a sufficient margin is left below the standard wages to such cases.”

5161. *Chairman*: Could not such cases be otherwise provided for by, say, allowing some local committee to give a permit covering persons who are below the normal capacity?—It cannot be done at the moment. The Act only provides for the sub-normal.

Chairman: I am aware of that, but I had in mind a possible amendment of the Act.

5162. *Mr. Poulton*: Do you not think that that is quite a practical proposition? Under the Agricultural Wages Board that was done officially; that is to say, the employer and the workman occasionally used to agree upon what they considered a fair rate for the inefficient or the slow worker; rather than dismiss those workers they would send them in to the Board, and the Board would endorse that, and that was the legal wage they were entitled to?—Yes; all of which leads to a tremendous lot more meetings, and so on.

5163. No, no; because I was sitting on one of the Boards, and they used to come along *en bloc* and we simply put them through. They were agreed statements.—Well, some such method would meet the case, only if the wage fixed is not so high as to become, in fact, the standard wage—

Mr. Poulton: Oh, yes, that is another matter.

5164. *Chairman*: It would not be right to fix the minimum wage by reference to the sub-normal

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worker?—No, it should be fixed with reference to the average worker, of course. We suggest that the working week should be 48 hours, and that that should be a statutory working week throughout the country. In our own trade we work as a rule only 44 hours, but we have a busy season very often varied by a stagnant period. We all like to keep our workers throughout the year, and we would rather not employ seasonal hands. If, of course, we have the right to work 48 hours without paying overtime, it is a great help and it helps us to carry the burden of the slack season. This is a statement in connection with our own particular department: "Owing to our having admitted on the Trade Board that our normal working week was 44 hours, the appointed members were most unwilling to fix any higher number of hours than this, and, ultimately, the difference was split at 46 hours for the working week, although the English Trade Board have 48 hours for their working week. This, of course, is merely another illustration of the difficulty in making appointed members, without knowledge of the trade, appreciate the practical details of the trade. In watering places and districts with a specially seasonal trade, an adjustment of working hours per week to suit their short season is reasonable and expedient.

"Enforcement of Decisions.—It is notorious at the present time that no serious attempt is made to enforce Trade Board rates of wages, with the result that even in large centres many employers pay no attention to Trade Board scales. In country districts they are, as a rule, ignored, even in cases where they are known, which is by no means universally. A system of inspection to secure payment of the scales should be efficient and adequate. Unless Trade Board rates are enforced universally, it is obviously unfair to employers who are paying the rates that others should be allowed to ignore them, and is bound to result in dissatisfaction throughout the country.

"Why not Use the Factory Inspectors for Enforcement of the Rates in these Trades?—It is suggested that the inspection required could be adequately done (in terms of the powers given in Sections 14 and 20 of the 1909 Act) by the factory inspectors with very little additional cost or trouble. These inspectors at present are, generally speaking, acquainted with all the factories and workshops to which the Trade Boards Acts apply, and they naturally should be the organisation by which the rates laid down by the Trade Board should be enforced. At present, owing to recent changes in trade, their duties are not so onerous as formerly." That, of course, only applies to our own particular trade. Naturally, a factory inspector cannot inspect a milk shop.

5165. *Lord Weir*: Do you think there is much evasion?—A great deal. We hear of it, but, of course, facts are difficult to get. The general impression seems to be that there are lots of women conducting the smaller private dressmaking shops who are evading the Act. In large establishments, naturally, there is no evasion, because it would not pay to risk it even if we wanted to; but in the smaller establishments there is a great deal of evasion. The Trade Boards Office has not a complete list of employers in the country, as Mr. Maxwell has already brought to your notice, and it would seem at present that employers are only liable for non-payment of the rates if they have received the statutory notice.

Chairman: I do not think that can be so.

(*Mr. Watt withdrew.*)

5166. *Mr. Poulton*: I presume you mean that in several cases which have been before the Courts they state that they have had no notice, and therefore it has been dealt with as if the disobedience was more or less accidental?—Yes.

5167. *Chairman*: You mean that the magistrates might take a lenient view in a case where the man had no notice?—Yes. Mr. Crosthwaite advises me that under the Act notice must be sent to everyone. "No further extension of Trade Boards should be made until the system has been brought into proper working order with reference to those trades to which the system has been already applied. This would both tend towards economy and efficiency, and would remove the widespread apprehension which prevails in connection with Trade Boards." We find that the Minister of Labour does not quite recognise some of our trade questions which are raised as being quite so urgent as we think they are. The experience of many in dealing with the Ministry of Labour is that the delay there is greater than even in some other Government Departments, and in all questions of anything approaching a trade dispute it is naturally undesirable. Then we say that the official notices as to the Trade Board's decisions should, as far as possible, always be absolutely inclusive. "We would suggest that these notices should, as far as possible, be inclusive of all rates up to date. The practice of sending out separate notices for a decision affecting the wholesale trade only, and another notice for a decision affecting the retail trade only, is objectionable. For example, a notice affecting the wholesale trade has to be sent to everybody falling under the Trade Board, whether in the wholesale trade or the retail trade. The result is that retail traders get notices concerning the wholesale trade which have neither interest nor applicability to them. This illustrates one of the disadvantages of combining the wholesale and retail sections of the trade. To remedy this we suggest that all notices of revision of rates should, as far as possible, be all-inclusive, and give the whole rates up to date. Otherwise confusion is caused.

"Display of Notices. With regard to the obligation to display the notices in prominent positions in the factory or workshop, etc., we would point out that the size of the notice is unreasonable, as is even the size more recently introduced. The notices are unsightly to stick up on walls, and they would be quite unsuitable for displaying in a shop. We would suggest that a much more reduced size of notice would equally well serve the purpose." There is a great improvement now, but even the present poster is a pretty large one, especially when you have several in your factory; sometimes one begins to have the room pretty well papered nowadays.

5168. *This is the present reduced size? (indicating poster).*—That is a great improvement, my Lord. The posters used to be very big. You get the notices to vary, which you also have to stick up, and the notices were beginning to go right along the work-room. "Registration of Learners. We have all along been opposed to the registration of learners, as being unnecessary, cumbersome and productive of considerable avoidable expense to the State. We think there would be little trouble in ascertaining the period that an employee has been engaged at the trade in any case of doubt, and the expensive system of registering each change of employment during the learnership of everybody who falls under a Trade Board (which in course of time would mean a very large proportion of the total workers of the Kingdom) is quite unnecessary. A certificate by the employer of the period of employment would meet the necessities of the case."

5169. *Chairman (to Mr. Crosthwaite)*: You are Secretary, I think?—(*Mr. Crosthwaite*): I am Secretary of the Scottish Retail Drapers' Federation, and the Garment and Millinery Federation, and also of the Glasgow and West of Scotland Retail Drapers' Association,

as well as of various other Retail Trade Associations in Glasgow, and I have been engaged in all the wages negotiations, and I am fairly closely acquainted with the opinion in the drapery trade generally. All that I wished to bring before you are one or two

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practical considerations in connection with the fixing of rates by a Trade Board. There is no doubt that there is a very wide apprehension, just now, regarding Trade Boards, and the general complaint is that the rates fixed have been far too high. Now, I think, it is quite a fair observation to make with regard to that, that after all, the Trade Board consists of an equal number of employers and employees, and therefore employers have had an equal share in the fixing of the rates as the employees have had; and therefore they have themselves to some extent to blame for the rates fixed. I think, however, there are one or two considerations which tend to explain why those rates have been fixed at too high a figure. In the first place, of course, employers have a great many more considerations to keep in mind than the employees in the fixing of rates. They have not only the condition of the trade at the time to consider, but also what the condition of the trade may be six months or twelve months or eighteen months afterwards. They have also to consider the question of variations in the trade during that period. They have to consider the questions of supply of labour to the trade, and any special condi-

tions affecting the trade. Employees, on the other hand, have merely to consider what is the highest wage that they can extract from the employers under this Trade Board system and go straight for it. Now the question then arises: Why should the employers have fixed wages which do not meet with the approval of the trade as a whole? I think that one reason is that it is very important in entering upon negotiations of that sort to have precisely in your mind what is the maximum to which you are prepared to go and beyond which you are not going to compromise. Now, I very much question if employers as a rule have given that matter full consideration before they enter the Trade Board meeting. Yesterday we had some evidence with reference to the Grocery Trade Board of Scotland. I was told, for example, by one member of that Board that although it consisted of a great many different sections of the trade, wholesale, retail, eggs, provisions, and groceries as a matter of fact those sections never had had a meeting prior to going into the Trade Board.

Chairman: You are rather dealing with what the members ought to do, which is a bit outside our scope.

(Adjourned for a short time.)

5170. Chairman: You were making a statement as to the dilatory nature of the transactions of the Trade Board?—Yes. I thought I would just endeavour to give you from my point of view what seem to me to be some of the practical difficulties in the actual working of the Trade Boards themselves, which form the explanation of a good deal of the discontent and apprehension which the Trade Boards have aroused.

My first point was that it was very essential that the employers, before going to the Trade Board, should know exactly what was the maximum to which they were prepared to go.

5171. Yes, we follow that; that applies to all public gatherings of every kind.—That is so. It has to be kept in mind that individuals who have fixed those Trade Board rates, which have caused the discontent, have been very largely inexperienced in Trade Board matters, and in many cases have appeared at Trade Board meetings with out having given reasonable consideration to the rates that ought to be fixed, and have in many cases, probably, been rushed into rates which are not agreeable to the trade. I might say that in our Federation we have meetings of the retail section of the employers' representatives, meetings of the wholesale section, meetings of the Federation, all before we go to the Trade Board meeting at all, and I think that that has perhaps kept us to some extent from some of the failures which have occurred on other Boards. Another cause is that of the personnel of Trade Boards. When we were first appointed we as a Federation were asked to nominate representatives from about half-a-dozen of the largest towns in Scotland. Well, of course, we were new to the game, and we naturally appointed our most important men; that is to say, the men in charge of the most important businesses in those centres. We had only been at one Trade Board meeting when we realised the folly of this. The men should have been appointed from the smaller businesses and from the country districts. What happened was that employees asked for a rate higher than they expected to get. The men in the larger businesses found that they could stand the rate up to a certain point, and were prepared to agree to that, and the consideration of how this would affect the smaller businesses of the country was not, probably, so much before them as it should have been. We certainly tried from the very outset to secure differentiation for country districts, but we were unsuccessful in getting the appointed members to agree to that. I think that one serious cause of discontent is the fact that the Ministry themselves have not had before them the importance of having the small men in the trade represented. A rate, of course, which will suit the small man in the trade naturally will suit the man in a bigger way of business; but the converse does not hold.

5172. Mr. Pugh: How are you going to provide for the small man to be represented?—I think it is entirely for the Minister of Labour to see that that is done. In our particular case, as I say, there was no attempt made towards that.

5173. Chairman: You could have nominated small men from your Federation if you had wished to do so?—Yes, and if we had known at the outset what we know to-day, we should have done so.

5174. It is easier to get the small employer represented than to get the non-union worker represented?—Yes, I quite agree. I should say that after the first meeting of our Board we realised the mistake we had made, and at the next meeting of the Board we got a unanimous resolution passed urging the Minister to see that country districts and small employers were represented on the Board, and it is only right to say that he at once did that. Then another reason which I think has led to rates being fixed higher than they should have been is the fact (if you consider it) that at a Trade Board meeting, having been engaged all day trying to fix a rate and not being able to get it, you arrive at a point when there is a rate suggested which will suit some individuals on the Board and will not suit others. There is then a tendency for the better class of employers whom the rate suits to exercise a degree of pressure on the others whom the rate does not suit so well, and the result is that these men, from that psychological pressure, may be led to vote for a rate which their later judgment does not approve of. I have seen that tendency at Trade Board meetings, and it is one that is inherent in the system, which cannot really be got rid of other than by greater experience of the Trade Boards. Another consideration is that of sheer weariness. If you have been two days at a Trade Board meeting, speeches have been delivered on both sides, you have had meetings with the appointed members, you have had personal meetings with the employers' representatives, and you get to a point at which you are prepared almost to agree to anything in order to be finished with it and get on with your business. Now, always keeping in mind that the Trade Board rates which have been fixed have been fixed by inexperienced Trade Boards, largely, by individuals who have been inexperienced in negotiations, you can understand that many of them have just been led into agreeing to rates from sheer weariness and through lack of experience in negotiation, which greater experience of Trade Boards will doubtless give them. I might also say that perhaps the fact that employers' representatives have rather more discretion given to them as a rule than employees' representatives may lead to that discretion being used where otherwise it would not be. I do not suggest there should be any alteration in that, because I think it is most important that both

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sides should have full power of negotiation; but I think perhaps employees' representatives do not have that discretion to quite the same extent as employers' representatives have. Then there is the further cause of difficulty which is due to a rate being quite suitable for the time at which it is passed, but is perhaps unsuitable six months afterwards, or even four months or five months afterwards, particularly if the rate has been right up to the standard. Now, under those conditions, at present you cannot alter a rate for six months without the Minister's consent; and, as a rule, I think, appointed members do not care about variations in any shorter period than six months, and I think that also has tended to create a good deal of discontent when you take into account the diminishing volume of trade in the course of the past year.

5175. *Mr. Pugh*: That, in normal times, would cut both ways, would it not? It is rather an abnormal condition that has created a feeling of that kind. I mean to say, if it takes six months one way, it will also take six months the other way, and over that period of six months the thing would probably adjust itself?—No, I think not, because the tendency in most Trade Boards, if the rate is rising, is for the employers to agree to an increase right off; but the employees cannot agree to a decrease. Then you have heard referred to in connection with the dressmaking and millinery trades the practice of mothers bringing their daughters to have a year or two's experience of the trade, and perhaps not being paid any wages at all for some time on account of their only being temporary hands. Of course, the Trade Board rates have altered all that; you cannot engage girls in that way now, and naturally that creates amongst those who may have depended to some extent on that class of labour big discontent, and the blame of course falls on the Trade Boards. I might say that in connection with Trade Boards there is a very useful and a very reasonable precaution taken to avoid the fixing of rates that are unsuitable for the trade, by giving the right of lodging objections within two months. Now that is a very valuable right, but we must not ignore the fact that very few people have sufficient public spirit, even where they are personally affected, to go to the trouble of lodging an objection, of writing a letter and stating what their objection is. I have a considerable amount of experience of the organising of trades, and I know the great difficulty in the case of employers of getting them to take an interest in anything outside their personal trade affairs of the moment. It is very difficult, for example, to get them to join an association; it is very difficult to get them to take a public point of view with regard to any matter, and that also obtains even in the case of lodging objections. My point here is that you cannot rely on the lodging of objections as an absolute safeguard against the fixing of rates at too high a figure.

5176. What is your remedy?—I am afraid there is no remedy for that other than time and experience. We had a very curious illustration of that in connection with the employees. We fixed certain rates to start with in the month of May, 1920. The objections to these came up for consideration in the month of August. I think I am right when I say that we had only one objection from an employee; at any rate, if it was not only one it was a very small number indeed; but, notwithstanding that, between May and August we had had a strike of employees because of the fact that the rates did not go up high enough; and yet they did not go to the trouble of lodging an objection to the Trade Board.

5177. *Mrs. Lyttelton*: The employees?—The employees' side. I merely mention that to illustrate that you cannot depend on the lodging of objections as an absolute safeguard against wages being fixed too high.

5178. Or too low?—Or too low, yes. Now the only other point I wish to mention is that in Trade Boards, as in all other human affairs, the method of compromise is the usual way of reasonably settling a dispute; but we must not neglect the fact that a

compromise in connection with a matter of wages, or such matters as are dealt with by a Trade Board, is somewhat different from compromising a single transaction where, if you are suffering any loss, the loss is finished and done with. The compromise in Trade Board matters is a continuing business, and if the compromise is not a wise and a just compromise essentially, then you may have a grievance which continues on for a matter of six months. My point about it is this. Supposing the employees will not go below a certain figure which is obviously too high, the employers, say, have indicated what their maximum is, and have agreed to go the length of their maximum. The appointed members come along and say, "Well, now, we must try to get a settlement of this, and so we will arrange a compromise; we will split the difference." Well, there may not be any difference to split; that is to say, the employers may have gone to their uttermost, and the compromise made may be really too high for the conditions of the trade. There, again, I have no practical remedies to suggest except greater experience on the part of the employers, and holding something in hand to ensure that the compromise is a right and fair one. Some of these difficulties, of course, can be statutorily remedied, such as the question of personnel. Some of them can only be cured by the greater experience of Trade Board members.

5179. *Chairman*: Perhaps there will not be a cure as long as human nature remains as it is?—That is so, and I think that that probably makes for a good deal of discontent.

5180. *Mrs. Lyttelton*: In fact, your statement is not really a criticism of the Trade Boards, but is an apology for employers who do not get the best out of them?—Yes—well, really an apology for both sides. I am trying to look at the matter quite philosophically.

5181. There are reasons why they do not work it well?—Yes. My federation is in favour of Trade Boards, but that does not cause us to shut our eyes to the fact that there are inherent working difficulties in them which may make them not a perfect instrument for fixing wages.

5182. *Mr. Poulton*: I should like to put one point which I was going to put before lunch with regard to one statement you made, in which I was very interested, and that is in regard to fixing the rate too high. You said you thought it had a detrimental effect—I do not think you went any further than that—but you went on to mention, and you have amplified that now, the difficulty you found in trying to organise employers, even in your own Federation, because they will not come outside their own business. Now, if there is any foundation for that belief of theirs, does not it arise partly from the fact that they do not go into these questions seriously until they are brought right dead against them for the first time at a Trade Board meeting with the employees' representatives, and then they have to face what the cost of living is to keep a home going? Is not that one of the reasons for that kind of thing? The employer is quite new to them; he has never been used to negotiating in a collective capacity; just in his own little business, probably, he has, but not more?—Yes, I quite agree. Although we as a Federation have members in all parts of the country, with the exception of those outlying districts like the Hebrides, the Orkneys and the Shetlands, I very much question whether our executive had, to start with, as full and as correct a view of the requirements of the whole country before the Trade Boards came into operation as they have now. It has taught us really to consider things from a great many more points of view than we were prepared to consider them from previously.

5183. And there really was on the trade a greater obligation than they imagined?—That is so; and unless the employers are prepared to recognise that it is a very responsible matter to fix wages for the whole trade, and that it is a matter necessitating very careful and anxious deliberation beforehand, then I do not think you will have anything except

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dissatisfaction. But, of course, if you had greater power to vary rates quickly, it would make it possible to correct mistakes a little more easily.

5184. That is all a question of elasticity, is it not, of varying modes of procedure?—A greater elasticity is a cure for the defects of the Trade Board system as it is at present, I think.

5185. *Chairman*: What you have just said really applies to all members of the Trade Boards, whether they represent employers or workers; they should be very cautious in fixing any rate which applies to the whole trade?—That is so, my Lord, and I think that probably both employers and workers do not sufficiently realise that if the rate that is fixed is not right and just it affects both sides injuriously. If it is too high, it causes unemployment to the employee; if it is too low, then it drives workers out of the trade and leaves employers without a sufficiency of labour to carry on trade properly. It is to the interests of both that the rate fixed should be a right and just one.

5186. Of course, if it is too low there is a remedy, namely, in paying wages higher than the wages fixed by the Trade Board; but if it is too high, there is no remedy until the rate is altered?—That is so.

5187. *Lord Weir*: Your remarks should also extend, I take it, to the appointed members?—Well, of course, it has to be said on behalf of the appointed members that they are as new to the game as we are, and know no more about the difficulties and troubles with the fixing of those rates than we did. Of course,

their energies are naturally going in the direction simply of finding a compromise, but, as I have pointed out, that is not always the proper solution, unless both sides are an equal distance away from the point where the compromise should be struck.

5188. *Dame Adelaide Anderson*: Are the appointed members not trying to inform themselves more and more on the trade details from both sides?—Well, I do not notice a great deal of difference between the information of the appointed members regarding Trade Boards than what I did at the beginning, I must say.

5189. Is there willingness both on the side of employers and of workers to put all the information at their disposal?—I think anything that is likely to affect their judgments, anyhow.

5190. *Mrs. Lyttelton*: I gather that you think the presence of the appointed members, if the thing is going to work properly, would mean that both workers and employers should keep back part of their bargain so that when the time comes neither are committed too far?—I would put it this way: I think they should negotiate wisely.

5191. It is not that you do not wish to have appointed members at all?—Oh, no; I do not see any way of avoiding appointed members.

5192. It is only that you would advise your Federation to keep back their offer?—No; I am merely saying that if you negotiate you ought to negotiate wisely.

(*Mr. Crosthwaite withdrew.*)

Mr. C. T. STABLEFORTH and Mr. W. T. SCOTT, called and examined.

5193. *Chairman (to Mr. Stableforth)*: What is your position in connection with the Milk Distributive Trade Board?—(*Mr. Stableforth*): I am general manager and director of a company which has businesses in at least 60 of the largest areas in the country.

5194. Milk companies?—Yes. I am a member of the Trade Board, and have been from the commencement.

5195. On the employers' side?—On the employers' side. My friend Mr. Scott is on the employees' side, and we were appointed by the Board to give their views upon certain points that we want cleared up, because I may say, as far as our Board is concerned, I do not think there could have been a more unanimous Board. We have never even got to a division yet, and we have been able to settle all our points very amicably between ourselves. Unfortunately for us, we have had a splendid chairman—

5196. Unfortunately?—Unfortunately for us, we have had a splendid chairman, and we have just got him perfectly educated up to all the needs of our trade, when the Home Secretary has appointed him as a stipendiary magistrate, so we lose him after all our training.

5197. You will have to begin again with another chairman. Then what is your first point?—The first point is this. We feel from an administrative standpoint that the work of enforcement is absolutely neglected by the powers that be. We have reported, ourselves, from the Administrative Committee of our Board, at least 20 cases where we know there has been a gross breach of the orders made by the Board. We have had a report, after pressing for it several times, which is numbered 1, 2, 3, up to 20, giving us what course had been pursued. Well, we know that in at least 50 per cent. of those cases a prosecution ought to have ensued. We have supplied them with the evidence, and there was no "but" or question about it; there were clear cases established; so much so that if we had known that the Ministry were not going to make a prosecution we should have assisted the employees who were concerned to have gone for a prosecution themselves and helped them to pay the expenses. Now we did feel, as far as the inspector is concerned, that he is very deficient. I may read this: "We realise that

if the Trade Board orders are to be properly carried out a larger inspectorate staff would be necessary, but owing to the present economic conditions we feel that it would be unwise to press that point just now." This is signed by both Mr. Scott and myself as representing the views of the Board. "In view of the above fact"—probably you had this before you yesterday—"we suggest a good deal of useful work can be accomplished if some method was adopted of linking up Inspectors appointed under the Shop Hours Act and these Inspectors were given power to investigate under the Trade Board (at any rate, in the Distributive Section) so that they could carry out the more formal examinations that are necessary and prepare the way for a full-time Inspector taking up any important case that may be found." Now these shop inspectors, as far as our trade is concerned, have to visit at least 90 of the shops of the dairy trade, and are already familiar with all the circumstances surrounding them. It would have been no difficulty for them to investigate as to whether an employer was paying the proper amount of wages—

5198. Are those inspectors appointed by the Health Authority?—No, by the Local Authorities, and there are inspectors in every village.

5199. That is what I was putting to you; I mean by the Health Authority the Local Authorities?—Yes. Then there is another point, that the inspectorate is too remote to be of very much use to the Trade Board. Assume that there are half-a-dozen inspectors appointed, one, say, for the Northern Counties, one for the Midlands, one for London, one for the Eastern Counties, and one for the Western Counties, they could then, with the assistance of the Shop Hours Inspectors, have a check right through, and it would not mean a large inspectorate, and we believe, and we judge this from our experience of our own Board, that those inspectors ought to be at the office of the Trade Boards themselves, under the Secretary of the Trade Boards, so that we should have an intimate connection with them, and could get at them at any time we wanted and know exactly what had been done with each case that had been reported to them. That is unanimous as far as this portion is concerned, as far as my Board goes, both employees and employers; and we feel that the great deficiency—

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and I have no hesitation in saying this as far as our trade is concerned—is that 50 per cent. of the trade are not carrying out the regulations, and are not paying the wages. I say that fearlessly.

5199a. *Mr. Poulton*: Is that due, do you think, to the fact of their not knowing the regulations, or is it due to wilful evasion?—As far as our trade is concerned, you will remember that under the Food Control everybody had to get a licence, and, therefore, when this Board was set up there were notices sent out to practically 60,000 dairymen throughout the whole of the country, and they had no difficulty in getting at the dairymen; and they would have no difficulty even to-day in finding anybody connected with the trade, because every one of them has got to be registered by the Medical Officer of Health in each of the districts.

5200. *Mr. MacCallum Scott*: Is the trade largely in the hands of small people?—I should say that 75 per cent. is.

5201. You say that the big firms?—The big firms are paying it, because you can get hold of our accounts at any time, and, seeing that the managing directors and the general managers are personally responsible and may get three months' imprisonment, they are very careful to see that it is carried out.

5202. Take the smaller people; of what sort of size would their business be? How many people does a small average employer employ?—I should say from three or four up to ten.

5203. *Dame Adelaide Anderson*: In the shop and distributing?—Yes.

5204. *Chairman*: Apart from such work as could be done by the Shops Act inspectors, you suggest, I understand, that there should be six inspectors connected with the Milk Distributive Trade Board?—Or connected with Trade Boards; because they all come under the one Trade Boards Office, and they could do the whole of the work.

5205. That is what I was going to put to you. Do you mean that all the inspectors could be connected with the Trade Boards Office?—Yes; our idea is that there should be one inspector responsible for a certain district, say, the Northern Counties—Northumberland, Durham, Westmoreland, Cumberland, and Yorkshire; then one for London; then one for the Home Counties and one for the Western district.

5206. *Lord Weir*: Do you mean for milk?—For the whole of them—for the distributive trades, at all events.

5207. Would those be adequate?—Yes.

5208. Have you not more than that number now?—We have not got them; and you can get no report, and you can get nothing done. I am certain that if out of twenty cases which you sent them there had been half-a-dozen prosecutions, instead of 50 per cent. of the dairymen not paying the wages, there would probably be 95 per cent. paying them.

5209. *Dame Adelaide Anderson*: You think that the inspectors under the Shop Hours Act would report to these inspectors under the Ministry?—I am quite satisfied that they would do it. It is only a question of arrangement, and they are in close touch with them at the present time.

5210. *Lord Weir*: When you say that there is 50 per cent. of evasion, do you mean 50 per cent. of the workers in the milk trade are underpaid, or do you mean that 50 per cent. of the firms underpay their employes?—I say that 50 per cent. of the firms, or of those engaged in the milk trade, are not carrying out the regulations or paying the wages.

5211. What kind of percentage of the workers would that represent?—It would not amount to 50 per cent. of the workers, because the larger firms employ so many more than the others. I should say that about 25 to 30 per cent. of the employes are today not being paid the wages.

5212. *Mr. Pugh*: What sort of organisation have the workers got? Cannot they do anything in this matter by their trade union?—Of course, my friend Mr. Scott knows more about it; he is a trade union official. I will say this, to give you an explanation of the working of our Board: We have been very

fair with exemptions; when we have had cases of infirmity or cases in which through old age it was impossible for a man to get round in his time, we have taken this course; we have asked whichever member of the Board has been nearest to the district, whether he was an employer or an employee, to make an investigation and report to the Administrative Committee, and in every case without exception, whether he has been an employer reporting or a representative of the employees reporting, we have accepted that report as genuine and have dealt with it. With one or two exceptions, I do not think we have refused an exemption. We need not give all that is asked for, and we have varied them, but we have been fairly liberal where exemptions have been asked for, and therefore if employers have a difficulty in connection with the matter, there is no reason why they should not come to the Trade Board and tell them, and apply for exemption and have the case investigated and settled; and settled by men on both sides, because do not forget that throughout the trade in this country, even in the large firms, there is not a responsible manager, managing director or general manager but at one time was an employee in probably a very small way, and we have been able through that fact to put our feet into other people's shoes. I understand everything; I started in this trade when I was 13 years of age, and I know everything from start to finish; and we do take credit on our Board—I have been told that, to some extent, it is an exception—that we have got a mutual respect for each other, and we have faced all these difficulties because we knew both sides of the trouble.

5213. *Chairman*: Do you make special rates for country districts, or do you have one rate applying alike to both town and country?—No, there are three rates—one for London, one for larger towns, and one for places under 10,000 inhabitants.

5214. Do you have many complaints from farmers or landowners as to the cost of selling milk in country districts?—No, I do not remember one; I do not know whether my colleague does. When the Agricultural Wages Board was in existence we made arrangements with them for them to take over those particular classes and to deal with them themselves through their own inspectors, and there we would not interfere. Now, of course, that has come to an end, and we have got to deal with it again.

5215. You have to fix the rates, at any rate?—Yes, we have to fix the rates.

5216. We have had brought before us a case in which we were told that the landowner sold his milk to his neighbours and under the Trade Board regulation he had to pay one of his roundsmen £3 11s. per week and the other £2 14s. per week, whereas the agricultural labourer in the same district was getting 36s. per week?—If he had applied to our Board it would have depended very much on the number of hours for which he was engaged. Supposing a man is engaged three hours in delivering, we say that that man for those three hours during which he is engaged shall be paid our Trade Board wages. If during the rest of the hours he is filling in his time with other work on the farm they can pay him according to the agricultural wages.

5217. But these men, I understand, are entirely engaged in delivering milk.—Of course, if they are entirely engaged in that—there are going to be anomalies always and I do not see how you are going to get over them.

5218. *Mr. Poulton*: What is the Trade Board rate in the lower paid districts?—The rate for the country is £2 15s.; the B scale—that is for towns of over 10,000 inhabitants—is £3 2s. 6d., and the London scale is £3 5s. Those are the minimum rates for roundsmen.

5219. *Chairman*: The country scale then is 55s., is it?—Yes.

5220. Comparing even that wage of 55s. with the agricultural wage of 36s., I suppose a roundsman does not want more skill than an agricultural labourer?—No, I would not say he does; but at the time these rates were fixed agricultural wages were much higher than they are now.

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5221. But these rates have not been changed now, have they?—Yes, that is one point which we deal with later on. We have agreed on a reduction, but we have got to wait probably three or four months before it becomes effective.

5222. To what do you propose to reduce the wages?—They will be reduced practically 5s. per week on all the three scales, and then the junior rates fall in proportion.

5223. Passing from the question of inspectors, you want to refer to the question of scope, I understand?—Yes. We suggest that the present arrangement whereby questions of scope should be submitted for the opinion of the Trade Board prior to the expression of any opinion thereon by the Minister of Labour should be continued. We have had cases in which the Ministry in reply to inquiries made to them have given expressions of opinion which in our opinion were entirely wrong. Let me give you an instance.

5224. This matter has been dealt with, has it not, and the practice has been established of consulting the Board before giving a decision?—Yes, they do now, but we want that to be continued.

5225. I understand that. Then as to the period of notice, you think that that should continue as regards newly established Trade Boards so far as their first proposal is concerned?—Where a new Trade Board is created we think it ought to continue; that is to say the two months' notice and a month for the Minister to give his decision; but that in the case of any subsequent proposal of any Board the period allowed for objections should be reduced from two months to 14 days from the date of publication thereof to the trade, and that in the case of all proposals other than the first one the time allowed to the Minister of Labour for consideration as to whether he should confirm the rates varied, fixed or cancelled by the Trade Board should be reduced from one month to 7 days. We feel, as I have heard one of the witnesses express himself here, that as far as our Board is concerned if we come to a unanimous decision either to raise the wages or to reduce them, it ought not to go on for three or four months before that can become effective. We think a month ought to be the outside. It is published, everybody gets a notice, and they can make an objection; and surely if a Board is established by the Minister and has been established for some time, and they come to an agreement, as we do, either to reduce or to increase wages—in this case it is a reduction—a month should be quite sufficient; and it ought to be just as effective if it is going to be a rise in wages. We think that there is a serious waste of time if we have to wait for four months and in some cases over four months.

5226. *Mr. Poulton*: Do you think, having regard to the time and the notification, that every individual upon the occasion of any variation should be notified, or would you make it a public notice, say, through the Press and on the church door or in the post office?—Of course it would leave them an excuse that they did not get a notice and they did not know there had been any variation; but as far as the dairy trade is concerned it is fairly well organized. I mean this: we have got a National Federation, we have got an Area Federation in every district in the country, and it could be very effectually done by being published in the way which you suggest and also by notice going to our central Federation so that they delivered the notice to each of our areas. I do not see any difficulty. To my mind this sending of 60,000 huge posters—they are very much smaller now—seems to be a great waste of money once the thing is established and once the thing is well known; and it is well known to-day, and the people who are evading it are evading it deliberately.

5227. *Mr. Leyton*: What proportion of people are in your organisation, do you suppose?—I should say 70 per cent. of the trade. You see we have all our local areas and they are all affiliated with the central Association, and it is now rather a huge thing.

5228. Did it come into existence as the result of the Trade Boards Acts?—No, it came into existence first as the result of the food control. We had a big fight with the Food Controller over various things, and we could only do it by making ourselves as strong and as noisy as possible.

5229. *Lord Weir*: You wish to speed up the variations. You are, I think, the first distributive Trade Board for a staple article?—Yes, that is so.

5230. Your rates came into operation on 8th November, 1920?—Yes.

5231. And up to now they have not been varied?—They have not been varied.

5232. There has been a very big change in the cost of living since that time. In your industry you have nothing equivalent to the influence of foreign competition; you have simply competition between one dairyman and another?—We have very strong foreign competition now.

5233. In milk distribution?—Yes.

5234. How does that operate?—In the form of milk powder, and in the form of, I will not say the original condensed milk, but the very huge quantities of condensed milk which are now coming into the country from America in consequence of what occurred during the war, and a large quantity of milk is being distributed in that direction which previously went through the hands of the retailer and wholesaler in the form of liquid milk.

5235. A substantial proportion of your trade has been changed?—A substantial proportion, and a growing proportion too.

5236. To what would you ascribe that?—In the first instance during the control these supplies were brought in to supplement our short supplies, and people have got used to them and they have remained.

5237. Are they cheaper?—No, they are not cheaper.

5238. So that it is not a question of price?

5239. *Mrs. Lyttelton*: They keep longer?—They are handier, I should say.

5240. *Dame Adelaide Anderson*: Has there not always been a shortage if you measure the needs of people for milk?—No.

5241. Do you mean that every child can always have enough milk?—I have no hesitation in saying that at the present moment there is a surplus of at least 30 per cent., and we are making, and so is every large dairy firm at the present time, tens of thousands of gallons of milk every day into cheese at a very serious loss simply because in the present state of unemployment there is not the money to purchase it.

5242. *Lord Weir*: What influence causes you to consider a reduction in the minimum rate? I believe you are considering it now?—I do not quite understand your question. If you will make it clear I will answer it.

5243. Your rate was fixed and the existing rate was operative from 8th November, 1920, until now?—Yes.

5244. Would you not have expected that that rate would have been queried and questioned and discussed during the last 12 months?—Because of the difference in the cost of food?

5245. Because of the general deflation in prices and wages?—What really happened was this: as far as the employers' side was concerned we were convinced months ago, even so far back as last August, that we ought to ask for a reduction. We did not ask for a reduction because when the application to fix the rate was first made by the employees last February or last March the cost of living was at a certain rate—I forget what it was—but it went up very considerably, at any rate to about 175 per cent. above the pre-war level, and we felt that at the time that they applied the cost of living was only 135 per cent. up—I am not exact to a decimal point or two—and it then went up to 175 per cent. before they got any fixed wages, and our feeling was that they had gone on for so many months without getting any increase and we must let it go on for a certain time before we asked for a decrease.

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5246. *Chairman*: So that even the six months period is insufficient?—Yes, in that particular case it was.

5247. *Mr. Layton*: Did the rates which you paid not go up? Did you keep down always to the Trade Board level?—No, as far as the Trade Board rate is concerned, as you know, it is a minimum wage. In a large number of firms they pay a man a certain wage and they pay him so much commission, and invariably that man's wage and his commission works out to very much higher than the Trade Board rates. I have men earning as much as £5, £6 and £7 per week.

5248. Did you never vary the rate of commission so that a man could increase his earnings while the rise in the cost of living was taking place?—Yes, at the time of the rise in the cost of living I should say that the wages of 1913, say, up to the time of Trade Boards coming into force, had gone up at least 30 per cent. to 40 per cent.

5249. You have not quite got my point. After the Trade Board rate was fixed you say that the cost of living continued to rise?—Yes.

5250. Were there no means by which any of the employees during that period could have increased their earnings?—No. We knew it was increasing when we agreed with my friends on the other side, and we took that into consideration in the amount we compromised upon.

5251. *Mrs. Lyttelton*: You mean that you knew that the cost of living was going up?—Yes, and we agreed, and I think my friend will agree that we very fairly agreed, at the amount we did.

5252. You anticipated the rise?—Yes.

5253. *Mr. Layton*: If you anticipated the rise in the cost of living, then I do not quite see the force of your answer to Lord Weir's question when you said that it ought to remain for a certain period above the present cost of living before it falls?—As far as the larger employers were concerned they had taken that into consideration. As far as the larger employers were concerned, they had increased their men's rates proportionately right the way through; but there was another class of employer, for which class I am very pleased that the Trade Board came into force, who were not doing so.

5254. *Mr. Pugh*: You made provision?—Yes, we made provision.

5255. *Lord Weir*: So that you consider that you have fulfilled your responsibility under the Act of fixing a minimum rate of wages?—I do.

5256. What is your interpretation of "minimum wage"?—The wage upon which a man can reasonably live and provide for his wife and bring up his family.

5257. So that if your idea of the interpretation of "minimum" is 25 per cent. or 30 per cent. or even 40 per cent. higher than other Trade Boards, then you say that their interpretation is wrong?—Yes, but as far as our trade is concerned we did not employ people for a couple of years and pay them nothing or keep them for a number of years at 9s. or 10s. per week. We paid them a fair rate to start with.

5258. That is not quite the point.

5259. *Chairman*: It is not an answer to the question.—I do not quite see your point, then.

5260. *Lord Weir*: My point is this: you have given an interpretation of the minimum rate and you say that you have fixed the rate upon that interpretation. If that rate is—and you can take it from me that it is—approximately 40 per cent. higher than other Trade Board rates fixed at the same time, then their interpretation must be quite different from yours?—That may be.

5261. Assume that that particular Trade Board dealt with an export trade subject to keen foreign competition, while yours is essentially a domestic trade, would that explain it?—I cannot discuss that. As far as I am concerned I only know my own trade. I do not know and do not pretend to know anything about any other person's trade. I know my own trade, and I thought, and I think everybody agreed

with us at any rate on our Board, that we had fixed a fair and reasonable wage as a minimum.

5262. *Dame Adelaide Anderson*: On what principles did you base the scale for the women?—We did not fix them at the same scale, although there was a very serious argument as far as we are concerned: if a woman was doing equal work why should she not be equally paid; but their side was very well represented and to a very great extent we took their recommendations and accepted them, and I think you will agree as far as that as the majority of female wages here are concerned they are a very considerable advance on some other trades.

5263. *Chairman*: I should like to know how it is that you fixed your rates. Take your lowest rate for adult men, 55s. Do you say that that is the lowest sum upon which a roundsman or an ordinary worker can live in a country district?—I would not like to say that as far as some country districts are concerned, but this applies to places with under 10,000 inhabitants, and in some places under 10,000 inhabitants—

5264. It is country districts?—Yes.

5265. The agricultural labourer in the same district working perhaps in the next field manages to live on 36s. per week now. I want to know whether you considered the general cost of living in districts like that, or whether, as is quite possible, you rather considered what the trade could afford to pay than what a man could manage to live on?—No, what we felt in fixing rates for those country districts—say it is now fixed under the new wage at 50s.—was this: that if there was any case such as your Lordship mentioned of persons who had somebody doing dual work, the case could always be dealt with by an application to the Trade Board, who could consider whether there was any justification for them to be exempted.

5266. You do not follow me. I do wish you would listen to the question a little more carefully, and then you would be able to give a more appropriate answer. I did not put to you any point about one man doing two kinds of work. It has been represented to us by people who know what they are talking about that if you have a roundsman paid, say, 55s., and a labourer on the same farm paid 36s., it does create a good deal of discontent, which is quite natural.—I quite agree.

5267. Therefore I want to get at the view on which you do fix your minimum of 55s. Is it based on the cost of living in those small country districts or is it based on something else?—I could hardly say. As far as I personally was concerned I certainly thought that the rate was fairly excessive in comparison with some of the others, and we did try originally to get the agricultural wages and these wages upon the same rate; but then there was going to be such a wide difference between those country districts and towns just above 10,000 inhabitants that there had to be a compromise upon it.

5268. It is an instance of compromise such as we have heard of. Perhaps it might be met by making a further sub-division of areas and dividing the real country districts from the towns?—I quite agree that it could be done.

5269. *Mr. Poulton*: As a matter of fact when these rates in this schedule were fixed were not the agricultural wages 46s. and 50s.?—That is so.

Mr. Layton: Perhaps they are based on what the trade could afford to pay.

5270. *Chairman*: I have no doubt that they were but the point is the rate to-day.—We had a conference with the Agricultural Wages Committee and agreed to transfer these particular cases to them and to let them deal with them. That was the agreement, and if that Board had been continued they would have taken care of that particular class of work and we should have gone just a stage further.

5271. How could you do that?—There was an agreement between the two Boards, and it was agreed to by the Ministry of Labour.

5272. Then you agreed to exclude these people, roundsmen and so on working on a farm, from your

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jurisdiction and leave them to be dealt with by the Agricultural Wages Board?—Yes, that is so. That was an agreement which was arrived at before the Board was disbanded.

5273. Did that apply to all roundsmen or simply to men who were partly roundsmen and partly agricultural labourers?—Partly—just where it was either on that side of the fence or on this side of the fence—just something very near it.

Mrs. Lyttelton: Of course there are very few men on farms who are entirely roundsmen. It is only in a very big establishment that a man is employed as nothing else but a roundsman.

Chairman: I do not know; we have had letters here giving instances.

Mrs. Lyttelton: I should have thought that almost all of them had other work as well.

5274. *Mr. Layton:* Perhaps Mr. Scott will answer this question. I would like to know whether the coming into operation of these Trade Board rates had the effect of raising the earnings of any substantial number of people in the trade, or whether these rates represented their then earnings?—(*Mr. W. T. Scott.*) Not so far as large towns were concerned.

5275. It did not raise the rates?—Not a great deal.

5276. It was in fact fixing the current minimum rate?—That is all.

5277. And the Trade Board had the effect of increasing the degree of organisation in the trade?—Slightly.

5278. What is it now, do you think?—I reckon that we are organised now to about 65 per cent.

5279. Do you not think that that is sufficiently strong for the Union to be used as a means of enforcing a rate?—In some places the Union is quite strong enough to carry its own position, and does so.

5280. It sees that these rates are enforced throughout the trade?—Yes.

5281. *Chairman:* But not everywhere, I suppose?—Not everywhere.

5282. *Mr. Layton:* You agree that there is a large percentage of evasion—that there are 50 per cent. who are evading the rates?—Yes, so far as employers are concerned.

5283. But a much smaller percentage as regards employees?—We are in a unique position in the milk distributive trade. There are as many employers as there are employees, I think you will find, if you look up your returns.

5284. As many employers as employees?—There are as many employers as there are employed, because there are so many running a business of their own.

Mr. Poulton: One-man businesses?

5285. *Mr. Layton:* Do they put in more work for the amount they earn, do you think? Is it the existence of the one-man business that makes it difficult to enforce the Trade Board rate?—I do not think so. I think that what is really happening is that it is almost impossible adequately to inspect the various places with the present staff.

5286. But in the one-man business there is no need for inspection.

5287. *Chairman:* What do you mean by a one-man business—a man with one employee?—No, a one-man business I take it means an employer only.

Mr. MacCallum Scott: An employer on his own.

Chairman: That is outside the Act altogether.

5288. *Mr. MacCallum Scott:* I understood him to say that there are a lot of such employers?—There must be a good number of them if there are as many employers as there are employees.

5289. *Chairman:* Those people are not employers?—They are not employers, but they are in a sense employers.

Mr. Poulton: They call them one-man businesses.

Mr. Layton: They are men engaged in the milk business who have not sufficient business to enable them to employ assistants.

Chairman: They are not within the Act at all.

Mr. Layton: No, but the point I put to the Witness was whether the existence of that kind of trade was

one of the factors that made it difficult for small competing businesses where perhaps there may be a person with one employee who finds it difficult to compete against the one-man business opposite.

Mrs. Lyttelton: Because he is not under any regulation?

Mr. Layton: Yes.

5290. *Lord Weir:* The point is, when you talked about 50 per cent. evasion that was exclusive of one-man businesses?—(*Mr. Stableforth:*) Absolutely exclusive of one-man businesses. Of course the one-man business is a very serious item, because that man can work as many hours as he likes.

5291. *Mr. Layton:* Has that a very serious effect in causing this evasion?—In some districts it is a serious factor.

5292. And there is no possible way of dealing with that particular kind of business?—We have not been able to devise any yet.

5293. *Dame Adelaide Anderson:* Is he, as a small dressmaker can be, sometimes employing and sometimes employed?—This is a case where men are working their own rounds absolutely, and are carrying on a business, and they are not subject to any hours or any regulations or anything; and this, too, is a serious item against other men who are probably employing three or four men and have got to pay the full Trade Board wages.

5294. *Mrs. Lyttelton:* On the other hand such a man as that can never make a big business?—I do not know. I know some very substantial businesses.

5295. I mean he has not the physical strength.

Dame Adelaide Anderson: He must be Herculean in strength.

Mrs. Lyttelton: He really could not compete with a man who was employing two or three people.

5296. *Lord Weir:* You used to term "Full Trade Board wages." Just make it clear to me whether the minimum is as a matter of fact the standard or not?—No, it is not—not in the firms about which I know particularly.

5297. So that the evasion is an evasion not only of the minimum but an evasion below the minimum?—Yes, absolutely below the minimum—paying below the minimum.

5298. And as a matter of fact considerably below the minimum, because the minimum does not represent the standard?—That is so; and another feature in connection with this is: we have got to pay overtime after 48 hours, and one of the biggest evasions is in the hours. Men work 60 hours, and I know one case in particular, which has been reported, where 66 hours were worked and no overtime paid.

5299. Has this definite fixation of the hours created an increasing amount of overtime in your trade, or has it reduced overtime?—It has reduced the overtime considerably.

5300. They can no longer afford to pay overtime?—That is so.

5301. *Mr. Layton:* You said that there was a considerable amount of evasion, and Mr. Scott added "In all districts." In what kind of district is this evasion most marked?—(*Mr. W. T. Scott:*) Small places, villages and towns.

5302. It is in fact in the districts which are most hardly hit by the fact that you have only three gradations in the rate of wages?—Yes. In reply to that question which you were putting, my Lord, I should like to say that I think the 55s. was previously fixed for the very definite reason that in the great majority of cases to which that rate would apply it would not be a question of 55s. per week but rather 48 parts of 55s., the hourly rate. We made a stipulation and an agreement, and it appears in our Minutes, that where a man is employed by any employer for at least one hour per day distributing milk, as applicable to our particular Board, he must be paid the rate of wages as we have fixed it, and, therefore, I do not think the farmers have any right to complain, as evidently they are doing with regard

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to the 55s., for the simple reason that cases such as you cited where a man might be in one field earning 36s. per week while a man in the next field might be earning 55s. per week would not arise as a matter of fact, because if he is getting the 55s. he is away in the town delivering milk; and we always made an arrangement that it must be a case of going away from the farm and he must be away at least a solid hour.

5303. *Chairman*: The case I had in mind was a case put to us where a man employed two men whole time; they were all their time on milk distribution, and it was said to us that those two men were not the least better in skill or anything else than the agricultural labourer and that the fact that they were paid 55s. led to a great deal of grumbling by other labourers on the farm?—But granting that, cases can be cited in almost every class of employment where you have two classes of people working side by side for the same employer, but they are doing two different classes of work; and I want to show that our rates were fixed on two principles, first the value of the labour given by the servant, and secondly the question of how to live and what you required to live; and the 55s. in our opinion was not excessive. We fought strenuously for a 60s. wage; we had a possible 36s. put up against us at the last revision and we fought it and we won on the 55s. basis being quite low enough. As far as we are concerned we are not willing to agree to anything less.

5304. That is a statement which I understand, but then you have put it in quite a different way. You took into account not only the cost of living but what you considered to be the value of the service rendered. You took the two matters into account.

5305. *Mr. Layton*: What proportion of your people who are awarded the 55s. are earning the whole of it, because if I understand you that rate only obtains for the length of time during which they are distributing milk, and therefore it may be 48 hours or any number of hours. On what is the 55s. calculated?—I think it would be very difficult to give any definite answer to that question, for the simple reason that in the main the workers are largely centred in large towns, and the few cases bear a very small proportion indeed to the total that would be affected in that particular way.

5306. So that you mean that the fixation at 55s. was not due to the fact that many people would not be earning it?—It was not due to that fact, but that is the way we met the argument which was put up against us as My Lord has put it to me to-day.

5307. It was taken into consideration, was it?—It was taken into consideration. As a matter of fact two members of the Board were specially appointed to the Board because of their farm interest, one on each side of the Board, and the farmer and the labourer who represented the two parties on the Board were actually there and took part in the discussion and voted in favour of the fixation of this rate.

5308. *Mr. MacCollum Scott*: I understand that in your experience the number of men who are employed on a farm for the distribution of milk and who are employed whole time is very small?—Very small indeed.

5309. Insignificant?—Then again we claim that the farmer is not a farmer when he comes to distribute milk, he is a milk distributor.

5310. You would say that the number of people who are employed whole time in distributing milk is insignificant?—Very small.

5311. And that where men are employed it is generally for an hour or so, and that they are employed not on the farm or not exactly in the neighbourhood of the farm, but in a small town in the neighbourhood distributing there?—No, I do not think I would put it in that way. They are certainly employed by the farmer as a part of his staff, and for a certain portion of time they are engaged dis-

tributing milk, and they must leave the farm to distribute that milk, and they must either go to the station to take it there or deliver it direct to the customer, either wholesale or retail, so that as soon as they commence distributing milk they come under the purview of the Milk Distributive Board.

5312. *Dame Adelaide Anderson*: Can you throw any fresh light on the principle which led to the fixing of the lowest wage for an adult woman at 32s. 6d.? Did you enforce the same principle in their case, namely, the value of the work as well as subsistence?—Yes. Our first principle was that where a woman was doing similar work to a man she should have the same rate of wages. I say similar; I do not say exactly the same work. We secured that principle in particular for the roundswomen. When we came to the girls in the shop and the girls doing ordinary general work in the factories we were forced up against the position of what was obtaining elsewhere, and we had to strike very largely a happy medium.

5313. So that in their case it is simply what you believe to be a subsistence wage?—We certainly wanted the value of the labour recognised, but we were not quite as successful as we were for the men.

5314. *Chairman*: With which Union are you connected?—The National Union of Distributive and Allied Workers.

5315. Have you joined the Board recently?—No, I have been on the Board since the beginning, and I am acting as Secretary for the workers' side.

5316. Has the name of your Union changed?—Yes, it has.

5317. What was it called before?—It used to be the Amalgamated Union of Co-operative Employees. We changed the title at the beginning of this year. There is just one case that we ought to raise, and that is the question of scope. We have a case now where a wholesale milk distributor has actually become too big for the operations of our Board. We have this under review just now by the Ministry of Labour; I do not know whether it is opportune to mention it here. The fact of the matter is that this particular dealer distributes at least 3,000 to 4,000 gallons of milk per day, yet in spite of the fact that he does so much, it is now found out that it is not the principal or main part of his business, and because of that fact he comes out of the Trade Board. He originally paid the rates, then he stopped paying the rates and we sent an Inspector after him, and that was his excuse. His books were so kept that the Department could not prove that his business was mainly milk distributing. We want if possible an alteration in the scope of the Board, so that it will not be confined purely by that particular wording, "The main or principal part of his business."

Chairman: That is a detail with which we could not deal. No doubt the Ministry will deal with that.

5318. *Mr. Layton*: I understood you to say just now that if a man took milk to the station he would have to be paid the Trade Board rates. That is what you said, is it not?—Yes.

5319. I think you said if he was engaged in distributing it or taking it to the station?—Yes, if he took it regularly for at least an hour per day.

5320. If a farmer engaged in general farming sends a certain amount of milk daily to the station, has the employee who takes it to the station to be paid the Trade Board rate while he is doing that job?—It will entirely depend upon whether that milk is the only thing that is going to the station, or whether it is part of a general cargo. If it is part of a general cargo and we could not prove that he was doing the work for at least an hour, then he would be outside the Board.

5321. *Lord Weir*: In the case of the ordinary farmer who sends a milk cart or a milk lorry every morning to the railway station, is the man who drives that cart or lorry under the Trade Board?—Yes, if he drives it for one hour per day.

5322. *Mr. Layton*: But if during the next hour he takes wheat or anything else to the station, he gets

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the agricultural carters' rate, I suppose?—That is the way it would operate.

5323. *Lord Weir (to Mr. Stableforth)*: Can you tell us the degree to which the cost of distributing milk has gone up since 1914?—(*Mr. Stableforth*): I am afraid it is rather difficult to get at. I did not come prepared to answer that. I could have got it exactly.

5324. I wonder whether you would let us have that information?—I could let you have it. I could get it cut exactly for that matter, as far as we are concerned.

5325. I want the cost of distributing milk in 1914, and the cost of distributing it now?—It has gone up very considerably.

5326. *Mr. Layton*: Would it be correct to say that the fact that the Trade Board rate has not been changed during the last 12 months has been a factor in preventing the retail price of milk from falling as much as it otherwise would have done?—No.

5327. Why not?—I do not think it would affect it to that serious extent. The price of milk has fallen; it is at least 8d. per gallon less than it was at this time last year.

5328. Following the wholesale price?—Yes.

5329. But you do not think that the cost of distribution could have been reduced by a more rapid change in wages?—No, I do not think it would have made very much difference, for the time being at any rate. It does affect it, only, of course, you have got to work on a narrower margin until such time as it is done.

5330. Do you mean that the trade is now working on a narrower margin of profit than it was?—Yes, and one of the reasons is this, that there is such a surplus of milk that we have got to manufacture thousands of gallons per day into cheese, at very serious loss, so serious a loss that it would be a surprise to people outside—a loss which is nearer 1s. per gallon than anything else, and that over tens of thousands of gallons of milk per day.

5331. *Lord Weir*: The milk consumer would bear a certain amount of that?—Certainly. It is part of our current charges. For instance, during the summer we have got to manufacture all surplus stuff into either butter, milk powder, or cheese. If that goes at a loss we are certainly going to put it into the common pool and try to get it out of somewhere.

5332. *Dame Adelaide Anderson*: Has the difference between those rates for the women workers at all tended to affect the number employed?—Nothing whatever.

5333. They remain at the same proportion?—Our original contention as far as the roundswoman was concerned, was that she was entitled to the same wage, but they cannot do the same work, there is no doubt about that.

5334. That is the only point where they have touched, is it?—That is so.

Mrs. Lyttelton: The clerks' wages are extraordinarily lower for the women than they are for the men.

5335. *Dame Adelaide Anderson*: Are the women clerks and the men clerks doing different work?—Yes, principally just checking.

5336. *Mrs. Lyttelton*: Are there no women sterilizers?—Very few.

5337. They cannot do that work?—No.

5338. What is the proportion of women employed; is it large or small?—Small.

5339. It has not increased during the war?—It has not increased. In fact it has decreased very considerably.

5340. That is curious, because we put such a lot of women into the trade?—There were a tremendous lot during the war, but they have gradually got out of it. In fact one good woman is as good as two

indifferent men on a milk round, but she has got to be a good woman. There are exceptions, but they are very few and far between, and then from the physical standpoint—well, a churn of milk weighs 2 cwt.

5341. It is very hard work?—Yes, it is very hard work.

5342. *Dame Adelaide Anderson*: But it is in fact a real minimum which is paid to the women?—Yes.

5343. And in the case of the men it is something rather more?—Yes.

5344. *Mrs. Lyttelton*: May I ask one question about milking. Has that gone more into the hands of women since the war?—Yes.

5345. Considerably more?—Considerably more.

5346. What is their rate of pay compared with the men's rate?—I cannot tell you. It has nothing to do with this Board at all.

Mrs. Lyttelton: No, this is milk distribution.

5347. *Mr. Layton*: When you get a good useful woman worker, do you pay her the rates that you pay to a man?—No. There is a minimum wage.

5348. You just said that you did not pay them the minimum; you pay a higher rate?—We have a rate. As far as regards the business with which I am personally concerned, we take a certain standard and we say to any of our managers: "You cannot pay less than the minimum." If we have a certain man or woman who is doing well, and is selling a certain quantity of milk—I do not want to give you the quantity, because that is private business—then we give him or her a certain commission for every 10 gallons, or portion of 10 gallons, above that. We have got cases where women are earning almost double this wage, and we have certainly got cases where men are earning three times this wage—two cases.

5349. It is a piece rate, in fact?—Yes. It all depends on the men themselves. One man can sell where another man cannot do anything.

5350. *Mrs. Lyttelton*: Of course the minimum for the women is much lower than the minimum for the men. That you start with?—Yes, that is so. There is a difference in the work, and they cannot do the same amount of work, nor yet can they do the same districts.

5351. *Mr. Pugh*: Your Board has been very successful?—It has.

5352. And your principal objection is that there is certain delay in giving effect to the Board's decisions?—That is so. That is the general feeling on our Board, and an absolutely unanimous feeling.

5353. You base that upon the fact that a good many of your decisions are unanimous, and there is no necessity for delay?—That is so.

5354. *Mr. Poulton*: With those general alterations which you have suggested, do you think that the Board would become still more efficient in the interests of the trade?—I do. I think with more elasticity so that we might move, and move rapidly, as the trade is affected, either up or down, it would be satisfactory not only to the employees, but to the employers—to both sides. (*Mr. W. T. Scott*): I quite agree.

5355. *Lord Weir*: With regard to the system of payment by results which you have indicated, has it been developed to any extent?—(*Mr. Stableforth*): We have always done it previous to the Trade Board, and so far as I am concerned, except that we have got to take into consideration the abnormal state of unemployment, and our businesses cover most of those districts at the present time, if a man cannot get commission—if he is content with his £3 2s. or his £3 5s. per week—he is no use to me, and I do not want him. I only start to make money after he is making his commission.

5356. Are other employers developing that spirit also?—I think so.

(The Witnesses withdrawn.)

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Mr. G. R. DONALD.

[Continued.]

Mr. G. R. DONALD, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

1. The Trade Boards' Act of 1909 was established to deal with "sweated industries." To the principle of that Act the Chamber has no objections.

2. The Trade Boards Act of 1918 was an extension of the 1909 Act, and departed from the principle of that Act. The principle involved in the 1918 Act was apparently that the regulation of wages and conditions in industry, apart from the question of sweating, should come more under State control, especially in industries where organisation was poor or non-existent.

3. Up till 1918, the Act was applied to only a few industries, and the fact that it was found unnecessary to apply the Act beyond these few industries proves that there was no public demand or legitimate reason for such promiscuous interference with mutual wage arrangements as has occurred since the passing of the Act of 1918.

4. The amending Act of 1918 was not the result of any public demand. It was projected by the Ministry of Labour and rushed through the House of Commons at a moment when the mind of the nation was almost exclusively concentrated on the war, and the Bill had become law before it was realised how dangerously it contributed to the development of barencency.

5. The Act of 1918, by removing from Parliament control of the application of the Trade Board system and placing it in the hands of the Minister of Labour introduced and legalised a new departure in State interference with industry for which no demand had been made by any Section of the community. Since the passing of the Act of 1918 over 50 Trade Boards have been set up and it was announced by the Minister of Labour that he has or had in contemplation the establishment of an additional 170 Boards or thereabouts. In this connection we respectfully suggest for the consideration of the Committee the chaotic conditions which will govern labour in many textile factories if the Act of 1918 is to stand, and if its application be reduced to its logical conclusion. As a matter of practical working it is quite impossible to conceive of the maintenance of such a multiplicity of authorities as would be set up, each affecting small sections of workers, and each laying down with the force of law, such conditions regarding rates of pay, hours of work, etc., as may seem best to itself. At the present time, even in the particular trades forming the staple industries of this district, certain firms have workers engaged in the same room on identically similar work who come under different Trade Boards, and to whom a different set of minimum rates apply.

6. However well intentioned were the aims of the Act it is maintained that it was passed without due consideration of the possible consequences that might ensue to industries placed under its scope. This Chamber is convinced that the autocratic application of the Acts since 1918 has been attended with consequences prejudicial to trade and prejudicial to industrial concord, and that the 1918 Act should now be repealed.

7. There is a strong reason why the industries in this district should not be under the Act and that is the character of these industries. They are very largely of an export nature and are very different from other trades regulated by Trade Boards in so far that practically all the other trades which come under the Act can pass on increases in cost to the consumer. The case of 'staple industries' here is entirely different, as the competition met with is not only local or insular, but is chiefly from our Indian Dependencies and from Continental and other foreign countries.

8. With regard to the effect of the working of the Boards, the following are points which this Chamber considers should be noted:—

(1) The delay which takes place in varying rates by reduction even when good cause can be shown for immediate reduction. This delay in the case of an upward variation

does not arise as rates can be promptly varied upwards without contravening the Acts.

(2) Owing to the fixing of wages according to sex and age in a trade where many of the jobs in the preparing department are performed equally well by women and young persons of either sex as by men, men who had to get the largest wage were either not taken on or were dismissed and their places filled by the cheaper women or young persons. The workers' representatives who had been warned of the probable results of the rates fixed were themselves complainers when the probabilities became actual facts.

(3) The fixing of rates for special classes of workers which are really operative rates and should not be within the province of the Board.

(4) The tendency of the Board to develop into a Court of Arbitration with the Appointed Members as Arbiters in which each side of necessity places its demands at a maximum. This leads more and more to want of confidence between the two sides and does not improve relations between them. It does not lead to successful work as either side will give away as little as possible and the Appointed Members in actual practice have to decide all questions, including those of a purely technical nature of which they have no experience.

9. The following is the only change which could adequately meet the situation of the industries in this district:—

The repeal of the 1918 Act and the reversion to the principle of the 1909 Act which confines the interference of a Trade Board to a trade in connection with which the rate of wages prevailing is exceptionally low as compared with that of other employments, and that the other circumstances of the trade are such as to render the application of this Act to the trade expedient.

5357. *Chairman.* You are the Secretary of the Dunde Chamber of Commerce?—Yes.

5358. You have a statement to make to us with regard to the Trade Boards Acts?—Yes. Shall I read it?

5359. If you please?—" (1) The Trade Boards Act of 1909 was established to deal with 'sweated industries.' To the principle of that Act the Chamber has no objections. (2) The Trade Boards Act of 1918 was an extension of the 1909 Act and departed from the principle of that Act. The principle involved in the 1918 Act was apparently that the regulation of wages and conditions in industry, apart from the question of sweating, should come more under State control, especially in industries where organisation was poor or non-existent. (3) Up till 1918 the Act was applied to only a few industries, and the fact that it was found unnecessary to apply the Act beyond these few industries proves that there was no public demand or legitimate reason for such promiscuous interference with mutual wage arrangements as has occurred since the passing of the Act of 1918. (4) The amending Act of 1918 was not the result of any public demand. It was projected by the Ministry of Labour and rushed through the House of Commons at a moment when the mind of the nation was almost exclusively concentrated on the War, and the Bill had become law before it was realised how dangerously it contributed to the development of barencency. (5) The Act of 1918, by removing from Parliament control of the application of the Trade Board system and placing it in the hands of the Minister of Labour, introduced and legalised a new departure in State interference with industry for which no demand had been made by any section of the community. Since the passing of the Act of 1918 over 50 Trade Boards have been set up, and it was announced by the Minister of Labour that he has or

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Mr. G. R. DONALD.

[Continued.]

had in contemplation the establishment of an additional 170 Boards or thereby. In this connection we respectfully suggest for the consideration of the Committee the chaotic conditions which will govern labour in many textile factories if the Act of 1918 is to stand, and if its application be reduced to its logical conclusion. As a matter of practical working, it is quite impossible to conceive of the maintenance of such a multiplicity of authorities as would be set up, each affecting small sections of workers, and each laying down with the force of law such conditions regarding rates of pay, hours of work, etc., as may seem best to itself. At the present time, even in the particular trades forming the staple industries of this district, certain firms have workers engaged in the same room on identically similar work who come under different Trade Boards, and to whom a different set of minimum rates apply. (6) However well-intentioned were the aims of the Act, it is maintained that it was passed without due consideration of the possible consequences that might ensue to industries placed under its scope. This Chamber is convinced that the automatic application of the Acts since 1918 has been attended with consequences prejudicial to trade and prejudicial to industrial concord, and that the 1918 Act should now be repealed."

5360. Will you tell me what you mean by that last sentence?—Do you mean that it is prejudicial to industrial concord?

5361. Prejudicial to the trade?—It is prejudicial to the trade in this way, that it keeps up the cost of production. The Trade Boards which apply to the staple industry of Dundee are two, and in a smaller degree a third.

5362. That is jute?—That is jute, flax, and, to a very much smaller degree, rope and twine. Those staple industries are engaged in a trade which is an export trade. They have foreign competition; they have competition against India, where, of course, they have Indian labour; they have competition with the Continent, including Germany, which is not subject to State interference at all; and it is the impression, and in fact it is the strong belief, of our Chamber, that the maintenance of these Trade Boards is simply adding a link to the chain which is hanging the taxpayer, for the purpose of keeping afloat the Ministry of Labour. That is the belief of our Chamber on the subject. There is again no elasticity in meeting fluctuations of the foreign market, with which you have to deal. With regard to the question of industrial concord, I refer you to section 8, sub-section iv, of this statement, which I will read now: "The tendency of the Board to develop into a Court of Arbitration with the Appointed Members as Arbiters in which each side of necessity places its demands at a maximum. This leads more and more to want of confidence between the two sides, and does not improve relations between them. It does not lead to successful work, as either side will give away as little as possible, and the Appointed Members in actual practice have to decide all questions, including those of a purely technical nature of which they have no experience."

5363. You are speaking there of the Jute Board, are you?—Of the Jute Board, yes, and also the Flax Board.

5364. Are you a member of those Boards?—I am not a member of those Boards. To resume my statement: "(7) There is a strong reason why the industries in this district should not be under the Act, and that is the character of these industries. They are very largely of an export nature, and are very different from other trades regulated by Trade Boards, in so far that practically all the other trades which come under the Act can pass on increases in cost to the consumer. The case of staple industries here is entirely different, as the competition met with is not only local or insular, but is chiefly from our Indian Dependencies and from Continental and other foreign countries. (8) With regard to the effect of the working of the Boards, the following are points which this Chamber considers should be noted:—(i) The delay which takes place in varying rates by reduction, even when good cause can be shown for

an immediate reduction. This delay in the case of an upward variation does not arise, as rates can be promptly varied upwards without contravening the Act. (ii) Owing to the fixing of wages according to sex and age in a trade where many of the jobs in the preparing department are performed equally well by women and young persons of either sex as by men, men who had to get the largest wage were either not taken on or were dismissed, and their places filled by the cheaper women or young persons. The workers' representatives who had been warned of the probable results of the rates fixed, were themselves complainers when the probabilities became actual facts. (iii) The fixing of rates for special classes of workers which are really operative rates, and should not be within the province of the Board."

5365. No. (iv) You have dealt with?—No. (iv) I have dealt with already. "(9) The following is the only change which could adequately meet the situation of the industries in this district: The repeal of the 1918 Act and the reversion to the principle of the 1909 Act, which confines the interference of a Trade Board to a trade in connection with which the rate of wages prevailing is exceptionally low, as compared with that of other employments, and that the other circumstances of the trade are such as to render the application of this Act to the trade expedient."

5366. That is a very general statement. Have you anything at all to add to it?—Nothing.

5367. Lord Weir: I should like you to explain how efficacious that change would be, because so far as I see under both Acts the same duty is laid on the Board with regard to rates. Practically you complain that the rates are too high, but in both Acts they are called on to fix a minimum rate.—That is so, but the 1909 Act applied to sweated industries, and under no circumstances could the trade in Dundee be called a sweated industry. The 1909 Act, as is well-known to the Committee, was brought in to prevent advantage being taken of individuals, either on account of their influence, or on account of their poverty. Such does not apply to the trade in Dundee. It is very well-organised, both on the side of the employees and also on the side of the employers.

5368. Chairman: Were not the wages in the Jute trade very low indeed before the Act of 1909?—They were regulated by the competition in the Indian trade, as well as by foreign competition.

5369. But they were extremely low, were they not?

5370. Lord Weir: That might make them unreasonably low, might it not?—We were not brought under the sweated industries before that. There was no question of sweated industries at all under the 1909 Act.

5371. Chairman: I asked you whether, as a fact, the wages in the jute industry were not exceptionally low? I have a table before me. Taking the full-time earnings of adult men, 49 per cent. of the men employed were receiving wages under 20s. per week, and 36 per cent. were receiving over 20s. and under 30s. So that you see 85 per cent. were paid less than 30s. per week. Then taking the women, 72 per cent. were getting less than 15s. per week, and a further 25 per cent. were getting less than 20s., so that you had, therefore, over 90 per cent. of the women receiving less than 20s. per week. These were very low wages, were they not?—Those are low wages, but it must be kept in mind that jute workers are, to a large extent, unskilled workers, and a man's job is really not a man's job, in the ordinary sense of the term, because a woman can do it.

5372. That may be so, but they are lower wages, I am told, than were being paid in some of the trades which were brought under the Act of 1909, such as tailoring, certainly?—It was open, then, for those in authority to bring us under the 1909 Act, if that were the case.

5373. I daresay it was. I only asked you that because you were asserting so emphatically that wages in this trade were not exceptionally low.—Considering the competition. That is the whole point.

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Mr. G. R. DONALD.

[Continued.]

5374. *Lord Weir*: The Act does not say anything about competition; the Act simply says "exceptionally low." Presumably your trade would have come under the 1909 Act. Do you not feel that yourselves?—No, considering the nature of the trade itself, and knowing the conditions of the trade.

5375. One can only consider the terms of the Act?—Yes, I quite understand. Had we come under the 1909 Act we should have been prepared to have met the case then.

5376. Then the repeal of the 1918 Act would really make no difference to you?—Not if we are a sweated trade, which we are not.

5377. *Dame Adelaide Anderson*: Industries were being slowly brought under the Act of 1909 stage by stage before 1914?—We were never brought under the 1909 Act.

5378. I understand that, but I put it to you that it would have come to you in due course had not the war intervened?—I cannot say that.

5379. When there was a greater differentiation made between the wages of men and women, was it in fact followed by a net decrease in the number of men employed?—It was, as a matter of fact, yes.

5380. Because it was frequently stated formerly, was it not, that one of the causes of the unsatisfactory social conditions in Dundee was the fact that the women were to so very large an extent the breadwinners of the town?—I would rather not answer that question. The Jute Spinners and Manufacturers' Association are to give evidence immediately following me, and they will answer that question in detail.

5381. But there was always a very large proportion of women employed in the jute industry?—Yes, because the jute trade is largely women's work.

5382. Can you say what was the proportion of the decrease of the employment of men?—I think you had better put that question to the next witness, who comes from the jute spinners.

5383. *Mr. MacCullum Scott*: I will ask you this one question: You suggest that foreign competition or Indian competition would justify exceptionally low

wages. How far would you carry that? I am not suggesting that it prevails in the jute industry at all, but would you suggest, for instance, that sweating conditions should be tolerated here in order to meet foreign competition?—By no means, no.

5384. *Mr. Layton*: You say in your fifth paragraph that there was no demand for the extension of the Trade Board principle in the Act of 1918. On what do you base that statement?—On the fact of the introduction of the Trade Boards to employers and trades throughout the country who were not aware of the formation of the Act at all.

5385. The Act was not introduced on the Government's own initiative. It was introduced as the result of the report of a Committee on which employers and employed were both represented, the Whitley Committee, was it not?—Yes.

5386. Also, is it not a fact that at the National Joint Industrial Conference which met in the Spring of 1919, after the Act was passed, the conception of applying Trade Boards to industries which were not fit for Joint Industrial Councils, was accepted by both sides?—That is quite true, but you must keep in mind that the intention of the Trade Boards Act was that it was entirely to be applied to trades which were not highly organised.

5387. I put this point first: Was it not the general opinion of both sides, of employers and workpeople, that the whole industrial field should be covered, either by the one form or the other?—Not so far as I know.

5388. Was your trade not represented at that Conference in London?—No.

5389. I will take your other point: Did a discussion not take place which was intended to lead to the appointment of a Joint Industrial Council in Dundee, but the negotiations broke down?—There was a discussion, but that is covered by the evidence of the Jute Spinners' and Manufacturers' Association.

5390. That will be dealt with by them?—Yes, they will give you the whole information as far as that is concerned.

(The Witness withdrew.)

SIR WILLIAM HENDERSON, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

1. The Trade Boards Act of 1909 was established to deal with "sweated industries." To the principle of that Act we have no objections. At a conference held in London on 3rd December, 1918, Sir David Shackleton, in opening the proceedings, stated that from the information the Ministry of Labour had collected they were satisfied that the Jute Trade could not be classified as a sweated industry.

2. The Trade Boards Act of 1918 was an extension of the 1909 Act and departed from the principle of that Act. The principle involved in the 1918 Act was apparently that the regulation of wages and conditions in industry, apart from the question of sweating, should come more under State control, especially in industries where organisation was poor or non-existent.

3. Up till 1918 the Act was applied to only a few industries, and the fact that it was found unnecessary to apply the Act beyond these few industries proves that there was no public demand or legitimate reason for such promiscuous interference with mutual wage arrangements as has occurred since the passing of the Act of 1918.

4. The amending Act of 1918 was not the result of any public demand. It was projected by the Ministry of Labour, and rushed through the House of Commons at a moment when the mind of the nation was almost exclusively concentrated on the war, and the Bill had become law before it was realised how dangerously it contributed to the development of bureaucracy.

5. The Act of 1918, by removing from Parliament control of the application of the Trade Board system

and placing it in the hands of the Minister of Labour, introduced and legalised a new departure in State interference with industry for which no demand had been made by any section of the community. Since the passing of the Act of 1918 over 50 Trade Boards have been set up, and it is announced on good authority that the Ministry of Labour has, or had, in contemplation the establishment of an additional 170 Boards, or thereabouts. In this connection we respectfully suggest for the consideration of the Committee the chaotic conditions which would govern labour in many textile factories in our trade if the Act of 1918 is to stand, and if its application is to be extended to its logical conclusion. As a matter of practical working it is quite impossible to conceive of the maintenance of such a multiplicity of authorities as would be set up, each affecting small sections of workers, and each laying down, with the force of law, such conditions, regarding rates of pay, hours of work, etc., as may seem best to itself. At the present time, even in this trade, certain firms have workers engaged in the same room on identically similar work who come under different Trade Boards, and to whom a different set of minimum rates apply.

6. However well intentioned were the aims of the Act we maintain that the Act was passed without due consideration of the possible consequences that might ensue to industries placed under its scope. We are convinced that the autocratic application of the Act since 1918 has been attended with consequences prejudicial to trade and prejudicial to industrial concord, and that the 1918 Act should now be repealed.

7. With regard to the position of the Jute Trade, it is advisable to state the circumstances which led

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[Continued.]

up to the establishment of the Jute Trade Board. In the summer of 1918 a meeting was held in Dundee of all parties interested in the trade with a view to forming a Reconstruction Committee or Industrial Council for the Trade. Strong objection was taken to the fact that the Government Department concerned insisted on certain Trade Associations who had no interest in the question of wages and conditions of employment being represented on this Committee or Council. These Associations represented dealers in fibre, and Dundee and Calcutta goods, some having their headquarters in Dundee, others in London and Liverpool. The Department would not agree to these Associations not being represented, so the matter was dropped.

8. A point that weighed with the employers in deciding to have no more to do with the suggested Reconstruction Committee or Industrial Council was the fact that it was possible for the Ministry of Labour to place the trade under the Trade Boards Act, 1918, whether the trade had an Industrial Council or not. Owing to the extraordinary powers vested in the Minister of Labour under the 1918 Act, and it seemed certain that sooner or later a Trade Board would be imposed upon our trade. We ultimately acquiesced in the establishment of the Jute Trade Board in December, 1919, and agreed to give the system a fair trial notwithstanding that we considered direct negotiations between employers and trade unions the right method of adjusting relations, and that both parties were sufficiently organised to manage their own affairs.

9. We would point out that negotiations were conducted between the Employers' Associations and a Joint Committee of Workers' Organisations dealing with relative rates for different classes of work done, and these culminated in the signing of an agreement in 1915 affecting about 60 per cent. of the workers employed in the industry. This work of negotiation was broken off during the war period, wages being regulated by Courts of Arbitration.

10. It is a complaint by the workers' representatives that the employers refused to grant any increase of wages unless under the compulsion of a Court of Arbitration such as the Committee on Production. This is true of the war period and the reasons for this attitude on the part of the employers are as follows:—First, the trade was partially controlled by Government, and later entirely controlled, in that the raw jute was supplied by the Controller of raw materials at a fixed price, and practically the Government was the only buyer of manufactured articles at a price determined by the price of raw jute plus the cost of manufacture and a small profit. As the price at which the Government requirements were supplied was thus affected by any increase in wages, it seemed right that a committee in which they had confidence should determine what, if any, increase should be given. Second, increases in wages were chiefly based upon the increased cost of living, and were regulated not by the work done but by the age and sex of the worker. The Boards of Arbitration had full and special knowledge of the increased cost of living, and it seemed right that demands for an increase of wages should be determined by such a Board. The last arbitration took place in December, 1919, about the time of the establishment of the Trade Board.

11. Notwithstanding the fact that the industry was under a Trade Board several adjustments of conditions of employment and rates of wages were brought into operation by agreement. These were:—

(a) The establishment of a 48 hours working week with the same pay as for the old 55 hours week.

(b) Special rates of wages for all classes of spinners.

(c) A scale of rates for Hessian weavers.

Of these, the altered hours of work and the scales for spinners were adopted after a considerable lapse of time by the Trade Board, while as regards the weaving scale, which has been in operation through-

out Dundee since June, 1920, the Trade Board has not yet been able to arrive at a decision.

12. In addition to the results already enumerated as arising from direct negotiations between the parties, arrangements were also similarly carried through by which the flat War Arbitration Awards to piece workers were compounded in a series of pure piece work rates.

13. These negotiations and results show that the trade is sufficiently organised and capable of conducting its business without a Trade Board, and that the Minister's reasons for placing the trade under the Act were not justifiable.

14. There is another very strong reason why the jute industry should not be under the Acts, and that is the character of the industry. It is very largely an export one, and is very different from other trades regulated by Trade Boards, in so far that practically all the other trades which come under the Act can quickly pass on increases in cost to the consumer. The case of the jute trade is entirely different, as the competition it meets with is not only local or insular, but is chiefly from our Indian Dependencies and foreign countries.

15. With regard to the effect of the working of the Board, the following are points which we consider should be noted:—

(1) The delay that takes place in varying rates by reduction even when good cause can be shown why they should be immediately reduced.

This delay in the case of an upward variation does not arise, as rates can be promptly varied upwards without contravening the Act.

(2) Owing to the fixing of wages according to sex and age in a trade where many of the jobs in the preparing department are performed equally well by women and young persons of either sex as by men, men who had to get the largest wage were either not taken on or were dismissed and their places filled by the cheaper women or young persons. The workers' representatives, who had been warned of the probable results of the rates fixed, were themselves complainers when the probabilities became actual facts.

(3) The fixing of rates for special classes of workers which are really operative rates, and should not be within the province of the Board.

(4) The development of the Board into a Court of Arbitration with the appointed members as arbiters, in which each side of necessity tends to place its demands at a maximum. This leads more and more to want of confidence between the two sides, and does not improve relations between them. This does not result in successful work, as either side will give away as little as possible, and the appointed members generally have to decide all questions, including those of a purely technical nature, of which they have no experience.

16. From our experience of the last two years we are strongly of the opinion that the jute trade should not have been placed under the Act. The trade is fully organised. Almost every employer in Dundee is a member of the Association of Jute Spinners and Manufacturers, the latter being representative of 97 per cent. of the total workers employed in Dundee and 88 per cent. of the workers employed in the industry in Great Britain. The employers in Forfar and Kirriemuir situated within 20 miles of Dundee, are members of an Association of their own. Outside the city of Dundee this is the only important centre in the jute trade. The trade unions claim to have practically all the workers in their organisations. It will thus be seen that the trade is not only fully organised, but also highly localised, and that it is

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[Continued.]

in a position entirely different from any other industry which has been put under the Trade Boards Acts. Few industries, if any, under the Acts can claim to be as highly organised as ours, and, further, these other industries are widely distributed over Great Britain.

17. The following is the only change which would adequately meet the situation of our industry:—

The repeal of the 1918 Act and the reversion to the principle of the 1909 Act, which confines the interference of a Trade Board to a trade in connection with which "the rate of wages prevailing in any branch of the trade, is exceptionally low as compared with that in other employments, and that the other circumstances of the trade are such as to render the application of this Act to the trade expedient."

18. If, however, the weight of evidence given before your Commission does not support our very strong contention that the 1918 Act should be repealed, then we would suggest that at least the following modifications should be given effect to:—

- (1) Any trade where 50 per cent. of the trade is organised on both sides should not come under the Acts.
- (2) Any trade of which 75 per cent. is localised in a reasonable area should not come under the Acts.
- (3) That much more elasticity should be given to vary rates in accordance with sudden changes in trade.
- (4) That the powers of delay now vested in the Minister should be much curtailed.
- (5) That Boards should only have power to fix general time rates for the lowest class of work done.
- (6) That the fixing of special rates, which are really operative rates, for special jobs be prohibited.

19. The suggestions made in the preceding paragraph (No. 18) must not be read as in any way weakening our declared belief, as recorded in paragraph No. 17, that the repeal of the 1918 Act is the only action which will meet the conditions of the jute trade. We believe, indeed, that the continued application to it of the provisions of the Act of 1918 can only be disastrous in their results.

(Signed) Wm. HENDERSON
(Chairman),

The Association of Jute Spinners
and Manufacturers.

5391. *Chairman*: I think you are the Chairman of the Association of Jute Spinners and Manufacturers of Dundee?—Yes.

5392. You have been good enough to give us a statement. I see the first few paragraphs are general, and are really in accordance with what Mr. Donald has just said?—Yes. The first paragraph is, I think, the only one of the first five which I might read, with regard to the position under the Trade Boards Act of 1909. With reference to some of the questions which have been put to Mr. Donald, I think it well to point out to the Committee that at the Conference which was held in London on December 3, 1918, Sir David Shackleton, in opening the proceedings, stated that from the information of the Ministry of Labour, they told him they were satisfied that the jute trade could not be classified as a sweated industry.

5393. Is there anything wrong in the figures which I have just given: that of the men 50 per cent. received less than 20s. per week, and of the women 72 per cent. received less than 15s. per week?—Speaking from memory I should think that the rate of wages which you mentioned is correct. I am not in a position to say offhand that the percentage is as you have stated it. I am not questioning it; I do not know.

5394. Those are taken from the Report of the Earnings and Hours Inquiry in 1906.—Then that is probably to be accepted as correct, of course.

5395. *Dame Adelaide Anderson*: Perhaps "sweated" was there used in the sense of not only low wages, but long hours and bad sanitary conditions?—Bad conditions altogether.

5396. *Mr. Layton*: Would it not obviously be true that the trade was not sweated during the war, and that wages in fact rose in unison with munition rates of pay generally, and that Sir David Shackleton was speaking of the position at the close of the war?—I fancy that is the case.

5397. And that, therefore, what he said would not necessarily apply under peace conditions.

Lord Weir: You see the figures are given for 1914, and Sir David Shackleton's statement is in 1918.

Mr. Layton: In December, 1918.

Lord Weir: The conditions were probably different.

5398. *Chairman*: I think that clears up the point. You make the same criticisms on the Act of 1918 as Mr. Donald made. Will you begin at paragraph 7 of your statement?—"With regard to the position of the jute trade, it is advisable to state the circumstances which led up to the establishment of the Jute Trade Board. In the summer of 1918 a meeting was held in Dundee, of all parties interested in the trade with a view to forming a Reconstruction Committee or Industrial Council for the Trade. Strong objection was taken to the fact that the Government Department concerned insisted on certain Trade Associations who had no interest in the question of wages and conditions of employment, being represented on this Committee or Council. These Associations represented dealers in fibre and Dundee and Calcutta goods, some having their headquarters in Dundee, others in London and Liverpool. The Department would not agree to these Associations not being represented, so the matter was dropped."

5399. *Mr. MacCallum Scott*: What Associations were those?—The London Jute Association was one, and the Liverpool Gunny Brokers' Association was another.

5400. *Mr. Layton*: Purely merchanting Associations?—Purely merchanting Associations. Some of the Liverpool Gunny Brokers' Associations had sack-sewing establishments on a small scale in Liverpool, where they sewed into sacks the Calcutta goods which they imported, but their main business was simply that of importers of yarn or cloth.

5401. And I suppose in the ordinary way manufacturing associations do not have any close liaison with the merchanting bodies?—Not at all.

5402. Was this difference of opinion on the employers' side the cause of the breakdown in the proposal?—Yes; the members of the Jute Spinners' and Manufacturers' Association refused to have anything to do with the Committee or Commission if these members were forced upon them as fellow members; and, of course, there is the Manufacturers' Association of Dundee, which was by far the most important body of the lot, and they refused to go into it on those terms, and the negotiations fell through.

5403. That was during the war?—That was in August and September of 1918.

5404. There was no further attempt made to form a Reconstruction Committee or Industrial Council?—No further attempt was made.

5405. *Chairman*: Then came the Trade Board in 1919?—Then came the Trade Board.

5406. I think you did not actually object to the Trade Board being formed?—Yes, we objected to the Trade Board.

5407. But you did not lodge objections?—No. When we heard the views of the Department, we thought that it was more or less likely that the Trade Board would be forced upon us. I will deal with that a little later on. We agreed to submit to a Trade Board.

5408. *Mr. MacCallum Scott*: What is the meaning of "with a view to forming a Reconstruction Committee or Industrial Council"? Is that a Committee for trying to put the trade on sound lines again after the depression?—Yes, I believe that was the intention. There were at that time Whitley Councils and also this new kind of Council called the Interim Reconstruction Council.

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[Continued.]

5409. This is more than a Whitley Council which is meant here, is it?—I cannot be sure. There was a description of it given in a pamphlet which was issued, and it seemed to cover practically all the ground which was covered by a Whitley Council.

5410. *Mr. Layton*: But presumably to be set up pending the final settling down of the industry into its peace organization?—Yes.

Mr. Layton: It is really a temporary Whitley Council.

Mr. MacCallum Scott: What I was wondering from the description given here was whether it was not a Committee to investigate the whole of the industry, foreign trade as well, and if that was so it seems reasonable that importing and exporting firms, people who are dealing with the purely commercial side of it, should be represented. I do not know whether they are represented.

Lord Weir: That was to do with reconstruction.

Mr. MacCallum Scott: Yes.

Witness: I have a copy of the pamphlet here which was issued. I do not suppose you wish me to read it.

Mr. MacCallum Scott: No, but I should like to see it. (*Document handed to Mr. MacCallum Scott.*)

5411. *Chairman*: It is rather old history now, is it not?—It is rather old history now.

5412. And in the end the Board was formed in December, 1919, and you agreed to do your best with regard to it?—That is so.

5413. Then we may go to No. 9?—No. 8, I think.

5414. I thought that was dealt with, but please continue where you like.—“A point that weighed with the employers in deciding to have no more to do with the suggested Reconstruction Committee or Industrial Council was the fact that it was possible for the Ministry of Labour to place the trade under the Trade Board Act, 1918, whether the trade had an Industrial Council or not. Owing to the extraordinary powers vested in the Minister of Labour under the 1918 Act it seemed certain that sooner or later a Trade Board would be imposed upon our trade. We ultimately acquiesced in the establishment of the Jute Trade Board in December, 1919, and agreed to give the system a fair trial, notwithstanding that we considered direct negotiation between employers and trade unions the right method of adjusting relations, and that both parties were sufficiently organized to manage their own affairs.”

5415. *Mr. MacCallum Scott*: Have you been accustomed to settle these matters with the trade unions?—Yes.

5416. Are they well organized?—Very well organized.

5417. *Mr. Layton*: Including the women?—Including the women; in fact, they are mostly women. The largest Associations of workers are the Dundee Jute and Flax Workers' Union and the Mill and Factory Operatives' Union, and these are very largely composed of women. The men are, on the other hand, more closely connected with the Calenders' Association, because it is in the calendering department that men are mostly employed.

5418. Are the unions sufficiently well organized to speak for and represent the whole industry?—Oh! yes, they maintain that they have practically all the workers in Dundee; in fact, the largest union has stated that they have over 20,000 members and the other union has—I am not very sure how many—the last figure I heard was about 5,000, and the men who are employed in the calendering and finishing department are very well organized in the Calenders' Union. Then the power loom tenters are also very well organized.

5419. *Mr. MacCallum Scott*: I had the impression that the relations were rather strained between the employers and the unions?—At times you get that, but until the prospect of the Trade Board being formed arose we had managed to get along very well by conferences and adjustments of wages. Several instances of that are mentioned in this evidence.

5420. *Dame Adelaide Anderson*: Are the manufacturers more fully organised than the workers?—Well, the manufacturers are all in one Association; the

workers are in four Associations. There are two Associations, the Jute and Flax Workers' Union and the Mill and Factory Operatives' Union, which comprise mostly the women, and these form by far the largest Associations.

5421. Is it possible to state it in a proportion showing the number organised?—With regard to the number of women, do you mean?

5422. The number of women in the industry, and the number of women in the organisations?—No, I could not give definite information, but they claim to have practically all the workers in their organisations.

5423. *Mr. Layton*: Before the war was that the case?—They were very well organised before the war, but they have improved very much, I believe, during the war.

5424. Did you fix your wages by collective bargaining before the war?—Yes.

5425. *Chairman*: We have this in writing, Sir William, so perhaps we may take the next paragraph as read. It is rather giving your reasons for not joining?—Then I will proceed to No. 11. “Notwithstanding the fact that the industry was under a Trade Board, several adjustments of conditions of employment and rates of wages were brought into operation by agreement. These were: (a) The establishment of a 48-hours working week with the same pay as for the old 55-hours week; (b) Special rates of wages for all classes of spinners; (c) A scale of rates for Hessian weavers. Of these, the altered hours of work and the scales for spinners were adopted after a considerable lapse of time by the Trade Board, while as regards the weaving scale, which has been in operation throughout Dundee since June, 1920, the Trade Board has not yet been able to arrive at a decision.”

5426. *Lord Weir*: Are you a member of the Trade Board yourself?—Yes.

5427. *Mr. Layton*: I understand that (c) refers to (b), that the reference to the scales of spinners refers to (b), that the Trade Board adopted the scale that you had arranged by collective agreement. Was that the case?—Yes; they were put into operation in March, 1920.

5428. You mean by voluntary agreement?—By voluntary agreement.

5429. And adopted by the Trade Board at some later date?—I think it was in September of that same year.

5430. You had an agreement with the weavers which has not yet been adopted?—Not adopted by the Trade Board, but it also has been in operation by agreement since March, 1920.

5431. What has been the difficulty of having it adopted by the Trade Board?—Well, it has been crowded out of the agenda for about eight months. I think.

5432. But it is not because of the unwillingness of either side to adopt it as the legal basis of the wages?—There are two reasons. There are two objections which are being discussed probably to-day. They were discussed at the Trade Board meeting a fortnight ago, and they come up at a Trade Board meeting which is being held to-day. On the part of the workers there is objection to certain details of that scheme which has been in operation. On the part of the employers there is this objection, that we are opposed to the fixing of any more rates by the Trade Board. We maintain that the Trade Board has done all that it is required to do in fixing minimum rates, and we have already done more than that.

5433. So that neither side wishes really to embody this Agreement as to Hessian weavers in the Trade Board Regulations?—Both sides have objections to it.

5434. Is it necessary to do anything further than you have done in regard to that class of worker?—No, it is not necessary.

5435. Have you ever suggested fixing a sliding scale in the jute industry, or embodying it in a collective agreement?—No.

5436. Is it a practicable proposition in the jute industry?—No, we think not. I may say that it was suggested by one of the Appointed Members two months ago, but after a very full discussion and consideration, which extended over two meetings of the Trade Board, it was turned down.

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[Continued.]

5437. I was thinking, not of the sliding scale on the cost of living, but of the sliding scale on the margins or some other trade factor.—No, those have never been considered.

5438. You have never considered that possibility?—No.

5439. It has at various times been in operation in the cotton industry, has it not, as an agreement based upon the margins, as they are called?—I think it has been in operation in the cotton trade, but I do not think it would be possible in the jute trade.

5440. *Chairman*: It is on a most elaborate scale which depends on the number of spinners?—That is for the Spinning Department, yes.

5441. *Mr. Layton*: Are the collective agreements very elaborate, more elaborate than those?—Some of them are very elaborate; the variety of the yarn spun and the cloth woven is very great, and the variations in the rates are therefore very considerable. In addition to that, there is a very great variety in the quality of the jute spun, the various qualities of yarn, and these things all add very considerably to the difficulty of arranging such scales as we know exist in the cotton trade. But we have been working at it, and these spinning rates, which I think the members of the Committee will have before them, indicate some of the difficulties that we have to deal with in arriving at rates.

Chairman: They are very complex.

5442. *Lord Weir*: This spinners' schedule, I imagine, would never have been adopted by the Trade Board, or created by the Trade Board, if it had not been in existence as an agreement between you and the workers?—No, unless we had, after we had been formed into a Trade Board, set ourselves to do the same thing.

5443. But you consider, on the Trade Board, that having settled the minimum rates, you had fulfilled your obligation under the Acts?—That is our position, but the spinners' rates are more than minimum rates, and that is one of the objections that we have to the Trade Board—that it has fixed not minimum rates but operative rates.

5444. Is this really in essence a series of standard rates?—Yes, these were fixed as a series of operative rates, and the Trade Board has adopted them as minimum rates, and we object to that.

5445. *Mr. Layton*: Was this schedule brought forward by the operative side of the Board?—I think it was brought forward by the operative side, it being the standard rates, the rates which have been agreed upon between us voluntarily, and then, of course, it was to their advantage to have these rates fixed by the Trade Board.

5446. *Chairman*: You all agreed to that, I understand?—We agreed to that.

5447. It was really over the flat rate, the time rate, that you had a good deal of discussion?—Yes.

5448. Then you get to No. 12?—Yes. "In addition to the results already enumerated as rising from direct negotiations between the parties, arrangements were also similarly carried through by which the flat war arbitration awards to pieceworkers were compounded in a series of pure piecework rates."

These negotiations and results show that the trade is sufficiently organised and capable of conducting its business without a Trade Board, and that the Minister's reasons for placing the trade under the Acts were not justifiable.

5449. *Lord Weir*: You mean, not justifiable so far as they related to adequate organisation?—That is right. There is one very strong reason why the jute industry should not be under the Acts, and that is the character of the industry. It is very largely an export trade, and is very different from trades regulated by Trade Boards in so far as practically all the other trades which come under the Acts can quickly pass on increases in cost to the consumer. The case of the jute trade is entirely different, as the competition it meets with is not only local or insular, but it is chiefly from our Indian Dependencies and foreign countries.

5450. How would you suggest that the character of the industry should be taken into account in Trade Board legislation?—Well, we do not think it would be a good thing for this country if the jute

trade were crowded out of it altogether. We do not suggest that our wages should be brought down to anything like a parity with the wages of an Indian coolie; that is not in our mind at all. For many years we have succeeded in retaining a portion of our trade, even though our costs of production are very much higher than in India. That is largely due to the fact that we do better work than the Indian coolie, and then there is a great deal of the trade of finer qualities which the Indian native has not yet learnt to do sufficiently well to find a market for the goods. Then we have a good deal of home trade in which the quality of goods is of considerable value. For instance, the backing for linoleum and floorcloth would, I suppose, amount to perhaps 10 or 12 per cent. of the production in Dundee, and that is a trade which the natives in India have not yet managed to do satisfactorily, and any goods which are required in a hurry are ordered from Dundee. Then if merchants want comparatively small quantities of anything special, these again are all Dundee-made goods. The Calcutta mills turn the things out by hundreds of thousands and will not be bothered with a special kind of cloth or a cloth with some special stripe in it which various consumers might want. These things come to Dundee. Then again the carpet trade takes a very large quantity of Dundee yarn, of jute yarn in the form of twist for the backing of carpets. Now that yarn needs to be well spun and of good quality, and the Indian spinning is not sufficiently reliable to enable the merchant to buy that with any freedom or assurance. These parts of the trade will, we hope, remain in Dundee for a long time to come. But Dundee has not grown; the jute trade in this country has not grown as it should have done if we had been able to hold our own in what we call the ordinary goods of the trade. Dundee now, or at least up to 1914, consumed probably one-eighth part only of the raw jute grown. 40 years ago Dundee used to control the market. Now our position is a very small one; we have increased by about 50 per cent. in the consumption of raw jute since the year 1874. Calcutta has increased between eight and ten times. I am simply giving these as illustrations of the growth of the trade outside the United Kingdom, whereas if conditions had been more equal we might have expected a very much larger development of the trade.

5451. I take it you do not suggest any question of inefficiency in Dundee; it is really the cheap Indian labour that has caused it?—Yes, that is what has caused the great difference.

5452. *Mr. Layton*: Has Dundee lost all the lower-quality trade?—Almost; the low-quality trade is a very small proportion now of the Dundee trade.

5453. And there is practically no direct competition between the two, the Calcutta industry having taken the low grades?—Oh! there is very large competition. The importation of Calcutta goods into this country is enormous of the ordinary kind, and in many cases we should compete against that for the commoner quality of bags and sacks.

5454. But where you are making the same kind of goods, is the output per head much greater in this country than in India?—I think it is greater; not very much greater; because although the Indian works well it takes a larger number of Indians to produce a unit of jute goods in India than it does in Dundee or in Great Britain.

5455. *Lord Weir*: But, of course, the rates being very much worse the wage cost per unit is much less?—Oh, very very much less, because they pay their people very little. The day's pay of an Indian coolie I suppose to-day might be 7d., or, say, 3s. 6d. or 4s. a week. We are paying our people 25s. to 30s.

5456. *Mr. Layton*: Is the mechanical equipment comparable?—The mechanical equipment out there is very fine indeed, and they employ native mechanics, of course; but the supervisors and heads are practically all Dundee-trained men.

5457. *Lord Weir*: Of course, there is very little transfer of labour from Dundee to India; there is almost no labour transferred?—No.

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[Continued.]

5458. It is simply the supervisors?—Yes.

5459. *Chairman:* Dundee is not asking for protection yet?—If we got rid of the Trade Board I think we could fight on our own.

5460. *Dame Adelaide Anderson:* There has been, in fact, a great decline in the number of sack makers in Dundee?—That is a comparatively small thing.

5461. Was it not once a large thing?—Well, with regard to the sack making, there used to be a great deal done in hand-made sacks. That has almost entirely disappeared.

5462. We hear from time to time that the wages were going down in sack making amongst the women out-workers?—It was not a desirable trade to encourage.

5463. So that you develop the special lines in Dundee that are not carried out in India, such as the coloured carpets, linoleum backing and the others you mentioned?—These are things that have been general in Dundee, of course.

5464. And have increased?—Have increased, to a certain extent. They form probably now a larger proportion of the whole trade, but that is because those engaged in the trade in this country have been obliged to devote themselves more to special lines because the ordinary lines were being taken from them by Calcutta; that is to say, that these specialities form a larger proportion of the Dundee trade now than they used to do.

5465. And Trade Board or no Trade Board you would not wish to keep the trade at the expense of insufficient wages for the workers?—Oh, no! We quite recognise that.

5466. *Lord Weir:* There are some branches that it is no use attempting to keep, because it would mean a wage which would offend the public conscience altogether.—Oh, yes! We would never think of suggesting that.

5467. *Chairman:* With regard to the working of the Board, you make some suggestions which I think agree with those put forward by Mr. Donald this morning?—Yes.

5468. I think we may take those as read. Then we come to 16.—“From our experience of the last two years we are strongly of opinion that the Jute trade should not have been placed under the Act. The trade is fully organized. Almost every employer in Dundee is a member of the Association of Jute Spinners and Manufacturers, the latter being representative of 97 per cent. of the total workers employed in Dundee, and 88 per cent. of the workers employed in the industry in Great Britain. The employers in Forfar and Kirriemuir, situated within 20 miles of Dundee, are members of an Association of their own. Outside the City of Dundee this is the only important centre in the Jute trade. The Trade Unions claim to have practically all the workers in their organisations. It will thus be seen that the trade is not only fully organised, but also highly localised, and that it is in a position entirely different from any other industry which has been put under the Trade Boards Act. Few industries, if any, under the Act can claim to be as highly organised as ours, and further, these other industries are widely distributed over Great Britain.”

5469. You did apply to the Minister, I think, to exempt you?—Yes, we have done so.

5470. But he has not seen his way to comply with that request?—No, he has not.

5471. Is the Workers' Organisation an effective one; is it well-managed?—It is a very effective one, and I do not think I exaggerate when I say that the largest organisation is a very aggressive organisation.

5472. *Mr. MacCollum Scott:* Is that the one of which Mr. Sime is secretary?—Yes.

5473. *Mr. Layton:* And do they differ from you radically on the question of the Trade Board principle?—They highly approve of the Trade Board while it assists them to get their wages up, and they do not approve of the Trade Board at all when it sides with the employers in thinking that the time has come for a reduction.

5474. *Chairman:* But they opposed the dissolution of the Board, did they not?—Yes, because at that

time it was going in the way in which they wanted it to go; increases of wages were being given.

5475. *Mr. Layton:* Are the workpeople in Dundee not alive to the difficulty with which their industry is faced, which you have been pointing out to us?—I believe the workers are very keenly alive to that.

5476. *Lord Weir:* If that is the case, and you have this degree of organization on both sides, surely the Board offers a very good opportunity for coming to very sound decisions?—Well, that leads to a rather personal remark and to a difficult experience that we have had. We feel that one of the greatest drawbacks to the harmonious working of the Trade Board has been the attitude of one of the principal leaders of one of the workers' organizations, whose attitude evidently is this, that he wants always to be antagonistic to the employers. His desire is evidently always to have a fight rather than to cultivate better relations between the employers' and the workers' organization, and we find it exceedingly difficult to come to agreement over wages or anything else on that account. Even if it has been decided that something should be done, and we know that the majority of the workers' representatives are in favour of that, this leader will never agree to it.

5477. Would not that happen, perhaps in a more acute degree, if you had ordinary meetings, not Trade Board meetings but negotiatory meetings—simply between yourselves and the leaders?—Well, I do not think it would happen more acutely. The only difference it would make would be that we would have, and sometimes do have, the support of the Appointed Members in carrying what has been agreed upon.

5478. *Chairman:* Then we come to your final paragraph—No. 17.—Yes. “The following is the only change which would adequately meet the situation of our industry: The repeal of the 1918 Act and the reversion to the principle of the 1909 Act, which confines the interference of a Trade Board to a trade in connection with which ‘the rate of wages prevailing in any branch of the trade is exceptionally low as compared with that in other employments, and that the other circumstances of the trade are such as to render the application of this Act to the trade expedient.’”

If, however, the weight of evidence laid before your Commission does not support our very strong contention that the 1918 Act should be repealed, then we would suggest that at least the following modifications should be given effect to: (1) Any trade where 50 per cent. of the trade is organized on both sides should not come under the Act; (2) Any trade of which 75 per cent. is localised in a reasonable area should not come under the Act; (3) That much more elasticity should be given to vary rates in accordance with sudden changes in trade; (4) That the powers of delay now vested in the Minister should be much curtailed; (5) That Boards should only have power to fix general time rates for the lowest class of work done; (6) That the fixing of special rates, which are really operative rates, for special jobs be prohibited.

The suggestions made in the preceding paragraph (No. 18) must not be read as in any way weakening our declared belief, as recorded in paragraph No. 17, that the repeal of the 1918 Act is the only action which will meet the conditions of the Jute trade. We believe, indeed, that the continued application to it of the provisions of the Act of 1918 can only be disastrous in their results.”

5479. *Lord Weir:* Would you make that just a little clearer, that the only action which will meet the conditions of the Jute trade will be the repeal of the 1918 Act; that would leave the 1909 Act. Do you mean that the Jute trade would not therefore come under the Act at all?—That is our belief.

5480. On account of its being fully organized?—Fully organized, and not classifiable as a sweated industry.

Dame Adelaide Anderson: Not classifiable as having exceptionally low wages.

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[Continued.]

5481. *Lord Weir*: In your view the wages would not come under the term "unreasonably low" if you were outside the Act?—That is our contention.

5482. You would only retain such business in jute as would enable you to pay fair minimum wages?—Yes.

5483. *Dame Adelaide Anderson*: Would 50 per cent. organized in the trade be sufficient to help to keep up that level; you might have pockets of low wages?—But that does not merely apply to the Jute trade, of course; it would apply to any trade which had 50 per cent. organized. That is to meet the contention of the Minister that the trade is or is not sufficiently organized. There is no basis by which to measure what is sufficiently organized. We suggest 50 per cent. as being a degree of organization which would exclude any trade from the category of unorganized trades.

Lord Weir: Would not it be rather difficult ever to define organization in actual figures? You say organizations on both sides; do you mean a percentage of the employees or a percentage of organizations? Surely it would be very difficult to apply to figures?

5484. *Mr. Layton*: Might I also ask why you think that a highly localised industry is less in need of a Board than one which is not localised?—Because there is the local competition. When a trade is as highly localised as the Jute trade is in Dundee, there is no chance for one employer, or a few employers, to pay much less, if indeed anything less, than the common standard of pay. If that is so, if any employer offered much less than was recognised as the standard pay, he simply would not get the workers, because there may be a dozen other mills just as close to that worker's home as the one he is working in.

5485. But, on the other hand, is it not a fact that, broadly speaking, those industries are the industries which are subject to peculiar depressions of trade in bad times, and that in such times there is a very large surplus of labour seeking employment, and that, therefore, you are liable to get in all times very, very low wages paid if the wages are unregulated?—Yes. The alternative, of course, would be that they would not get any wages at all. Now that is the position which is occurring to a certain extent to-day. The only way we have of trying to increase trade when times are bad is by lowering our prices.

5486. There is a difference between lowering your wages or your prices on some methodical plan, and simply having an unregulated competition to get the low figures, is there not? Is not that the experience of the Trade Associations in regard to their own prices?—Yes, but what I was going to say was this, that the prices are regulated to a certain extent by the cost of production, and the cost of production contains as a very important factor the wages paid to the operative; what we call operative wages.

5487. Would you not say that in an Association which is dealing with prices, provided you can get agreement on the reduction of prices, that is as satisfactory a method of adjusting prices to a new level as unrestricted competition in cutting prices, and that the analogy might be applied to wages?—If we only had ourselves to consider, and the competition amongst ourselves, then that might be; but we have got to face the competition which comes from India, and at present, for instance, is coming very largely from Germany.

5488. But your argument really is in favour of having unregulated wages under such conditions, is it not?—Well, we find that the regulation which is imposed upon us now is very detrimental to us in meeting the competition with which we are faced.

5489. But with the union under the leadership which you described to us do you think you would get much greater elasticity of wages by bargaining with your workpeople?—Yes, we think that the workers themselves recognise the seriousness of the business, and we are quite convinced that, for instance, in the present crisis in the trade, our workers are prepared

to work for lower wages than they can get just now, because the alternative is that a certain number of them will continue to get the comparatively high rate which is paid, but a large proportion of them will not get any wages at all because of unemployment.

5490. Are you referring to the leaders or to the workpeople themselves?—To the workpeople.

5491. Are the leaders prepared to make an agreement with you for lower rates of wages?—My point is that the workpeople are more inclined to be reasonable than the leaders.

5492. But my question was whether you would hope to get a more satisfactory adjustment in wages by collective bargaining?—We think so.

5493. You think you would, in spite of the leadership which you have mentioned?—Yes.

5494. *Lord Weir*: There is one point arising out of that: It has been suggested to us that the wage cost in your trade is a very small part of the total cost; therefore, big fluctuations in the wage rates has a comparatively small influence on the total price.—I have no idea what you have in your mind, or what has been suggested to you as to wage cost. I think, without asking you to state yours, I am quite prepared to state what we find to be a general figure. The cost of our operative, that is productive, wages varies from 50 to 60 per cent. of the cost.

5495. *Mr. MacCallum Scott*: There is no object to the 1909 Act?—No, we think there is some justification for that Act.

5496. It applied to industries like chain-making, in which very low wages prevailed?—Yes.

5497. Was that not a localised industry, the chain-making?—I believe it was.

5498. Would not the provision that you suggest, exempting localised industries, shut out an industry like chain-making?—No, we suggest that organization should also be a condition of it; the localisation is only one of the factors.

5499. *Lord Weir*: I should just like to have that figure confirmed. You say that operative wages constituted something in excess of 50 per cent. of the gross costs of production?—That is right.

5500. *Mr. Layton*: Including the cost of material?—No, no; the cost of production only.

5501. You mean your factory costs?—Yes, the costs of production do not include the cost of the raw material.

5502. *Lord Weir*: But surely you sell the material?—We sell the finished article.

Lord Weir: It is rather hard for me to believe that the total cost of production does not include material.

5503. *Mr. Layton*: What ratio does your wages bill bear to the value of your output, the gross value of your output?—(*Mr. Prain*): May I answer that question? That, of course, obviously depends upon the cost of the raw material, and if I may say so, it is a fallacious way to state costs. Costs are what it takes to transform the raw material into the finished article, on to which you add the fluctuating cost of your raw material. It is impossible to speak in a percentage, because jute might be at £20 or at £70.

5504. *Lord Weir*: I quite understand that point, but I want to take it at any particular time, for example, just now?—It has been suggested that there are figures in being. Well, it would be necessary to find out what the cost of the raw material was when those figures were taken.

5505. *Mr. Layton*: But you could give two figures; you could give the ratio of your wages cost to the value of your output at the top of the boom, and you could give it to-day?—It could be got, but I am not prepared to answer that just on the spot. I will merely point out that, with figures in being, our statement can be checked if the cost of raw material is ascertained when those figures were made up.

Mr. Layton: As, of course, it must be in any such statement; you could not make the statement without it.

5506. *Lord Weir*: We do not want to be misled: we want to keep ourselves right?—Quite.

(The Witnesses withdrew.)

(Adjourned to Tuesday, December 13.)

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Alderman HENRY ROBSON, J.P.

[Continued.]

THIRTEENTH DAY.

Tuesday, 13th December, 1921.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE,
G.C.M.G. (*Chairman*).

THE RIGHT HON. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTELTON, D.B.E.

MR. W. T. LAYTON, C.H., C.B.E.

MR. E. L. POULTON, O.B.E., J.P.

MR. A. PUGH.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (*Secretary*).

Alderman HENRY ROBSON, J.P., called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

1. *Status of Witness.*—Witness is President of the Federation of Grocers' Associations. Has twice been Mayor of Bournemouth. Has had over 40 years' practical experience of the Retail Grocery Trade. Has been appointed by the Parliamentary Committee of the Federation as its witness.

2. *Constitution of the Federation.*—The Federation was established in 1891. It consists of some 240 local Associations and District Councils of Associations, with a total individual membership of about 16,000 members owning 40,000 shops and estimated to employ over 100,000 workers. This covers more than half the Grocers' shops in which workers are engaged. The Federation does not include or represent Departmental Stores, Co-operative Societies, nor Multiple Shop Businesses in which grocery and provision businesses are conducted.

3. *Federation connection with the Trade Board Question.*—In February, 1919, the Federation was invited by the Ministry of Labour to send representatives to a "Conference" at Montague House to discuss the application of the Trade Board Act, 1918, to the distributive trades. At that "conference," at which many of the distributive trades were represented, a statement was made by an official of the Ministry that the Ministry of Labour had decided to set up a Trade Board for the whole of the distributive trades. No information was then given as to the grounds upon which the Minister had arrived at that decision. We are of the opinion that there was no adequate demand from the public, employers or employees, for the extension of the 1918 Act to the Grocery Trade. The Shop Assistants' Union, who we understand did apply, only represent 10 per cent. of the employees and it is to meet such an insignificant demand that all this cost and trouble has been occasioned. Those present were invited to express their opinions as to how such a Board could be established. The Grocery and Provision representatives urged that one Board for the whole of the distributive trades was not a practical proposal. When the question of Whitley Councils being more effective for the distributing trades was raised, the official gave the reply that in the opinion of the Minister the distributive trades were not sufficiently organised to effectively set up Whitley Councils and that therefore he had decided to set up a Trade Board. A conference of representatives of all sections of the Grocery and Provision Trades was called at which an Advisory Committee was formed, numbering 47. That Committee immediately urged that a separate Board for their trades was necessary and that the number of employers engaged in them and the magnitude of the trade done warranted this claim. After various deputations and conferences with the Minis-

ter of Labour he announced that he had not power under the Statutes to set up one omnibus Board for the whole of the distributive trades and that he would, therefore, proceed to set up separate Boards for each trade. The Advisory Committee gave the Ministry of Labour every possible assistance for forming the Board. The various sections of the Advisory Committee—wholesale, secondary, wholesale and retail—on the invitation of the Ministry nominated representatives for selection by the Minister as members of the Board. Eleven were chosen from the Grocers' Federation to represent the Retail Trade from both large and small traders in the metropolis, the large cities and towns, the small towns and the villages.

4. *Friendly relations between Employer and Worker.*—The Federation wishes to point out that the Grocery and Provision Trade could in no way be described as a "sweated industry." Whilst in that trade, as in every section of the community, there are doubtless some "black sheep," generally speaking, the employers are not "bad payers" to their workers. There has been and continues a personal and friendly relation between employer and worker which precludes "sweating." In the ordinary retail grocery business there are abundant opportunities for the advancement of the worker through the various grades with consequently increased wages. In many cases the employer has set up his best worker in a business on his own account. In a very great number of cases the energetic young worker decides for advancement to start business for himself. To one or other of these conditions is due the establishment of the great majority of retail grocery and provisions businesses throughout the country. This state of things is an indication that prior to the war the trades were not filled with "sweated" workers. If a further proof of this were necessary it will be found in the fact that among the traders represented by this Federation, strikes and similar labour disputes are almost unknown. Most employers now allow holidays at full pay. Situations are kept open during illness and pay in most cases made up. Occasional days, half-days and hours off are allowed without loss of wages. In many businesses, a system of bonuses based on the success of the stock-taking periods obtains and other amenities and privileges are enjoyed. Under Trade Board conditions all the above customs must be altered and staffs must be timed in and out by a Time Recorder or Time Keeper.

5. *Friendly attitude to Board.*—Though this Federation has never agreed that the Trade Board is necessary for its workers, when the Minister of Labour decided that such a Board should be set up (on what grounds the decision was made we have never learned) our representatives gave such help as

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[Continued.]

was possible. On two or three occasions Mr. John Turner and his colleagues of the Shop Assistants' Union were invited to discuss the whole matter with the Committee of the Federation. At the annual Conference of the Federation at Bournemouth in July, 1921, at which witness presided, Sir Montague Barlow, the Parliamentary Secretary of the Ministry, at the invitation of the Federation kindly addressed some 600 delegates on the subject. At the largest meeting of grocers which has been held in London for many years Dr. Macnamara, in September last (at the invitation again of the Federation), explained in the Agricultural Hall, Islington, the working of the Board. In this and other ways, whatever was in the power of the Federation to do has been done to facilitate as far as possible the smooth working of the decisions of the Board if and when they were made.

6. *Collective bargaining*.—No opposition has been offered to the principle of collective bargaining even under a Trade Board if that principle could be worked on a mutually satisfactory basis. But in the opinion of the Federation there must be alterations and modifications of the methods and machinery which are suggested if the existing Board is to become an effective institution for the mutual benefit of worker and employer. Among these there must be the following:—Elasticity to meet changing commercial conditions; a great reduction or simplification in the official regulations and machinery which appear at present to tend to the destruction of that good feeling between employer and worker which now exists. For example, it is felt that six months is too long a period for rates of wages to be in operation without opportunity of revision. Again, a Trade Board cannot vary its proposals to meet objections which may be made without a delay of two or three months for re-advertisement which induces appointed members to be unsympathetic to a motion to vary a proposal. A method of providing for the worker who either on account of age or infirmity is unable to render the efficient service which must be demanded for the schedule wage required. The present proposed form of "exemption" for such is too difficult and complicated to be made effective.

7. *Definition*.—The definition of the scope of the Grocery and Provision Trade Boards, despite its complexity and the time occupied in framing it, is thoroughly unsatisfactory and will be disastrous to bona fide grocers and provision merchants unless amended. A shop-keeper whose main business is other than that of a grocer or provision merchant may sell any number less than twelve of the staple articles common to the trade without coming under the decisions of the Board. Thus the opportunities of unfair competition would be greatly multiplied.

8. *Street Traders*.—The numbers of these have enormously increased since the Armistice, partly due to ex-Servicemen taking up this means of earning a livelihood. Those who do not employ workers would not come under the orders of the Board, but many do employ staffs and would be difficult to control.

9. *One Man Shops*.—It is estimated that one-third of the grocery and provision shops in this country do not employ assistants other than members of the owner's family who are not paid wages but receive board and lodging and pocket money. In the event of a Board adopting unduly high rates these two classes of traders would set up injurious competition with the tradesmen who employ assistants and who would be handicapped by a heavy wage bill of a compulsory character from which these two classes of shop-keepers would be free.

10. *Wage for Age*.—This basis for the scales of wages proposed must be unsatisfactory to both employers and workers. Wage for age discourages incentive and ambition and does not stimulate employees to put forward their best efforts. Any such effect is detrimental to the State and disastrous to the trade and individual. The younger workers will feel that each recurring birthday entitles them to higher wages without any effort on their part to show improved earning capacity. The absence of any method for adjusting wages to decreased earning capacity in the older workers must result in many of these becoming unemployed. Workers of 50 years

and over should be exempt from the operations of any Trade Board; a scale of wages based on age will keep all desirous of taking it up seriously a little late in life, out of it entirely. No master could give them an opportunity of learning. Aged and sub-normal workers not capable of earning the prescribed wages and ineligible for exemption certificates must be unemployable. We are informed that the Board has found it impracticable to propose rates on any other basis. Hitherto it has been the general practice in the trade to base the wage on the number of years' experience and on the qualifications for the work claimed by the worker and the evidences in support of that claim shown by the worker's references.

Under the Education Act we understand that boys are to be kept at school until 16. At 16 they are supposed to be able to earn, under the suggested scale, from 18s. to 21s. 6d. according to district; surely an ill-considered and an impossible suggestion. Most good grocers still train apprentices. In the larger private firms, quite a number are always in training. They are taken on from Standard IX in the Elementary Schools and from the middle forms of Secondary Schools and it is from these properly trained youths that our most capable assistants are drawn. The Federation requires the utmost freedom to continue this practice—one which is essential to the proper carrying on of the trade, and one on which its future status in many districts depends. We require to be entirely free as a Trade to make our own arrangements in this matter of apprenticeship.

11. *Area Basis Unsuitable*.—The Federation accepts what is understood to be the view of the Board that uniform rates for the whole country are not practicable. We have received many complaints of the serious anomalies which must arise if the Areas at present proposed are adopted. For towns of 12,000 to 30,000 population to be subject to the same wage rates as the large cities other than the metropolis is manifestly unfair. It would also be obviously unjust for rural Areas in the outlying portions of the Metropolitan Police Area to pay the same rates as the populous districts of London, especially when adjacent to similar Areas just over the border which are subject in some cases to the lowest scale. We know a town of 12,000 under Scale "B" surrounded by six neighbouring towns under "A," all good marketing towns, in three of which one large firm has branches and is therefore put into most favourable position by this arrangement.

12. *District Committees*.—No provision is made in the Board's present proposals for setting up District Committees. A Trade Board will not work in any event without District Committees. The employers' side, if a Trade Board has to be, should consist of bona fide employers and the workers' side should consist of none but those actually employed in the trade and earning their living at it. These, we believe would be most desirable for dealing with local conditions. Seasonal trade at health resorts, suburban trade, shops in working-class districts, scattered areas in rural districts, and rapidly changing conditions in industrial centres, are matters which could be more effectively dealt with by District Committees than by a Central Board. Such Committees could be under the direction of a Central Board for the purpose of dealing with main principles and for the decision of disputed or difficult points.

13. *Independent Chairmen versus Appointed Members*.—The Federation is of opinion that if the Board consisted of equal numbers of employers and workers, with an independent chairman with legal qualifications, decisions might be more speedily arrived at than have thus far been the case with the system of "appointed members." Of course in this expression of opinion there is no desire whatever to cast any reflection upon either the eminent ability or the impartial conduct of the present "appointed members." It must, however, be obvious that having no practical knowledge or experience of the technicalities of the Grocery and Provision Trades, these members are dependent entirely upon the impressions made on them by the discussions between the employers and the workers. Their five votes are cast accordingly. With an independent legal chairman the discussions might be more effectively directed, whilst his trained

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legal experience might enable him probably more speedily to obtain decisions than could be the case with the five "appointed members" who might find differences of opinion even amongst themselves which would have to be harmonised before they could act in union.

14. *Fixed Rates.*—The scales, when they have been confirmed by the Minister, are binding upon employers but not on the workers. The function of a Trade Board is, we understand, to fix minimum wages. The high rates which are now before the Minister, in the junior sections especially, are calculated to make them standard rates. There are not wanting signs, however, that some of the Trades Unions propose to make these rates jumping-off point for higher rates. Thus the employer, though he would legally be bound to the minimum rates of the Board, is still liable to attack from Trade Union organisers continuing agitations for still higher rates outside the control of the Board or the Ministry of Labour. Many good grocers are already paying on even a higher scale than that already proposed, on the grounds of merit. We enter our protest against the arbitrary fixing of a high minimum wage for youths of 16 to 20.

The reduction of hours to 48 is inconsiderate and mischievous. It must have been realised by employees that the result would be overtime. The grocery trade is seasonal. Bank holidays and festivals bring extra pressure; daily weather has an enormous effect upon it. Health and seaside businesses have to be worked up to double and treble normal and winter pressure. It is not the general practice to make much reduction of staffs, largely because it has been considered only fair to keep good men in season and out, also for reasons of efficiency. Obviously this practice could not be continued under the Trade Board regulations. A wet day or a succession of wet days puts the pressure on later and fine days. Then there would be overtime. In our opinion a 52-hour week should be the standard, as against a normal week of 58, with an equitable arrangement to meet seasonal requirements. 52 hours' work leaves 92 hours for sleep and recreation in the six days. In many localities and at many seasons the public will suffer inconvenience, notably factory operatives and workpeople generally, if so short a week as 48 hours is fixed.

15. *Necessity for delay in confirming present Proposed Scales.*—The Federation Committee has been loyally supported by the affiliated Associations in their endeavour to study the possibilities of the Trade Board. Up to a certain time Associations were willing to agree to carry out the important experiment of the Trade Board minimum scale. Indeed, when these scales were first issued the members of the affiliated Associations largely followed the advice of their representatives on the Board and voluntarily adopted as their minimum the wages recommended. The long delay in arriving at a definite decision has created serious doubt as to whether these scales would ever be confirmed. Employers throughout the country having received the official notices of the proposal to fix rates and had an opportunity of considering the effect of the attendant regulations on their businesses, undisputable evidence has been forthcoming that it is not now possible for the Federation to obtain support of its members to any proposed scales. In consequence, at the quarterly meeting of our General Purposes Committee at Scarborough on October 18th, 1921, when about 200 members of the Committee were present, a resolution was unanimously passed requesting the Minister of Labour to withhold his confirmation of the present proposals until Lord Cave's Committee of Enquiry had heard and considered the evidence submitted to it and made its report. The appointment of that Committee is an evidence of the desire of the Ministry of Labour to learn from an independent committee its recommendations, if any, for alterations or modifications of the 1918 Act. It would appear, therefore, illogical to confirm the proposals of the present Board (which is understood to be the largest Trade Board in existence in this country) until this Committee has completed its enquiries. The Federation, therefore, earnestly hope that a recommendation

for delay in confirmation may be made by Lord Cave's Committee.

In further consideration of the applicability of Trade Boards to the distributive trades, it must be borne in mind that they were designed for mechanical trades, factories and factory routine and arrangements. Ours is not a mechanical trade. Each man cannot have an appointed routine task allotted. Every article handled requires different treatment and different time. If a salesman, he is in the hands of the buyer. It is simply futile to attempt to measure up his services by time or age merely. Then factory work goes on "weather or no," summer or winter; not so the Grocery Trade. It is subject to curves of high and low dimensions. Master, man and customer are in a relationship absolutely unknown and unrecognisable in a works or factory.

5507. *Chairman:* I think you are the President of the Federation of Grocers' Associations?—Yes, that is so.

5508. You have been twice Mayor of Bournemouth?—Yes.

5509. And you have had over 40 years' practical experience of the retail grocery trade?—50 years.

5510. You have been appointed by the Parliamentary Committee of the Federation to give evidence?—That is so.

5511. You say in your statement that the Federation was established in 1891?—That is so.

5512. It consists of 240 local associations and District Councils of Associations, with a total membership of about 16,000 members owning 40,000 shops, and employing over 100,000 workers?—Yes.

5513. You say that that covers more than half the grocers' shops in which workers are engaged?—Yes.

5514. That is in England, I suppose?—In England and Wales.

5515. The Federation does not include departmental stores, co-operative societies, or multiple shop businesses in which grocery and provisions businesses are conducted?—No.

5516. Then your statement refers to the Conference at Montagu House in February, 1919. I think you were told at first that it was proposed to set up a Trade Board for the whole of the distributive trades?—That is so.

5517. Was there at that time a demand for a Trade Board for the grocery trade?—No.

5518. I think the Shop Assistants' Union applied for such a Board?—So we understand.

5519. What proportion of employees in the grocery trade are in that Union?—About 10 per cent. according to the best of our knowledge.

5520. Is that so to-day?—I think it is so to-day.

5521. Are any of them in other Unions?—Not the grocery assistants.

5522. Would the porters or some other classes of employees be in other Unions?—Speaking generally, no. There might be exceptions, say, in London or in one or two of the large cities, but as a trade, no.

5523. Then the trade—at all events the workers in the trade—are not sufficiently organised to be dealt with under a Whitley Council?—Probably not.

5524. Did your Federation consider the proposal to set up a Board for all the distributive trades?—Yes, it was considered, but it needed very little consideration to show that it was not possible at all; and I think the powers under which the Minister of Labour was acting did not warrant him in making the suggestion that one Board should be set up for the whole of the distributive trades. The thing was too big, and the procedure, the interests, and the description of the trades were altogether too varied to be dealt with in any such way.

5525. Supposing it were legal, would it be desirable to form a limited number of Trade Boards for all the distributive trades? I mean, assuming that there are to be Trade Boards for those trades and that a Joint Trade Board were made legal, could you suggest a division of distributive trades into two or three Boards?—I think one broad division that would occur to one would be food as distinct from (shall I call it) dry goods; you will perhaps understand that. But then the conditions of meat, fish and milk are all so entirely different from the conditions of the grocery

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[Continued.]

trade that I cannot conceive that it would be workable; and then there is the volume of business and the area over which it has to be conducted. The grocery trade is conducted in every remote hamlet in the whole country, and there is no other trade which is so conducted. The food of the people must be taken to them in the most remote districts. Then in congested districts it becomes such a huge trade; the amount of capital involved and the amount of transport and the preparation—the division of bulk into quantities suitable for the different classes of consumers—seem to me to make it impossible for there to be a Trade Board dealing with anything else but the grocery trade if it has to be.

5526. I suppose in so far as the Trade Board rate is based on cost of subsistence, there is not much difference between the employee of a grocer and the employee of a butcher, or a baker?—No, probably not.

5527. Their cost of living would be about the same in the same district?—About the same.

5528. So far as volume of work goes, would it be desirable to form District Committees or District Boards?—Yes; the conditions of the trade vary so much as between industrial localities and rural localities, and especially seaside and health resorts, that I do not see how one Central Board can effectually deal with the varying problems. Of course, the question then comes in of the enormous expense of these District Councils: you are getting a steam hammer to crack a nut. It has not been demonstrated to us that there is any great demand or any actual necessity for this organisation at all.

5529. Of course, that is a wider question.

5530. Lord Weir: May I ask just one question on the general point. Your main difficulty is the question of the regulation of wages over the whole of the trade?—That is the great difficulty.

5531. Would you see the same difficulty if you had carefully interpreted the meaning of the words "minimum wage"? If you had only to settle minimum wages and not to regulate wages as you do now, would that alter your views as to the difficulties?—The variations would be so great that you would get a very great complication there. Your minimum wage for large and wealthy towns where a high class of assistant was required to keep up, and so on, would be very widely different from the minimum wage in other places. Then if you take a rural locality, of course, the difference is acknowledged roughly in the varying schedules.

5532. That would merely leave the area differences?—The area differences would be so great.

5533. It would sweep away your other difficulties, the variations in the different trades or the different branches of the trade, and would leave you solely with your difficulty of a variation according to the conditions in the area?—But then the area, of course, is only one of the difficulties. You still have individual competence.

5534. I am speaking of purely a minimum wage. —Might I ask whether your question is to this effect: Whether a national minimum wage would help us?

5535. Yes.—If that is your question, yes.

5536. A national minimum wage?—A national minimum wage applicable to all trades would help us and we think as a Federation that that is the basis to start upon.

5537. Chairman: Or even a national minimum wage applicable to all distributive trades?—Yes, to distributive trades; quite so.

5538. Lord Weir: You could take a much wider view of a Board if it had to fix a national minimum for even a series of trades?—Much wider. That would help us.

5539. Chairman: Subject, as you have said, to differences as to area?—Yes, differences of area.

5540. Mr. MacCallum Scott: You mean a national minimum graduated according to the area?—Yes.

5541. Chairman: You are not yourself a member of the Board?—No.

5542. But I think your Federation did choose some members of the Board?—Yes.

5543. I have got to the fourth paragraph of your statement. You have something to say about the grocery trade not being in any way a sweated industry?—Yes, that is so.

5544. What do you say about that. Perhaps you would read the paragraph?—I think we thought that rather a strong paragraph, because it is essentially my experience.

5545. Will you read it and we can follow it and discuss it?—With pleasure. "The Federation wishes to point out that the grocery and provision trade could in no way be described as a 'sweated industry.' Whilst in that trade, as in every section of the community, there are doubtless some 'black sheep,' generally speaking the employers are not 'bad payers' to their workers. There has been and continues a personal and friendly relation between employer and worker which precludes 'sweating.' In the ordinary retail grocery business there are abundant opportunities for the advancement of the worker through the various grades with consequently increased wages. In many cases the employer has set up his best worker in a business on his own account. In a very great number of cases the energetic young worker decides for advancement to start business for himself. To one or other of these conditions is due the establishment of the great majority of retail grocery and provision businesses throughout the country. This state of things is an indication that prior to the war the trade was not filled with 'sweated' workers. If a further proof of this were necessary it will be found in the fact that among the traders represented by this Federation, strikes and similar labour disputes were almost unknown. Most employers now allow holidays at full pay. Situations are kept open during illness and pay in most cases made up. Occasional days, half holidays and hours off are allowed without loss of wages. In many businesses a system of bonuses based on the success of the stock-taking periods obtains, and other amenities and privileges are enjoyed. Under Trade Board conditions all the above customs must be altered and staffs must be taken in and out by a Time Recorder or Time Keeper."

5546. You say there that the trade was not "filled with 'sweated' workers." Of course that statement does not go very far. Were there some firms which grossly underpaid their workers?—Yes, that would have to be admitted—I do not know whether firms or individuals; perhaps it would be better to say individuals. I do not think it would apply to any firm of any standing or with any large scope of business.

5547. Some employers, we will say—yes. Would you think the last paragraph of the statement germane to the point which we are now discussing?

5548. I want to deal with this first. You say that strikes are almost unknown. I suppose with a bad organisation of the employees strikes were very unlikely to happen?—Well, they have happened in unorganised trades pretty frequently, long before the Trade Unions reached the position in which they were, even in pre-war days. Strikes were quite common where a trade was not fully organised.

5549. They may have happened in some cases, but you will probably agree that where you have a wholly unorganised industry it is much less likely that a strike will occur than where you have a strong organisation?—Yes, I must admit that.

5550. And therefore there really was no method of bringing these "black sheep," as you call them, to book until you had a Trade Board?—That must be admitted.

5551. Lord Weir: On that point the 1909 Act says: "Where the rate of wages prevailing in any branch of the trade is exceptionally low." Would you consider that the grocery trade should have been brought under the Trade Board under the 1909 Act—that the rate of wage was exceptionally low? Would you have considered the Minister justified in imposing the Trade Board on the grocery trade under the 1909 Act?—No, there was no warrant for it whatever.

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5552. *Mr. Poulton*: Would you consider, if not under the 1909 Act, that he was justified under the 1918 Act?—I will come to the detailed points in a moment, but in the 1918 Act the wording is very different. It is: "Accordingly having regard to the rates of wages prevailing in the trade or any part of the trade, it is expedient that the principal Act should apply to that trade."—It is not speaking of distributive trades, is it?

5553. Oh yes, speaking of any trade.—Might I take the last paragraph of my report which I think perhaps will be germane?

5554. *Chairman*: Is that No. 3?—No, that is No. 15: "In further consideration of the applicability of Trade Boards to the distributive trades, it must be borne in mind that they were designed for mechanical trades, factories and factory routine and arrangements. Ours is not a mechanical trade. Each man cannot have an appointed routine task allotted. Every article handled requires different treatment and different time. If a salesman, he is in the hands of the buyer. It is simply futile to attempt to measure up his services by time or age merely. Then factory work goes on "weather or no," summer or winter; not so the grocery trade. It is subject to curves of high and low dimensions. Master, man, and customer are in a relationship absolutely unknown and unrealisable in a works or factory." That is a strong contention which we make.

5555. *Mr. Poulton*: But is not the outstanding feature of the Boards at present that they set up a minimum rate; they do not say whether you shall pay a man higher. They simply say you shall not pay the man lower; so that the question of the depreciation of a man's ability and the different treatment that he may have to give to a certain part of his work, and the time it may take, is not affected, or need not necessarily be affected, by the Trade Board regulation? We think that the wages for the junior sections are practically impossible.

5556. That is, you think that it is a scale which is not practicable in your trade?—That is so.

5557. That may be, but that is possibly a question for the Board to reconsider. What I am suggesting to you is, when you say here that you cannot do it because of the different treatment and the different time, that the Board sets up a minimum. I am not sure whether it is in yours, but I know it is in some of the regulations of the Boards; to make it quite clear and beyond any dispute it states that any rates of wages which may be higher, or conditions of employment which may be superior to, shall not be affected by this decision of the Trade Board.

5558. *Chairman*: It is not quite the same, but there is a similar paragraph in this table.—Referring again to the junior section, and the wages fixed for juniors, I say here in paragraph 10: "Under the Education Act we understand that boys are to be kept at school until 16. At 16 they are supposed to be able to earn, under the suggested scale, from 19s. to 21s. 6d. according to district."

5559. *Mr. Poulton*: Of course, there you merely say the rate is an impossible rate.—Quite impossible.

5560. But supposing the rate was varied to what you consider possible; it only proves that it is impracticable at present.—Quite so.

5561. Then you go on to say in paragraph 15—

Chairman: I do not think we have got to that yet.

5562. *Mr. Poulton*: I know, only Mr. Robson himself went there; that is why I wanted to mention it. You say that factory work must go on, bad weather, summer or winter, but not so the grocery trade. I notice you have the same kind of thing in other words in paragraph 14. I thought that the grocery trade above all trades was not a seasonal trade, because we are always wanting our groceries every day. Of course, you may have a busy time, particularly in a seaside resort; but in our factory system that is exactly what we suffer from unfortunately; we suffer from it very badly in the factories.—If you have a week's fog in London like you had a while back, it would take at least 50 per cent., or perhaps more, off any grocery business, and that business will be concentrated on succeeding days, on fine days, when

you would have to work your staff overtime under these regulations.

5563. That may be because of some special thing, but I should not have thought that the grocery trade, particularly in an ordinary inland town, could be said to be a seasonal trade by any means.—I stress there that it is subject to weather, and I would like to press that point. It is far more so than would be realised by anyone not in the business. If it were exclusively an order trade it would not apply so much, but where there is counter trade—and every good grocer likes to ensure that he shall have a proportion of counter trade—that trade is cut off by bad weather and concentrated on days when overtime would have to be worked.

5564. That is a matter which is in the power and jurisdiction of the Board to consider, is not it?—I hope so.

5565. *Lord Weir*: The atmosphere you want to convey to us about this trade is that you regard your people rather as members of a staff than as employees; is that it?—Yes; it is a much more friendly and family relation than is customary in the factory system. They are more than "hands."

5566. *Mr. Poulton*: Of course, generally speaking, the businesses themselves are of small dimensions compared to businesses under the factory system; there may be 7, or 8, or 9, or 10 people; and therefore there is bound to be a different relation to what exists in a factory where you have a thousand people.—Yes; so we say there ought to be different treatment.

5567. But is there not? I thought you were a very happy family on both sides?—We are, and we are anxious to preserve those relationships.

5568. The Board need not necessarily disturb that, surely?—I am afraid they may.

5569. *Chairman*: We got to the fifth paragraph, where you refer to the friendly attitude of your Federation, and you say that Committees were set up, and you mention the Conference with Sir Montague Barlow and Dr. Macnamara, and then in paragraph 6 you say: "No opposition has been offered to the principle of collective bargaining even under a Trade Board if that principle could be worked on a mutually satisfactory basis," and you say there must be alterations in machinery. One reason you give is that there is not sufficient elasticity to meet changing commercial conditions; you suggest a great reduction or simplification in the regulations and machinery which appear at present to tend to the destruction of good feeling between employer and worker. What do you mean by that sentence?—I allude to it in the question of the amenities that we give to our staffs. If we are put upon strict regulation there will be no margin for us to show the consideration that we have shown.

5570. But I want to know what are the modifications of the machinery which you suggest?—Is not that explained in the continuation of the paragraph? It is felt that six months is too long for rates of wages to be in operation without opportunity of revision.

5571. *Mr. Poulton*: But is not that the general rate?—Yes.

Mr. Poulton: But I think the Chairman wants to know the machinery you would put up for dealing with these individual cases, rather than the bulk?

5572. *Chairman*: I wanted to know what your suggestions are; I daresay they would come out by degrees. That is one; that the six months is too long. Of course you know it can be altered in less time if it is sent to the Minister?—Put shortly, the machinery is altogether too slow.

5573. And you are working that out; first the six months, and then two or three months for a variation?—Yes.

5574. *Dame Adelaide Anderson*: I should like to ask you one question about the hours. You spoke of the amenities between the employers and workers just now. I want to be clear as to whether the workers are not employed in any part of the day.

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You spoke of sales being transferred to a later date?—Yes.

5575. You can always adjust the work in a grocery shop, can you, so as to keep the employees employed during the time the shop is open?—We have very great difficulty indeed, and a run of bad weather or a run of slack business demoralises the whole of the staff. It is the most difficult thing we have to deal with to keep the staff going when from any cause business is bad; and then sometimes we should let a man go for half a day.

5576. But there is work that can be done in a shop in advance?—Up to a certain point, yes, but we cannot go on day after day. We cannot make work; we could not guarantee under any circumstances to keep a big staff going independent of the weather or trade.

5577. *Chairman*: You have mentioned two changes which you suggest. Then you refer to exemptions?—The method for meeting that is very cumbersome, very cumbersome indeed.

5578. What improvement do you suggest?—I suggest one a little later on, that those over 50 should be exempt from the operation. Employers have men who are of a very low order of intelligence; they can do certain things and are employed to do them; but if we had to pay them on the suggested wage scale, they simply would not be employed. They cannot earn the money.

5579. Do you think those men would be willing to apply for exemption on the ground of their inadequate intelligence?—Some of them would not bother; they have not mentality enough. They would take their notice; they simply would not bother.

5580. Others you think would apply?—Others would apply, but it is the trouble and the irritation of our having to apply that we should object to.

5581. *Mr. Poulton*: But you do not suggest that it is impossible to set up machinery to meet those cases, do you? It may be quite a new thing to you in your trade, and therefore you do think it is irritable and troublesome and cumbersome, and all the rest of it?—Yes.

5582. I have been working at my trade, a fairly big trade, for 30 years, and giving exemption to those men who are of the sort of capacity you mention?—Have you had to go through similar machinery?

5583. Yes.—Well, as you very correctly point out, it is a new thing to us altogether.

5584. That is the difficulty; it is a new thing and therefore there is irritation?—And if you will pardon me asking you a question, is your machinery the same?

5585. Practically. We have an equal number on both sides who sit and decide as to whether a man or a woman, as the case may be, should be exempted or should work at a lower rate than the minimum rate, and what that rate should be.—Can you imagine over a sparsely populated area the cost and the trouble—

Mr. Poulton: I think simple machinery could be set up. I am not now saying that the present machinery could meet the position satisfactorily. I am only suggesting that it can be done, and could be done, I think, satisfactorily.

5586. *Chairman*: The great point is that it ought to be extended to other cases, such as people who are slow workers, or not fit to earn the specified wage?—Yes; and I am reminded that that sort of irritation to which you have alluded, Sir, would lead us to this position: "Oh, we shall not bother with it; you do not fit the bill, you must take your discharge."

5587. *Mr. Poulton*: That is a case of not wanting to meet an awkward situation.—We are very human in the grocery trade.

5588. I know. Of course the whole thing is quite new to you?—Quite.

5589. *Lord Weir*: Of course if a true minimum were set up the question of exemption would not arise?—Not so much.

5590. *Chairman*: Might it not still arise as regards what we call sometimes subnormal workers, people of unusually low intelligence? You still have the point; you could not fix your minimum with reference to the capacity of subnormal people; it would have to be for normal people.—That is so, but even so the basis would be different, and there would be a less margin to adjust.

5591. Then you are not satisfied with the definition. Is it not long enough for you?—One hardly can be satisfied, because you see it could be dodged so very easily. A man can just keep 11 of our leading commodities and do what he likes.

5592. *Lord Weir*: Is it conceivable that such a thing would develop?—It is developing.

5593. That is, you are getting specialised grocers?—If this was the place and the hour I could name a firm who are developing it to a tremendous extent.

5594. And is that definitely based on getting out of the Act?—Oh, no; I am not saying that. It is simply in operation in a large firm; they are the very antithesis of grocers. They are specialising upon a few grocers' goods every now and then and continue to do so.

5595. *Mr. Poulton*: Is it not for the Board itself to meet and get such a definition as will bring them within the scope of the regulation?—You see, you could take two or three of these enterprising cheap firms, and with or without arrangement they could keep a score or even two score of our leading articles, and have nothing but girl labour to hand them out. It is most dangerous, and it is in operation now. I do not like to mention the names of firms, but they are perhaps present to your mind.

5596. *Mr. MacCallum Scott*: What kind of articles are you thinking of—tea?—Oh, yes; and coffee and cocoa. Cocoa are being dealt with like that and if they adopted the American plan of packing almost every commodity, even perishable things, they would not leave us anything worth while handling, and they do employ cheap girl labour.

5597. *Chairman*: Of course that is a matter for discretion; but I understood what you quarrelled with was a person who sold less than 12 of the recognised articles, and so gets out of the Trade Boards Act?—Yes.

5598. That is under the regulation of the Trade Board itself?—Yes.

5599. And have you applied to the Grocery Trade Board to reduce the number of 12 to a lower number?—This is not the Board's definition: it is the definition of the Ministry of Labour.

5600. That is true. I should have said, have you applied to the Board to get that altered?—I think this is the first opportunity we have had for making an influential protest.

5601. *Lord Weir*: So long as those enterprising firms you speak of pay Trade Board rates, then the specialisation is not necessarily a bad thing, is it?—If they did pay Trade Board rates on our basis, then, of course, we should have no grievance.

5602. But you submit that they do not pay Trade Board rates?—They do not.

5603. *Chairman*: What kind of trader would follow that course of selling less than 12 of the grocery articles?—Dairies very largely; fishmongers would, butchers would, and so would greengrocers; but what I have in mind is a very enterprising firm of fancy dealers; and then, too, there are café proprietors. I assure you, my Lord, that it is a very wide point.

5604. It is a real point?—It is a real point and a very strong point.

5605. *Mr. Poulton*: Did not many of these people sell these articles before the Trade Boards came into operation? It may have increased perhaps, but all the businesses you have mentioned have done this for years. At any time within the last 25 years I could go to those people and get articles which are sold by grocers.—Now it is going to be put on definite, clear lines.

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5606. But if you find that there is a development against yourselves, it seems to me the Chairman has put the point to you twice—that you should get a definition to bring them within the scope of the Board.—That is one result which we hope would come from this Committee now that we have put the case.

5607. *Mr. MacCallum Scott*: Would not most of these other shops, distributive shops, come under a Trade Board also?—No; there is no present suggestion, anyhow. We cannot say, of course, what might be done in the future, but there is no suggestion yet that they should.

5608. *Mrs. Lyttelton*: Of course, if there were a national minimum wage your objections would go?—Largely, but not entirely.

5609. *Chairman*: Then you mention street traders. I do not know what point you want to make about the street traders?—I think no more than is stated there. The competition is extremely acute in London and in one or two provincial towns; not so much in the provinces, but it is very acute indeed in London.

5610. They, of course, are free from the Trade Boards because they do not employ workers.

5611. *Dame Adelaide Anderson*: What kind of articles are they selling in the streets?—Cocoas, milk, bacon.

5612. Soap?—Oh, yes, soap has been a great thing, and matches and no end of sundries.

5613. Matches were always sold in the streets. —Yes, they were, but now you get a stall with quite a selection.

5614. But the ex-Service man must find some outlet, and that may be a temporary thing, may it not? —Well, unfortunately we know that alien capitalists are behind a great deal of this street trading.

5615. *Mrs. Lyttelton*: You mean that the street traders are in fact employees?—Yes, and they are employed by men of substance.

5616. That ought to be able to be regulated, but you cannot affect the man who is working simply on his own without any employees in any trade, can you?—You cannot expect to regulate any man who is not employing anybody; you have to put up with that competition in almost every branch?—Yes, but it is within our knowledge that this has been taken up as a profitable employment of capital by aliens.

5617. *Lord Weir*: That would have no connection whatever with the Trade Boards, surely?—No, but we are subjected to that, and they are not under these Trade Board regulations.

Mrs. Lyttelton: They evade the Acts by being hidden employees.

5618. *Mr. Poulton*: But if they are employees and not employers, I should have thought that you could have brought some of them under the Boards if you investigated the matter. If you state that they are employees of some people with a considerable amount of capital, than that is a business, and the people are ordinary employees, surely?—And we say they would be difficult to control; that is my remark with reference to that. It is purposely short, but we just point it out as one of the forms of competition of which cognizance ought to be taken in the operation of the Trade Board.

5619. *Chairman*: Then the same observations apply to the paragraph about one-man businesses; those are businesses where no workers are employed, and therefore the rates do not apply?—That is so.

5620. You cannot carry that any further, can you? —No, I cannot carry that any further.

5621. Then you refer to wage for age; that is, that a young worker should be entitled to an increased minimum wage as his age increases?—Yes.

5622. You say that it discourages incentive and ambition?—That is a very strong point indeed. I should like to emphasise that point. The whole section as regards juniors and learners would work out very unfortunately indeed. We have very little to say about the senior qualified men; in fact, there are very few of them who are not now paid more than the suggested wage—very few.

5623. *Mr. Poulton*: Would you explain how you used to pay these young people who were learning beforehand; I have always understood that you did pay them by the same method; as they had served you so long, so they had risen in wages providing their work was satisfactory?—Yes, that is the crux of the whole thing—providing their work is satisfactory. Now we have to do it whether it is or not.

5624. Surely not; you do not mean to say that you are compelled to keep them there?—Exactly; that is the alternative—discharge them.

5625. Oh, no, not quite that.—I misunderstand it, then. If a youth growing up is not worth the money, the 5s. or 7s. 6d. advance which he is entitled to under the Trade Board, it occurs to us that we have no alternative but to dismiss him or to pay the wage.

Mr. Poulton: I had in mind my experience on a School Board Authority, and they have always paid their youths according to that. As soon as they arrived at a certain age they went up on a scale. If their conduct was not satisfactory we had them before us and talked to them, and I should have thought that there was an obligation on you to talk to them and say they shall not have their rates. It would have a good effect, I think.

5626. *Lord Weir*: Surely they could turn round and say it did not make any difference?—That is the crux of the whole thing. You may talk to them in a proverbial way—

Mr. Poulton: Of course, if they refuse to pull themselves up, that is an entirely different matter. If they simply say: "We are going to have it without any regard to service at all," then you can dismiss them.

5627. *Dame Adelaide Anderson*: Is it not possible to put them on probation for a month or two months? —Not under the Trade Board.

5628. Surely you could dismiss them with two months' notice?—You can dismiss them with a week's notice.

5629. You could put them on probation and say that you will have a report each week of their progress?—Yes, but supposing they have not the mentality; supposing they cannot do the work, and it is not in them?

Chairman: Or supposing they won't?

5630. *Dame Adelaide Anderson*: Supposing they won't, then they leave.—Supposing they are of slow development. I know employees who have not shown any competence or qualified for responsible positions until they were turned 20 or 21, and then they have turned into useful men. Youths do not all develop alike.

5631. Then would it meet your point if you could have some provision for unfitness, for subnormality in juveniles?—That would come in under the contention we were making in the previous paragraph.

5632. *Lord Weir*: Would it work better, for example, if you had simply a starting rate and the rest was left?—A starting rate, yes.

5633. And then an adult rate; would it be better if the rate of promotion was left to you?—That is wrapped up with the paragraph on apprenticeship.

5634. *Chairman*: Your trouble is this, that the scale goes up regularly from the age of 16 to the age of 24 without regard to the boy's or the young man's services at all?—That is so.

5635. Simply as his birthday comes along, up goes his wage?—Yes; that, we think, is an impossible condition of things in our business. He is not tending a machine; his value depends upon his mentality and his application to the business.

5636. Supposing you take in a young man of 18, who knows nothing of the business, you have got to pay him at the lowest rate, 28s. a week, from the very beginning, practically?—Yes. It is impossible.

5637. The moment he is 19 he gets 34s. and upwards?—Yes.

5638. That is your trouble?—Yes. It is quite impossible.

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5639. *Mr. Poulton*: If that is a fair scale—I am not going into the question of whether it is a fair scale or not; I do not know, but assume that it is a fair scale—for the ordinary normal learner or apprentice, as the case may be, then if you had someone who was not satisfactory, would it not meet the case if you had a good deal more elasticity in the Act so that you could deal with such people as that?—That is what we are asking for.

5640. You do not want to do away with the system altogether, but you want more elasticity in these cases which are bound to occur?—Yes. Then we are told that it is impossible, and therefore if it is impossible we say, “Wipe it out, and give us leave to deal with our juniors on the old lines.”

5641. Who told you that it is impossible?—One has gathered that in discussions with those who have been working on these scales.

5642. I know one Board which insists on having reports as to how the apprentices are being treated, and how they are getting on, and whether they are giving satisfaction.—That is a very excellent idea, I should think.

5643. *Chairman*: Do you take apprentices?—Yes. 5644. For how long?—Three years, and if they wish for office training that can be extended to four years.

5645. *Lord Weir*: As a rule were those apprentices paid on a very low scale?—I think about the present basis would be about the start. When a lad leaves school at 14 years of age, if he is elementary, he will start in our district at about 10s. and advance 5s. a year.

5646. *Chairman*: You have dealt with old people. You think that a man is old at 50 years, I understand, and ought to be exempted from the scale?—It would simplify it. I have got men over 50, and very good men, and I believe my friends have, too, but it would simplify the operation of the scale.

5647. No doubt it would simplify it, but would not the effect be that men of 50 years would be employed, and employed at low wages, instead of younger men?—I do not think so. There is always something the young, competent man has which a man of 50 years has not got, but if a man reaches 50 and stays in the employ, and is still hale and hearty and competent, we should not readily part with him or underpay him.

5648. That is your view. I have heard nobody yet put it at 50, and I am rather alarmed to hear that one is old at 50. Then you have dealt with boys. As to the area basis adopted by the Grocery Board, what do you say?—I think the case I quote there shows how difficult it would be.

5649. Scale A applies to all rural districts and all urban districts with a population of less than 10,000; Scale B to all other areas except the City of London and the Metropolitan Police District; and Scale C to the City of London and the Metropolitan Police District?—Yes.

5650. Do you say that it is an unsuitable division?—It works out very badly between many of the London Police Divisions. There are New Barnet and New Southgate, which are included in the London area, with populations very much below that minimum; and there are Watford and Bushey; Watford has 45,000 inhabitants and comes under Scale B, and Watford is Bushey's most serious competitor, and there the population is only 8,000, and still they have the same scale of wage to pay. I think the same thing applies to New Barnet and New Southgate.

5651. Watford is outside the police area, is it?—Yes, it is outside.

5652. Is Bushey inside?—Yes.

5653. So that the wage in Bushey would be higher than the wage at Watford?—Yes, although there are only 8,000 inhabitants there. Then as to the other case which I quote, shall I give you the details of it?

5654. Yes.—In Trowbridge, with a population of nearly 12,000, they will have to pay Scale B wages. All the neighbouring towns, namely Warminster, Chippenham, Westbury, Bradford-on-Avon, Melksham and Devizes, will pay under Scale A. This is a very serious disadvantage to Trowbridge grocers, whose profits are cut down to a minimum. Competitive firms in those neighbouring towns will have a great advantage over them through that difference in the scale of wage. At Melksham, for instance, only five miles from Trowbridge, there is a firm of wholesale grocers who do an enormous trade and employ a large number of assistants, porters, carters, etc., at their four establishments in Melksham, Devizes, Marlborough and Shaftesbury. They have them all round, and they are under a lower minimum. I do not want to labour that point too much, but it just shows how difficult it is. There wants to be more attention given to these areas and more elasticity.

5655. Wherever you draw the line you must have some difficulties, must you not?—I suppose so. That is why one advances these extreme case with a little diffidence, but they are felt very keenly indeed in these areas.

5656. *Lord Weir*: Surely that evidence is inconsistent with your previous evidence, that you generally paid over the minimum rates. By comparison those people appear to regard it as the standard.—In saying that we paid over the standard rate I had in my mind assistants and qualified men. On the other side, as regards junior wages that is where the difficulty presents itself most acutely. In those towns that I have mentioned probably they would not be paying over the suggested wage in those rural localities.

5657. In those rural districts the minimum is the standard?—Yes, probably.

5658. Then, of course, the juniors' and learners' rates are absolutely standard, and are in no sense a minimum for juniors; is that right?—Yes, so we understand it.

5659. Do you know anyone who, for example, pays the juniors more than the Trade Board rate?—No. I said that qualified and competent men were in receipt of better wages.

5660. Just to prevent misconception, I think the Trade Board has excluded apprentices from the scale now; is not that so?—Quite temporarily, we understood. That is quite a temporary matter.

5661. Do you mean that the period is limited by the decision of the Board?—No. The workers' side are trying to get it modified and thrown out altogether. We are very much pained at the hostility of the employees' side to apprenticeships at all. I think the hostility of the employees' side was one of the first things that alarmed us. That might arise because on the employees' side there are very few grocers' assistants—hardly any.

5662. *Mr. Poulton*: You mean on the Board?—On the Board. Trade Union officials, yes, but assistants who would know the value of a proper training for youths are not properly represented there, and the employees' side are distinctly hostile to apprentices in any form.

5663. Did they give any reasons why they were hostile?—I should not think they would like to give the reasons. One can only infer from their hostility generally.

5664. The trade has to be fed?—One reason given was that the employment of apprentices was simply a means of evading proper wages, which is a very gross and insulting suggestion to those of us who, for more years than we care to count, have been employing apprentices and turning them out, many of whom are now in very good business and in responsible positions.

5665. *Chairman*: Do you know whether this resolution against apprentices was carried by agreement, or whether it was done on a division?—I think it was on a division, the employers and Appointed Members against the employees. It is very significant that in that case we had the Appointed Members with the employers.

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5666. *Mr. Poulton*: If you had the Appointed Members with the employers how did they get excluded?—They might ultimately; we do not know; but that is the position now. It is a temporary arrangement.

5667. *Chairman*: I have the resolution now, and it is more limited than I thought. It runs in this way: "It was resolved (the representatives of workers dissenting) to exclude from the operation of the rates indentured apprentices under the age of 19 years whose indentures were entered into prior to the date on which the minimum rates become effective and provide for the effective instruction of the apprentices in the trade for a period of not less than three years"; so that it is limited to existing apprentices?—Yes.

5668. It does not provide for future apprentices being exempt?—No, and I think the attitude taken by the employers over that has been a great factor in startling us and making us afraid of the employees as represented on that Board. We asked who they are and what they are, and we found out that they are not men who are competent to judge of what the trade requires; they are trade union officials and men who take altogether too narrow a view of the possibilities of the trade and of the requirements of the trade.

Mr. Poulton: If I understood you rightly, Mr. Chairman, that does not exclude apprentices, it is only excluding the existing indentures.

Chairman: Yes, that is what the witness complains of—that it means that future apprentices must be paid the full Trade Board rate.

Mr. Poulton: Yes, but it does not exclude apprentices to the trade.

Chairman: It does not prevent apprentices to the trade.

Mr. Poulton: I understood the witness to put it the other way about.

Chairman: No, it does not exempt apprentices from the full Trade Board rate.

Mr. Poulton: That is another matter. I understood from Mr. Robson that it excluded apprentices, but as a matter of fact it only excludes existing indentures and prevents their being interfered with, whatever the rate of pay fixed by them may be.

5669. It does not exclude apprentices in the future, only they must pay the Trade Board rates, which the witness complains of. The rates are a different thing.

Chairman: That is the very point that we were discussing.

Witness: Quite so. Quite obviously you are not going to turn a raw lad loose in your business at 21s. 6d. per week.

5670. *Mrs. Lyttelton*: Practically it would mean no apprentices; that is what you mean?—That is so.

Mr. Poulton: You conveyed to my mind that the workers objected to apprentices, and they do not object. I want it to be clear that they do not object to apprentices. It is the employers who object to apprentices on that scale.

Mrs. Lyttelton: That is what Mr. Robson means.

5671. *Dame Adelaide Anderson*: I want to understand what is the real reason in objecting to paying an apprentice a minimum?—Because he cannot earn it.

5672. Then those scales for 16 to 17 years of age are fixed for people who already know the work?—We do not know what they are fixed for; that is our trouble. We are supposed to take in anyone without any knowledge at all, and turn them loose amongst our stock, and to endeavour to do our work without supervision and in a position to earn, whereas there must be a certain period during which they have to be taught their duties.

5673. *Mr. Poulton*: Were they not paid some wage before the Trade Board was established when they were apprenticed? Was not that named in their indentures?—10s. is what it is now; they start at 10s.

5674. *Dame Adelaide Anderson*: You feel that the rise is too great, having regard to the fact that you

are teaching them?—The cost is too great. If your contention is right, that they do not object to apprentices, our reply to that would be that we object to the pay which we would have to give the apprentices.

5675. *Mr. Poulton*: I can quite understand that. —But as a matter of fact they do object to apprentices in those set terms. They object to the whole system of apprenticeship to the grocery business. That is the attitude which the employees have taken up.

5676. *Chairman*: Now we will pass to District Committees. There are none, I think, in connection with the present Board?—No.

5677. Do you think that there should be such Committees?—I think the Act will be inoperative without them if it is to come in.

5678. What do you mean by that? I do not understand that?—I mean that there will be unemployment and disorganisation; there will be a hundred and one questions cropping up, and the Trade Board itself would be snowed under with petty details with which there is no machinery to deal. I have alluded to the wide scope of the business and its varying phases. I cannot conceive how it can be dealt with by one Central Board.

5679. I want to follow that out. The Central Board has fixed the rates for the whole country?—Yes.

5680. What are the petty details which you think would swamp the Board?—Subnormal workers, and then the impossibility of seaside resorts getting their work done, excepting with a big payment for overtime. Surely protests would come and instances would be given of a harsh operation of this business. Then, too, there would be representations from the employees' side that they were dismissed at the end of a season, and asking the Board to make some arrangement and to intervene on their behalf.

5681. How could the Board intervene?—They would be asked to intervene; and then there would be such anomalies as arise out of the division of areas; there would surely have to be some adjustment in the cases I have quoted, and that would be going on all over the country. I can imagine a very great deal of work coming back upon the Board before this was in operation.

5682. What you have in mind is applications to the Board to revise these rates?—Yes, to revise rates, areas and conditions.

5683. Therefore you contemplate District Committees having power to revise the rates subject, I suppose, to the approval of the Board?—That is so.

5684. Of course, there is also the duty of dealing with applications for exemption?—Yes.

5685. Which I daresay you would say would be best dealt with locally?—Yes.

5686. Now you pass to the question of the Appointed Members. What is the view of your Federation about those?—We think that the Board should consist of equal numbers of employers and workers and an independent Chairman. Appointed Members, unless they are familiar with the trade, cannot be helpful. I do not think I can add anything useful to paragraph 13 of my statement. It has been very carefully considered.

5687. You say that these minimum rates tend to become standard rates?—Yes.

5688. Then you say something about hours?—The experience of those who have tried to work the 48 hours has been quite unfortunate. I have a case under my hand here where opening at half-past eight in the morning was tried, and adjusting the hours of the various places accordingly, but the later hour—the half-hour—was found to be exceedingly inconvenient, and that would apply in any industrial districts. If the time were taken off at the other end of the day it would apply even more when the workers got home.

5689. What is the normal week in the grocery; is there any normal week?—54 to 58 hours.

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5690. You suggest 52 as a fair arrangement?—I suggest 52. We gave a great deal of consideration to it. We are working 51½ to 52 hours, and many of my friends are working the same, and that is found to be possible.

5691. Then in paragraph 15 you speak of the need for delay in confirming the present proposals?—We really hoped that that would have come about automatically.

5692. *Lord Weir*: There is one question that I want to ask about hours. We had evidence in connection, I think, with the grocery trade that a very considerable section of the distributive trade do not object to 48 hours. The Co-operative evidence, I think, was to that effect. They did not raise the question of restriction of service such as you have indicated?—If it was from the Co-operative it would hardly be a fair criterion for other trades. The co-operator must go to his store just when the management says that it must be opened. The ordinary trader is in no such position as that: he must consider very carefully, as far as ever he can in reason, the requirements of his locality and of his customers.

5693. *Mr. Poulton*: When you speak of 52 hours as against 48 hours, do you mean that the employees should work 52 hours or that there should be such an arrangement of time that an employee must work 48 hours but that the business might keep open 52 hours; that is to say, that the hours during which they serve behind the counter should be so arranged that their time should not exceed 48 hours, while the business might be open 52 hours?—No, we mean that the hours of business should be 52.

5694. And that the employees should be there 52 hours?—Yes, with the employees there.

5695. *Dame Adelaide Anderson*: That is to say, that overtime should commence after 52 hours instead of after 48 hours?—Yes.

5696. Was that the arrangement before the Trade Board proposal was made?—I do not think overtime was customary. That was met, I think, by the Christmas present. It is at Christmas time really that overtime takes place, and I believe at seaside towns there is generally a recognition—in fact, I know there is a recognition—of any extra time

(The Witness withdrew.)

Mr. FRANK IMPEY, called and examined.

The Witness handed in the following statement as his evidence in chief:—

I am a Chartered Accountant carrying on business at 37, Newhall Street, Birmingham, having been in practice since 1885, and give evidence on behalf of the Pin, Hook and Eye and Snap Fastener Employers' Association.

I have had considerable experience in labour questions.

For some five years, ending in 1900, I was Secretary to the Bedstead Manufacturers' Association and Joint Secretary to the Bedstead Trade Wages Board.

Since 1908, I have been Secretary to the Warwickshire Colliery Owners' Association, an employers' organisation dealing with labour questions in the Warwickshire Coalfield, and since June, 1912, have been one of the Joint Secretaries to the Minimum Wage Board in that Coalfield.

During the war I was one of the Joint Secretaries acting for the Employers on a Board constituted under the guidance of Lord (then Sir George) Askrwith, in the Birmingham and Walsall Harness, Saddlery and Military Accoutrements Industry.

Some months ago I was appointed Secretary to the Pin, Hook and Eye and Snap Fastener Employers' Association. The rates for labour employed by members of this Association are fixed by the Pin, Hook and Eye and Snap Fastener Trade Board, of which I have been appointed a member.

The members are makers of pins, safety pins, hair pins, hooks and eyes, and snap fasteners. There are 17 members, representing about 85 per cent. of the output and employing about the same proportion of the labour in the whole trade.

worked, but there is no keeping time and paying so many hours of overtime in the trade that I know of.

5697. That recognition by a *donneur* or an extra gift would be in no way compulsory?—No.

5698. I mean, there would be a large number of traders who would not recognise it?—Possibly; but it has been give and take in our business: "You have an easy time now; you will have to stick in then," or, "You had a day off on such a day, and you must not grumble if you have a few hours to work over now." That is constantly happening. Then, too, I am reminded that we have always paid for holidays, and that compensates, or should compensate, for overtime. Ten days to a fortnight, I think, is customary. Perhaps it may be only a week, in some case, but I do not know of those cases; and full pay is given.

5699. *Lord Weir*: Is it not the case that all those points which you have been describing to us this morning do not represent actual experience under the Trade Board, because the rates have never operated yet, and none of these things have actually come into operation?—No, but we say they may.

5700. You are only telling us of what the effect will be.—Quite so; that is agreed. We are now working under those happy conditions which we have tried to sketch here, and we are anxious that they should not be interfered with, and we fear that they will be interfered with, for this reason and the other, as set out.

5701. *Mr. MacCallum Scott*: A good many of the points which you have made, I think, have been points not against the principle or theory of setting up Trade Boards, but against the manner in which the Board has operated in this case?—We have tried to make out that a Board for our trade was not necessary, and if it is considered necessary we have indicated the terms in which we think it should be modified to operate better.

5702. But I think your chief objection has been to the scale which it has fixed for young persons?—And the attempt to rule out apprentices and to limit the hours to 48, and the difficulties of the area.

Chairman: We are much obliged to you for your evidence.

The Association is of opinion that a Trade Board cannot benefit its members as manufacturers, and in the long run will be detrimental to the workers. To-day by forcing up wages, it is rendering it impossible to meet foreign competition, and is so lessening the volume of employment for the workers.

On November 18th last the Association passed the following resolution:—

"That in the opinion of this meeting the employers could satisfactorily negotiate labour questions with their employees without the intervention of any Trade Board."

They regard a Trade Board in their industry as an unnecessary evil. If, however, it is to continue, its construction should be amended, and the procedure and administrative arrangements of all Boards be speeded up. The scope of each Board should be determined by it and not by the Ministry of Labour.

I hold that most Trade Boards have gone much beyond the limits intended by Parliament.

The Trade Boards Act, 1918, Section 8, Sub-section (i), which cancelled Section 4, Sub-section (i) of the Act of 1909, is mandatory only as to fixing "a minimum rate of wages for time work" referred to as "a general minimum time rate."

Both Acts, however, are permissive not mandatory as to piece rates, and it is clear that the Act of 1919 is permissive only as to time rates for anything beyond "a general minimum time rate," i.e., a minimum rate below which no worker may be employed.

The trades which I represent agree, however, that a general minimum time rate should be fixed for adult males, and adult females, with graded scales

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for youths and girls, and that the adult age should be 24 for both men and women.

Legislation constituting Trade Boards was introduced on the ground that in trades where labour was not organised, it was desirable to have such minimum rates as would secure that unskilled workers could earn a reasonable minimum or subsistence wage.

It is undesirable to extend the scope of a Trade Board beyond this—certainly not farther than to fix time rates for a few of the principal classes of workers.

As to piece rates, these should not be fixed by Trade Boards at all.

Here I would draw attention to the difference between an industry which is merely engaged in the distribution of produce in the home market, or is producing for use in the home market only, as contrasted with industries dependent for their customers largely upon an export trade. The Pin, Safety Pin, Hair Pin, Hook and Eye and Snap Fastener trades come under this category, as some 50 per cent. of their output is directly or indirectly for export, whilst in their home market they are meeting competition from Czechoslovakia and Germany at prices which, in many cases, do not approximately exceed the cost of the material and the wages of production in this country.

Already the rates fixed during the trade boom following the war, when costs of production were receiving scant consideration, and are as yet only slightly reduced, are killing the export trade, and causing it difficult to compete with the foreigner in the home market. This intensifies unemployment.

Returning to the question of piece-rates, there are obvious reasons why these should not be fixed by Trade Boards. Their interference with piece-rates should end and with securing that the rates paid in any particular works will yield to a worker of average skill, ability and energy the agreed time-rate for piece-work.

My grounds for this argument are that conditions under which piece-work is performed vary so much that a rate which in one place, works or factory will yield a good week's aggregate earnings, will in another merely bring the worker a pittance. So much depends upon the way the work is given out, and on the tools and facilities provided.

My earliest experience in the fixing of piece prices was in harvest work in Essex. A price per acre was fixed for cutting, tying up, setting up, carting and stacking. Reaping machines, wagons, horses and other implements were found by the employer. Whether the machines were in good order, the horses up to their work, supply of wagons plentiful and all tackle put into thoroughly sound condition before the commencement of the harvest, so as to avoid breakdowns or delay, made all the difference in the number of acres cleared by a gang per week, or in the harvest month, and so to the gross earnings per man in each gang. Where the conditions named were present, a lower rate per acre of corn harvested yielded a better gross earning per man than where the machinery and tackle were ill found. An all-round price per acre would be an injustice to the up-to-date farmer.

Take another illustration: In the Harness, Saddlery and Military Accoutrements industry it was found that the method of giving out the work, the arrangements in the works and the machinery furnished made all the difference. Where in a first-class works it was possible to keep the hands (either men or women) working week in and week out on one article, it was found that they became more dexterous, and by not losing time in changing over from one job to another, the quantity of articles got through per week, and consequently their piece-work earnings, were entirely different from and very much greater than those in a works engaged on exactly the same lines of goods but in small and irregular quantities, where the appliances were poor, and, in the case of machine sewing, old fashioned and slow running. Therefore, rates which on one works were entirely satisfactory, in others were constantly the cause of complaint, the parties stating that they did not yield the agreed time-rates.

The same line of argument is equally applicable in the Pin, Hook and Eye and Snap Fastener industries.

There is a very great variation in the different classes of work given out, the method and quantity in which they are issued and the general arrangements and facilities of the works. Some are large, modern works, with good overhead lighting—a most important factor when handling small articles such as pins, hooks and eyes, hair pins, etc., with well arranged tables and sitting accommodation for carding and putting up work. Other works are much inferior in their lighting arrangements and general facilities for getting work done, whilst the work may be given out in small quantities, which means loss of time in changing from one operation to another.

In the course of the operations of the Board, Mr. Counsel, an Inspector from the Ministry of Labour, has investigated operations in certain works, and reported to the Board on points which further illustrate the argument against piece-work prices.

With regard to carding snap fasteners, some firms give out boards for the use of the workers and some do not, whilst it is quite easy for the boards to be more or less convenient for use. His report was that the provision of convenient and up-to-date boards greatly facilitated the output.

He also reported that waven cards carefully and systematically pierced were given out for safety pin carding, the operation was immensely facilitated.

Many other examples could be cited, but these suffice to show that in well organised works advantages were given to the worker, which render his or her work easy, and so facilitate the quantity of work which can be performed in a given time.

Where an employer goes to the trouble and expense of devising these time-saving appliances and organising methods of expediting output, he naturally resents having immediately to discover to his competitors advantages which he has designed at considerable trouble and cost.

The Association which I represent is therefore strongly opposed to the fixing of piece-rates, as tending to handicap progressive manufacturers, who spend money on up-to-date works, appliances and facilities.

The Employers' representatives on the Pin, Hook and Eye and Snap Fastener Trade Board are reluctantly forced to the conclusion that the appointed members of the Board approach the wage question from an economic standpoint, or from the point of view of the capacity of the trade to pay a given wage, but from the standard of living which they think the workers in the trade should enjoy, utterly irrespective of whether or not the earnings of the industry admit of the payment of such wage.

It is recognised that a Chairman who brings a legally trained mind to bear upon the questions coming before him and decides matters from the evidence adduced is perhaps more likely to give satisfaction than a commercial man, who may come with preconceived ideas, but it is strongly felt that if additional appointed members of the Board are necessary beyond the Chairman, they should be persons who can act in the capacity of assessors, which predicates that they should have had commercial and business training, rather than ladies and gentlemen interested in social or welfare work, or only versed in the theoretical side of commercial economics.

As to the Employers' representatives, these should be persons engaged in the trade, with a right to nominate an official of their trade organisation if it represents members doing, say, 50 per cent. of the output of the trade.

The Workers' representatives should in the main be male or female operatives actually working in the trade, but, as in the case of the employers, with the right to appoint one, or if there is more than one section of workers, say, two officials of trade unions representing not less than 50 per cent. of any section of the workers.

The last, but not the least, important weakness of the present Trade Board system is its slow and cumbersome procedure. Experience shows that from the time a proposal to alter wages is made to the

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time when it becomes effective in operation, the minimum period is over three months, even when there has been mutual agreement between the two parties to the Board. The whole method of procedure must be speeded up. Particularly where a decision to alter prices is agreed to by both the Employers' and Workers' representatives without the vote of the appointed members, there should be no delay in the decision becoming operative.

In connection with speeding up, it is submitted that the period of 40 days referred to in paragraph 1 of the First Schedule to the Act of 1918, being the time fixed for the publication of notice of intention by the Ministry of Labour to make an Order, is unnecessarily long, as the parties affected—both employers and workers—will before the proposal has been submitted to the Minister have had ample time to consider and discuss it and to confer with those whom they represent.

The Association draws attention to Section 8 of the Act of 1918 where an amendment is obviously necessary in the interests of both the employer and the worker. This lays it down that a worker shall be entitled to wages whenever he is upon the works of his employer, unless such employer proves that "he was so present without the employer's consent, expressed or implied." It is suggested that the word "consent" should be altered to read "request." In times of bad trade particularly, both dayworkers and pieceworkers may present themselves for work in the morning, and there may be no orders immediately awaiting execution, but the employer can see that it is possible for such to be provided during the day and the worker wishes to wait to do the work when it is ready, which is obviously to his advantage. As the clause stands the employer may decline to consent to the worker remaining "present on the premises" as he would become liable for payment, whereas it may be to the worker's advantage to be able to stop in a dry and comfortable place awaiting the work rather than to return home, wait about in the street, or go to the nearest public house.

To sum up, the view of the Pin, Hook and Eye and Snap Fastener Employers' Association is that the operation of the Trade Board Acts should be limited to what they hold to have been the original intention of Parliament, viz., that of fixing a "general minimum time rate," that they should not fix piece rates, but every works should fix its own, subject to such piece rates yielding the agreed minimum day rate to a worker of average skill, ability and energy. There should be a general speeding up of the operations of Trade Boards and attention to the constitution of the Boards, as mentioned, together with the suggested amendment to Section 8 of the Act of 1918.

5703. *Chairman:* You are a chartered accountant carrying on business at 37, Newhall Street, Birmingham?—Yes.

5704. You have been in practice since 1885?—Yes.

5705. And you give evidence on behalf of the Pin, Hook and Eye and Snap Fastener Employers' Association?—That is so.

5706. You have had considerable experience in labour questions?—I think I have.

5707. The members of your Federation, I think, are only 17 in number?—That is so.

5708. But they represent about 75 per cent. of the output?—Yes.

5709. And employ about 75 per cent. of the labour in that trade?—I think they would.

5710. I think your Association has passed a Resolution which is set out in your Statement, "that in the opinion of this meeting the employers can satisfactorily negotiate labour questions with their employees without the intervention of any Trade Board"?—That is so.

5711. The Board was set up in 1920, I think?—Yes.

5712. And they have fixed minimum rates of wages?—They have fixed minimum rates of time wages and some few piece-rates.

5713. You say that the Trade Boards have gone beyond the limits intended by Parliament. What is your meaning there?—We think the intention was to fix a minimum time-rate below which no one in the

industry should be paid, and that it was not to fix a rate for various grades of employees right throughout the works.

5714. Do you mean that minimum time-rates should be fixed according to some criterion, and if so, what criterion?—There should be a minimum rate for the average worker in the trade of no particular skill, and below that rate nobody should be paid according to the operations of the Board.

5715. Upon what basis would you fix a minimum rate for the average worker?—It must be a rate upon which they could fairly and reasonably subsist.

5716. *Lord Weir:* You said that in each trade there should be a minimum rate. Why do you say "for each trade"? Why do you differentiate each trade?—I am only speaking for this particular trade. I am referring to the particular trade with which we are dealing.

5717. You have not in view a national minimum wage?—I have not considered that, but I do not see why a national minimum should not be fixed for the average unskilled worker. By average worker I mean a worker of reasonable strength and physical and mental capacity.

5718. You would not say for the least efficient unskilled worker, would you?—I do not think I should say for the least efficient, because the least efficient would include those that are not up to the average. I think you must have it on the average.

5719. They have got to live.

Mr. MacCallum Scott: But if it were fixed for the average the least efficient would have to be paid it.

5720. *Chairman:* You can make a different scale, I suppose, for women and differences for children?—Yes, I have said that in my proof. We recognise that that practically must be done.

5721. Making the adult age 21?—Making the adult age 21.

5722. What do you say as to piece-rates?—My view is that piece-rates should not be fixed by the Trade Boards at all. It is so difficult to fix a piece-rate which will apply fairly all round in any industry owing to the different conditions in which the work is carried on and the quantities in which it is given out, and the appliances that are furnished by different manufacturers.

5723. *Mr. Poulton:* Could not they fix a minimum piece-rate there as well as a minimum time-rate and allow for the differences in the work, which I see you mention in your statement?—I think the preferable way is to fix what is called a piece time-rate and then let each works fix its actual piece-rate, but in such a way that it must be possible for the workers to earn the time-rate which is laid down. By doing that, you give the employer who provides good facilities, some advantage for the capital expenditure to which he has gone in providing the facilities and the appliances and machinery.

5724. *Lord Weir:* If you fix the time rate, even a piecework time rate, you are not compelled to fix the piecework prices?—No, that is what I object to.

5725. You are not compelled to do it?—You are not compelled to do it, but I think there is a tendency for Boards to do it, and that is what we object to.

5726. It is left to the Board to do it or not to do it?—It is left to the Board, but my view is that it is not a wise thing to leave it to the Board.

5727. You mean you would prohibit the Board from fixing piecework prices?—On this particular Board we do not want piecework prices fixed; we want to leave it to each works to arrange its own piecework prices, but so that those piecework prices must enable a worker of average skill and ability and strength to earn the piece time rate.

5728. Why do you not?—We are quite content to leave it at that, but we do not want to give the Board power to fix the actual piece rates.

5729. The Board is not compelled to fix those piece rates?—No, but it may fix them. In the judgment of the employers they should not be fixed. It is quite possible that the Board may fix them in spite of our view.

5730. *Mr. Poulton:* You want it to be positive that they shall not have the power to fix them, do you

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not?—They certainly should not have the power to fix them, except, we will say, with the employers' consent. If it is a mutual arrangement, I do not see any objection to it, but it should not be in the hands of the Board to fix full piece rates in each works.

5731. *Mrs. Lyttelton*: Except as regards a minimum. You would like a minimum piece rate?—No, a day rate—a time rate.

5732. Applied to a piece rate?—And the employer must be able to prove that the piece rates which he fixes with the facilities which he gives will enable the worker to earn that time rate.

5733. That is what I meant, but that is as far as a minimum is concerned; you do not want any further fixing beyond that?

5734. *Chairman*: Is it not rather difficult to judge whether a piece rate will yield to the ordinary worker the minimum time rate?—The workers in any given works will very soon know, and examination of their books will show what is being done.

5735. Is it always easy to know whether a piece rate yields to the ordinary worker the minimum time rate?—Yes, in any works the pieceworkers' books will show what they have earned in a week.

5736. On piecework?—On piecework.

5737. What about home workers, who may take, of course, only a limited amount of piecework?—As to home workers, it is a very difficult question, but I do not see any other course than to pay the home workers the same piecework rate which happens to be paid inside the works, because it is quite obvious that if anything higher is fixed for the home worker there will be no home work given out.

5738. You would pay the home worker the same piece rate as is paid in the works, provided that that piece rate is sufficient to enable the people in the works to earn the full time rate?—That is so.

5739. *Mr. Poulton*: Upon that question of the time rate, do you consider that the piecework rates should be fixed to enable the worker on piecework to earn only the time rate?—It is usually styled the piece time rate.

5740. I know, but you may also know that usually when piecework is the method the piecework basis is placed upon a higher rate of output than the time rate is, so as to give the worker the benefit of his ability, and in some trades as against their day rate they base it upon 20 per cent. higher?—We have recognised that there should be some difference.

5741. But you say: only the agreed time rates?—I will say the piece time rates. There is an expression "time rate" and there is an expression "piece time rate."

Mrs. Lyttelton: The Witness wants a minimum for piecework and a minimum for timework.

Mr. Poulton: In many trades the minimum for piecework is 25 per cent. above the time rate. I want to know whether he wants to adjust the process in that way.

5742. *Lord Weir*: It is laid down; there is a difference?—We agree that there should be a differential rate, a purely time rate and (I think the usual term is) a piece time rate; and that is that the employer arranging piecework in his works must be able to demonstrate that it is yielding to the worker the piece time rate agreed upon.

5743. *Chairman*: Is 20 per cent. about the usual difference?—I think it is too liberal.

5744. What is the usual difference; are you able to say?—Before the Trade Board was in operation it was generally looked upon as about 15 per cent. over.

5745. In connection with piecework rates you draw attention to the question of exports?—Yes, I think the question does wear rather a different complexion in a trade which is merely acting as a distributive one, or is only manufacturing goods which are used entirely in the home market. They do not have to contend with the same difficulties as a trade like the one which I am representing has to contend with, where, in round figures, 50 per cent. of their production is exported. At the moment we are beset with competition from all quarters, not only in neutral markets in the export business, but Germany and Czechoslovakia are sending snap fasteners, safety pins and hooks and eyes into this country at prices with which

the manufacturers here cannot at the moment compete at all. The prices at which the goods are coming here are in some cases less than the cost of the material plus the actual wages of production without overhead charges or profit would come to in this country. I mentioned the limit that I would put on to piecework rates here. "The interference of the Board with piece rates should end with securing that the rates paid in any particular works will yield to a worker of average skill, ability and energy the agreed time rate for piecework." That is where we think the interference of the Board should end in the matter of piece rates.

5746. You do not agree with the Select Committee on Home Work, which in 1908 reported in favour of allowing the Trade Boards to fix piece rates?—For home work I can see that some arrangement about piecework is necessary, but that is a very limited portion of the whole amount paid in wages in this industry.

5747. *Lord Weir*: As far as I can see it is only for home workers that any piece rates are fixed; there are no piece rates fixed by the Board for factory workers?—But there have been suggestions that there should be, and it is the ripening of those suggestions into actual results that we are fearing.

5748. I am very ignorant of this kind of trade, but surely it is conceivable that over the trade there would be very many different methods and ways of carding safety pins?—Very many different methods.

5749. You could not possibly fix a piecework price to cover all?—I do not think you could, and I do not think you ought to attempt to do it, and that is why I am saying that the interference of the Trade Board with piece rates should end with seeing that the rates fixed by the employers in any individual works will yield the piece time rate.

5750. So that if you fix rigidly piecework prices for operations you are tending to stop progress in developing better methods?—I entirely agree with you, and that is why I am protesting against fixing them.

5751. You have to assume, I presume, as regards homeworkers that the facilities are equal at home where these operations are carried out?—I am not sure that the facilities would be equal. I think one has to admit that a homeworker is bound to be under certain disadvantages. It is an advantage to a homeworker to be able to get work. People who do the homework in this industry are married women who cannot leave their families—perhaps they may be widows—and they may have worked in the trade in their younger years, and they are very glad to supplement their means of living by taking work to do at home; but it is quite obvious that in a given time they cannot expect to earn the same amount of money that a worker inside a works would earn, where they would not be subject to interruption, and so on. If it is a married woman, probably in the middle of what is her afternoon for this work she has to get her husband's tea, and so forth.

5752. *Dame Adelaide Anderson*: Is there any specific part of the carding of safety pins, for instance, which is done in the factory?—To-day the bulk of it, I should think—practically all of it—is done inside the factory.

5753. Then is the work given out extra special work, or is it part of this same work?—The time when the out-work is given out is when there is a big push in trade.

5754. *Mrs. Lyttelton*: And it is the carding that they do out, is it?—It is the carding of snap fasteners and hooks and eyes and safety pins.

5755. Used a great deal more to be done at home than is now done? Has not the tendency been to put it more into the factory?—I think that would be so, and I think the reason is pretty obvious: that the goods are apt to get soiled, and there is a certain amount of loss outside.

5756. Though you pay less wages outside, on the whole it pays better to have the work done in the factory?—It is more satisfactory. That is the growing tendency, I think; and there are advantages about having out-work done; but it only occurs in times of good trade.

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5757. In times of extra push?—Yes.

5758. *Dame Adelaide Anderson*: Can you give any kind of idea how many out-workers there are in this industry?—At the present moment they are almost a negligible quantity, because trade is so very quiet. A little while ago the average number of hours worked per week was well under 30, so that the number of out-workers employed to-day is at a minimum.

5759. *Mrs. Lyttelton*: Is it true that a great many children are employed on homework?—I suppose a woman who took out homework, if she had children, would get the children to help. Of course, the carding of safety pins is very light work.

5760. Yes, but all the same it is a trade which in former days was tremendously sweated; I am referring to the payment of homeworkers for carding. —I think probably you are right, that years ago it was a badly-paid trade.

5761. *Lord Weir*: Surely the employer has some recourse. Coming back to piece-work prices, supposing you get out a better method of doing something which involves your wanting to pay a lower piecework price, you can go to the Board and get that lower price, can you not?—No, because though the Board does not actually fix the piecework price in each works, it will be no concern of the Board what facilities are offered, except that if the workers in any particular works call in question their ability to earn, under the piecework price which has been fixed in their particular works, the minimum piece rate, then the matter must be enquired into. I have mentioned in my proof an illustration of a case where an inspector of the Ministry of Health reported that the introduction of certain facilities very greatly increased the number of grosses of snap fasteners that could be carded in an hour. The effect of that would be that a works which afforded those facilities would, in our opinion, be acting quite reasonably and quite fairly in paying a lower rate per gross of fasteners carded, because by reason of those additional facilities the worker would card a greater number of grosses in a given time, and would earn more money.

5762. Of course, that is provided for quite definitely in the Act of 1909, which says in Section 4, subsection 5: "A Trade Board shall on the application of any employer to fix a special minimum piece-rate to apply as respects the persons employed by him." You can get a special rate, can you not?—We do not want to be under an obligation to apply for a special rate.

5763. You mean you want to vary the rate yourselves?—We want to leave it to the employer to fix the rate subject to the rate fixed complying with the condition that the worker shall be able to earn his time rate.

5764. *Mrs. Lyttelton*: Is that decision to be in the hands of the Trade Board, or in the hands of the employer?—I think it must be either in the hands of the Trade Board or of an inspector of the Ministry of Health, if there is a dispute.

5765. *Chairman*: Of what decision are you speaking?—Whether a piece-rate fixed in a works admits of a worker earning the piece time rate.

5766. *Mr. Poulton*: But if you want a piece rate fixed up irrespective of the Board, I presume that that would be a rate fixed not by the employer but by agreement?—The employer and the workers in the factory would agree on a piecework price to begin with, and if later the workers contended that the rate fixed did not give them a reasonable opportunity of earning the piece time rate, they would be in a position to complain.

5767. Do you want them to be in a position to complain to the Department although the Department did not fix the rate?—I think they might complain to the Board, but if an investigation were held under the present arrangement an inspector would visit the works and see whether the rate did yield the time rate.

5768. I know, but you do not want it to come under the Board, you say?—I think the Board must have some right to see that the piece rates actually fixed will enable the worker to earn the time rate.

5769. *Lord Weir*: Surely if a Central Board in London were called on to fix standardised piecework prices for a particular operation, it could not do that unless it visited every factory and studied every man's different way of carrying out that operation?—I entirely agree, and that is why we think that the Board should not fix the piece rate.

5770. Surely it would not attempt such a stupid thing?—I do not know about that.

Chairman: Would there have been many piece-rates fixed before the Act?

Lord Weir: Yes, for very standardised processes.

Chairman: They are fixed under this Board?

Lord Weir: For homework.

Witness: Our opinion is that the Boards as a rule are showing a tendency to go into a very great deal too much detail, and in so doing they will presently make the cost of carrying on the Boards and the delay in getting effect given to their decisions so great that the Boards will become unworkable. That is what we fear.

5771. *Mrs. Lyttelton*: Might I ask whether you do not think that if there were only a minimum fixed, considering that it is an unorganized set of employees they would never tend to get much more than that minimum even though their piecework might be very good?—I do not think there is much danger of that. I think I said in my printed evidence that we should prefer one minimum rate fixed, but it might be proved desirable to fix one or two rates for different classes of people.

5772. But before there was any Trade Board that resulted in sweating; that is admitted. Is it not possible that if you only have a minimum rate it will result in nothing more ever being paid than that minimum rate?—I do not think it could be said of this particular trade that as far as the workers in the factories were concerned it was what could fairly be termed a sweated industry.

5773. I was thinking of the home worker at that moment; I think there is no dispute there?—I think as far as the home workers are concerned they are fast disappearing. The larger works have it more advantageous on the whole to carrying the work on in the works, and a great many of them have fitted up workshops for these girls to work in. I went through one the other day, and if they had been doing the work in one's own drawing room they could not be sitting in a cleaner place, or a warmer or more comfortable or better-lighted place. It is a very nice trade for young people to work in, and I think that is one of the reasons why labour as a rule is not difficult to find in the trade. There is very little damage to the clothing.

5774. *Dame Adelaide Anderson*: It is not a very skilled occupation for those workers?—It is skilled in this way, that they get dexterous with their fingers in carding. That is where the skill comes in.

5775. *Mrs. Lyttelton*: A good worker can earn much more on piece-work, of course?—Yes.

5776. *Chairman*: Will you tell me just why it is that a piecework basis time rate is fixed as well as the ordinary minimum time rate?—On the ground of meeting a general recognition which has grown up in industrial circles that a worker should be able to earn rather more on piecework than on day work. Because he is supposed to put more energy into it. I do not know that it is an argument with which personally I agree, because I think that if a person undertakes to do certain work he should give of his best in working, whether he is working piecework or day work; but it has generally been recognised, and it is a claim which is always put forward by Trade Unions, and I think has now become generally recognised.

5777. *Chairman*: I follow that: As a matter of history I know it is so, but if the object of the Trade Board is to fix a subsistence rate only, then would there be any justification for fixing a higher piecework time rate?—From that point of view, I should say, no.

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[Continued.]

5778. It is really based on the view that nobody ought to give piecework except with a view to getting more work out of the worker; that is what it comes to?—No, it is an advantage to the employer. The more work that an individual workman or workwoman can do in a week, the more it is to the employer's advantage, because with the same floor space and the same appliances his output in the week will be greater, and in order to get the greater output he need not increase his accommodation.

5779. I understand it quite well; but I was trying to reconcile it with my view of the minimum in the Act; really this system of piecework time rate is based on the profit to the employer and not on the cost of living to the man, is it not?—Our argument, of course, is that it is impossible to fix a rate of wages in any trade which is greater than that particular trade at the time being is earning. That is the difficulty we are up against to-day. I think that if one could take the trade results of various firms in this industry for the last three months, it would be found that labour is being paid absolutely out of capital and not out of any profits that are being made.

5780. Yes, but in order to prevent what was called sweating, I dare say you will agree that you must fix a rate at some level sufficient to keep the workman alive?—I think, and I should hope, it would be something more.

5781. One hopes that it will be something much more, but at least it must be that?—It must be that, yes.

5782. Even though that wage may not show a profit to the employer?—Yes, it is obvious that that must be so.

5783. Then how do you bring in the question of profit to the employer?—Well, the question of profit to the employer comes in in this way, that if for very long the employer must go on paying a greater wage than the industry is earning, he will have to give it up.

5784. Of course; but is not the whole basis of legislation this, that if a man really cannot pay a wage that will keep the workman alive he had better give it up?—Yes.

5785. We have the rest of your statement. As to the Appointed Members you think that they should be assessors rather than members of the Board?—Well, I very much doubt whether there is the necessity for Appointed Members other than the Chairman; but if there are to be other Appointed Members it seems to me that they should be persons who are capable of giving advice on commercial questions that will come before the Board. I will try and give you some idea by an illustration. I was engaged some six months ago in an arbitration in the coal trade. We had a very able man as the Arbitrator, and he said before commencing the proceedings that a good many technical questions connected with the trade would crop up and he would like each side to name somebody who might sit with him and with whom he could consult on practical questions, as assessors. I think if there are to be Appointed Members other than the Chairman they should be people of that character.

5786. Mr. Poulton: In a similar way as in Munitions Courts?—Yes.

5787. Chairman: Or the Court of Admiralty, where they bring in an admiral or a captain to advise the President?—Yes.

5788. You would not object in trades where women are very much employed to having a woman as an assessor?—No, provided that the woman was somebody connected with the trade, not some person who was merely interested in social well-being generally. I do not think that for this particular purpose

anyone sitting in the capacity of an assessor can render any very valuable service unless he or she has some knowledge of actual work in the trade.

5789. Then as to the representatives, you think that they should be as a rule persons engaged in the trade?—Yes. On the operative side we think there is far too great a tendency for the representatives to be officials of trade unions and not persons actually working in the trade. I think on this Board there are three trade union officials on the operatives' side, and there is one man who is an actual worker in the trade and possibly three women. I think the proportion of trade union officials is too great.

5790. Mr. Poulton: Do you think that they have a detrimental effect, or what effect do you think they have had that you should object to them?—Unless they are people who have worked in the trade they do not know what the conditions inside a factory are, because they cannot form a reasonable opinion as to what is a reasonable proposal on any particular point. They have got to rely on somebody else.

5791. But is not that their business, as a matter of fact, to find that out, just as it is a solicitor's business to find out what is his client's case?—Yes; I have no objection whatever to having one, or if there are two sections of people, two trade union officials, but I should like to avoid the tendency to make anything like the majority of the side trade union officials.

5792. Chairman: Then as to speeding-up, I think we may take what you have written here as sufficient; we have heard so much about that—Yes. That is most important. That is really merely a matter of adjusting the machinery.

5793. You are speaking there, I suppose, of the machinery for fixing and varying the rates?—Yes, the time in which notice is required to be given.

5794. Then you draw attention to Section 8 of the Act; that is the waiting clause, is it not?—That is the waiting clause in the Act of 1918, and a day rate has to be employed unless the employer is in a position to prove that the workman was present without the employer's consent, expressed or implied. Now, very often the workman wishes to stop; it is to his convenience to stop.

5795. And the employer may say: "Well, I cannot give you work, but you may wait here if you like"?—Yes; very often, especially in times of slack trade, you may not have work perhaps in the morning, and during the day there is more work that comes through, in the hook and eye trade, for instance, work that has to be janned; they come through and have to be carded, and so on. The worker stops till the afternoon, and he can do half a day's work. The suggestion is, of course, that the wording of the clause should be rather turned round. I say in my Statement on page 5 that the Section "lays it down that a worker shall be entitled to wages whenever he is upon the works of his employer, unless such employer proves that 'he was so present without the employer's consent, expressed or implied.' It is suggested that the word 'consent' should be altered to read 'request'." If the employer requests a man to stop, then when he is waiting for either day work or piecework it is obvious that he ought to be paid, but if he is only there waiting for his own convenience, I do not think he should be entitled to wages. Very often it is to the man's convenience to stop at the works; he does not want to walk home in the wet; he does not want to walk about in the wet, and it is very undesirable that he should of necessity go outside and go into a public-house and spend some money so that he can sit in a dry place.

(Adjourned for a short time.)

Mr. J. J. STARK, called and examined.

The Witness handed in the following statement:—

(a) Appointed Members.—The Chairman of the Board should have legal or judicial training; the

Deputy Chairman should have industrial experience; and the third member should—as is the case now—be a woman, where, in the trade concerned, a large number of women are employed.

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[Continued.]

(b) At least 75 per cent. of the representatives on each side should be actually engaged in the industry.

(c) It would be very helpful to have some definition as to the meaning of the word "minimum" as applied to wages.

Our experience is that the employers argue from the point of view of the least skilled worker in the district in which the cost of living is lowest, whereas the workers' side, being mainly trade union officials, argue from the facts as they know them in the industrial centres.

The result is that very often so wide a difference is disclosed that the Appointed Members are liable to vote for something midway between the extremes; consequently, something more than a national minimum is decided upon.

This we believe to be one of the reasons why the rates have tended to be nearer standards than minima.

(d) It ought not to be necessary to seek the permission of the Ministry of Labour to issue fresh proposals at any time. The Trade Board, being representative of the industry concerned, ought to be in a position to issue fresh proposals when necessary.

When the two sides of the Board have agreed on a new rate the objection period should be reduced from two months to one month.

When at the expiration of the objection period, whether two months or one, no serious objections have been raised, the new rate should be made operative at the earliest possible date, having regard to the printing and issuing of the notices to the employers.

If in the opinion of the Board the objections received render it necessary and advisable to make certain alterations in the proposals, it ought to be possible to incorporate them in the Order without issuing a fresh set of proposals.

(e) It should be obligatory on the Ministry of Labour to publish various Orders, and even proposals to establish new Boards, in the trade papers connected with the industry concerned.

(f) In the event of an alleged breach of an Order the Act places the onus of proof on the employer that he is innocent of the charge. This should be altered. The onus of proof should be on the Ministry of Labour as the prosecutor.

(g) When on investigation it has been found that an employer is not complying with an Order, there should be a definite time fixed within which a note should be sent to the employer of the arrears of pay due by him to the workers in question.

Several cases have come to our notice recently in which a demand for payment of arrears has not been sent to the employer by the Ministry until about six months have elapsed from the date of the investigation.

(h) All cases of proposed prosecution should be reported to the members of the Trade Board concerned, so that if necessary, representatives can attend the hearing of the case.

(i) Trade Boards should be empowered to make permits of exemption retrospective. The omission of this provision (which we understand was only discovered about twelve months ago) tends to defeat the object for which permits were instituted.

(j) The powers of Trade Boards might wisely be extended to any case, where, in the opinion of the Board, or Committee to which its powers were delegated, it was just and equitable between the parties in the circumstances attaching and affecting any particular case that a permit should be granted.

(k) We protest very strongly against the accommodation provided for the meetings of the full Board in the new premises at Old Bailey. The meeting rooms are unsuitable from almost every point of view. The ventilation is bad; with one exception the meeting rooms do not give even the cubical capacity per individual laid down as the minimum under the Factory Acts, and the noise from the street is frequently so great that one cannot make oneself audible.

(l) Until recently rulings as to the scope of the Orders were given by the Ministry. Recently the Boards themselves have been consulted, and we think

that this should be made compulsory. The people in the industries concerned are best fitted to say to whom their Orders are supposed to apply.

We draw special attention to the difficulty, at any rate in our industry, of applying the piecework basis time rate, arising from the indefiniteness of two expressions: (1) the ordinary worker, (2) the circumstances of the case.

(m) Clause 9 of the 1909 Act is so ambiguously worded that it is impossible to say without testing in the Courts whether a certain kind of agency which is known in the laundry industry comes within the scope of our Board or not. This matter should be cleared up by revised wording.

(n) A great deal of friction and unfair competition has arisen owing to the practical impossibility of applying Trade Board regulations to the thousands of very small laundries which are to be found in most districts. It is probable that there are very nearly as many workers in the aggregate employed in these tiny places as in the whole of the recognised commercial laundries. This matter demands attention.

(o) Regarding institutions, the following resolution passed by a Sub-Committee of the Laundry Trade Board speaks for itself:—

"The Institutions Committee of the Laundry Trade Board (Great Britain), while appreciating the fact that laundry work done in institutions by the inmates solely for the purposes of the institution is in the nature of domestic work, is strongly of opinion that workers employed in such institutions, but not being themselves inmates under care, should be paid not less than existing Trade Board rates."

"The Committee is further strongly of opinion that work done by hotels, shipping companies, and the like, in aid of the carrying on of their business as hotels and shipping companies, is distinctly industrial and in competition with commercial laundries. Therefore, those engaged on the work should receive either by way of wages or wages and sustenance not less than the Trade Board rate."

"The Committee is further of opinion that institutions taking in work from the public are engaged in an industrial occupation and are in competition with commercial laundries. Therefore, the workers engaged should receive in wages or in wages and sustenance not less than the Trade Board rate."

"The Committee would point out that it is no part of the aims and objects of institutions to wash for the public. Such work is only undertaken for the purposes of gain, and the Committee hold that this public work should be prohibited unless the institutions are willing to accept all the responsibilities of commercial laundries with respect to Trade Board rates, National Health Insurance, Unemployment Insurance, and all the provisions of the Factory Acts."

5796. *Chairman*: Mr. Stark, I understand you are Secretary of the National Federation of Launderers, Limited?—That is so.

5797. And I think you are a member of the Laundry Trade Board?—I am.

5798. You come here on behalf of the employers' side of that Trade Board?—I come here on behalf of the employers' side and on behalf of the employers in the National Federation of Launderers.

5799. First you have something to say about the appointed members?—May I first draw your attention to a covering letter which was sent with this précis of evidence in which I referred to a recommendation of the National Council that the numbers of the Board should be revised? The rest of the evidence of which you have a précis was approved by that Federation as well, so that the précis comes from the whole side and from the National Council of the Federation, and that one particular point is in addition to the one from the Federation. I wanted that to be clear.

5800. What is the number on your Board?—It is 24 now on each side; it was originally 17.

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[Continued.]

5801. That is 48 all together?—It is 51; there are three appointed members.

5802. *Mr. Poulton*: You think that Board is too big?—Yes.

5803. You think so from experience?—We know no adequate reason for increasing the numbers from 17 to 24; in fact we were not consulted about it.

5804. Was not the Board as a Board consulted?—No.

5805. *Dame Adelaide Anderson*: What time was it brought in?—The Board itself?

5806. No, the change?—The change was about June or July last year.

5807. *Chairman*: Then what have to say about the appointed members?—Nothing more than you have in the précis.

5808. It is quite a short précis?—We think that the Chairman of the Board should have legal or judicial training, that the Deputy Chairman should have industrial experience and that the third member should be a woman in the case of those trades where a large number of women are employed, and that is what has been done by our Board, and we think it is quite a satisfactory arrangement.

5809. *Mr. Poulton*: In the case of the woman member, do you assume that it should be a woman having experience in the trade or a woman having experience in social work generally?—With respect, I think there is a little bit of danger in having a woman who has experience in social work generally because so often there is a bias in one direction.

5810. You think it should be a woman who has actual experience of the laundry trade?—Oh, no; we are not suggesting that; in fact, our point rather is that the appointed member should not be directly connected with the industry for which he or she is adjudicating.

5811. *Chairman*: Yes, but should not the woman member be a woman who has had experience in the past?—No; we are not putting that point at all.

5812. *Dame Adelaide Anderson*: You do not propose any more qualifications at all?—We have had no particular difficulty with our appointed members other than would be provided for on the lines suggested.

5813. *Chairman*: What you want is a good sensible woman?—That is our point.

5814. Then you say at least 75 per cent. of the representatives on each side should be actually engaged in industry?—We attach very great importance to that. We think it is very necessary that those on both sides of the Board should have practical knowledge of industry. On the employers' side of our Board everyone has had practical experience of the working of laundries, and all with one exception (my own) are still actively engaged in the industry, and we think it is most important that that should apply also to the other side.

5815. On the other side I see only 11 out of the 24 are actual workers, and 13 are full-time Trade Union officials?—That is so, and of that 11 I should suggest with respect that they are not all of them quite so much workers as might appear on the surface. For instance, one of them I know is a mess-room attendant.

5816. *Mr. Poulton*: Would you appoint only those actually engaged in industry? I do not know the composition of your Board at all, but suppose 11 permanent officials have been men or women, as the case may be, have been brought up in the industry, do you mean that they should be debarred because for some years they have not actually been working in the industry?—We have not had that experience. We have had to face officials who have no knowledge of the industry at all except what they have learnt from their members, and we have found that over and over again.

5817. Has that been found in practice on the Board, where you depend upon being able to place your case in a manner that both sides can fully understand, a detriment to the actual settlement of cases?—Yes, very seriously so.

5818. In what way?—We are faced with appointed members who do not know the details of the trade. We have also been faced with frequent changes in the appointed members. Our first 3 appointed members were in office for about 9 months; then we had changes in 2 of those appointed members, the Chairman remaining about 6 or 8 months. If I may say so, and I do not say it in any critical spirit, the appointed members have had to get to know the people whom they were hearing and to make up their minds, if I may say so with all respect, as to just how much they could believe of what they were told by the respective sides, and in the absence of a knowledge of the trade there were a great many points raised—I may not disclose any secrets; I do not wish to do so—which were convincing to the workers on the other side, but were not within the personal knowledge of the leaders on the other side, because they did not know the particular nature of the industry they were up against. That has been the difficulty.

5819. *Mr. Pugh*: What is your method of allocation of the workers' representatives on the Board?—That has been done by the Ministry of Labour; it is outside our province. Perhaps one of the difficulties is this, that we have no craft union, and there are a good many trade unions who cater for members amongst laundry workers, and they all want representation on the Board. That is what I understand, but, of course, that is outside our particular work.

5820. *Chairman*: I think they are all nominated by unions?—I believe that is so.

5821. *Mr. MacCallum Scott*: Would it not be difficult to get on the workers' side persons actually engaged in the trade who were capable of stating the case?—We claim not at all. We claim that there would no difficulty whatever; in fact there are some of the prominent laundrymen with whom we are well acquainted who would be perfectly willing to allow their workers to serve on a Board; and I believe I am right in saying that in one case at any rate where they have a Works Committee representation was made to the Ministry of Labour for a member elected by the Works Committee to serve on that Board.

5822. I was not referring to the difficulty of getting away from the work, but with regard to the great unskilled mass of the people, are there many who would be able to state the case well?—I am not suggesting they would state the case, because we are only suggesting 75 per cent. of the side. We agree that it is only reasonable that there should be professional leadership, and 75 per cent. we think allows ample room for that.

5823. *Chairman*: Then you say it would be very helpful to have some definition of the meaning of the word "minimum" as applied to wages?—Yes; that is perhaps the most important point, or one of the most important points to which we draw your attention. As I believe has been represented to you before in evidence, there has been a tendency, in our opinion at any rate, and a very marked tendency to establish as Trade Board rates rates which are in fact standard rather than minimum; and in our particular industry there are special circumstances which make it different from a good many other industries. For instance, I understand that there is a great desire in many industries (and there is reason for it) that everybody, never mind where his factory may be, should be on an equality in this matter. Now we have no such thing (if I may so call it) as national competition. For instance, the wages, say, in a county like Cornwall would not affect the industry in London, and the practical difficulty that I personally have felt in arguing before the appointed Members has been this. Our duty has been to establish a national rate. We therefore have had to argue from the point of view of the rural areas. Obviously with the national rate that had to be our consideration. You can equally understand that the other side have argued from the point of view of the industrial centres for two reasons: first, because it is very clear that those facts suited their case best, and also because it was from the industrial centres that they drew their knowledge, because generally speaking, the organised workers are to be found in the industrial centres more than

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in the rural areas, and as I have said in this précis the result has been, at any rate in our opinion, that the appointed members in trying to act fairly to all parties have voted for a rate which was in our judgment too high for the rural areas. I do not know whether it is within your knowledge, but on every occasion when a rate has been fixed by our Board it has had to be fixed by the vote of the Appointed Members. Now I personally would say, and I think my side would say, that a rate which would be fair and reasonable for the rural areas would be practically useless so far as the large towns are concerned; but we do not think that that constitutes a difficulty at all because we have a special department for dealing with trade unions and wages questions, and we are constantly making and have in existence at the present time a whole lot of agreements for wages at a higher rate than the Trade Board rate.

5824. You are speaking of the federation now?—Yes; and the head of that department is a member of a Trade Board as a matter of fact; he is secretary of the employers' side; so that in order to get over this difficulty, which we understand has arisen with other Boards too, though we are not directly concerned with them, we think if it were possible some kind of definition of a minimum wage should be laid down by regulation or in the Act or something of that sort.

5825. Mr. Poulton: But in default of that would not their case be rather met by differing rates in rural areas?—On that point the majority on both sides of our Board are strongly against it. I know there is one and I think there are possibly two members of the employers' side who would favour differential rates. The workers' side, I believe, as far as my knowledge goes, are solidly against it; there may be individuals who are in favour, I do not know; but the practical difficulty there, when it comes to differential rates laid down by the Act or by an order of the character of the Trade Board Order, is the boundary difficulty.

5826. You would always get hard cases, I suppose?—Yes. There are a few instances where it might possibly be done. For instance, on one occasion in the female Order which has just been replaced by a new one which came into operation yesterday, the county of Cornwall and the Shetlands and the Orkneys were excluded from an increase of a halfpenny an hour. But they are fairly clear-cut. There are a great many other cases in other parts of the country where it would be very difficult—perhaps not impossible but very difficult—to have differential rates, and yet there is a very great need for them. Therefore, we think that some clear statement as to what a minimum wage really means would be very helpful.

5827. Mr. MacCallum Scott: Have you any suggestion to make in that respect?—We think that logically the right definition would be the least skilled worker in that part of the country in which the cost of living is lowest. I want to make this clear. We fully realise as employers that in putting up this case we are laying ourselves open to the charge of trying to hide behind these rural districts, but I do not think we are quite doing that kind of thing, and in support of that view I would remind you of our willingness to agree with trade unions in industrial centres for higher wages.

5828. Would that be in London, or would you suggest that it should be graduated in accordance with the area?—I would suggest that the duty of the Trade Board is to establish a national minimum rate and that in cases where that does not apply trade unions come into operation at once. I take it that the object of Trade Boards has not been to remove the necessity for trade unions, and if I dare hazard a guess—I do not think it is a very wrong guess—probably one of the reasons why the labour leaders object to differential rates is that they think it may remove some of the need for their activities which are necessary under the national rate.

5829. Chairman: Therefore, according to you, everything above the least skilled class of worker in the least expensive district would be a matter for bargain?—Yes.

5830. Either individual or collective?—That is so. Take for instance the present state of the trade. So

far as large centres of population are concerned, and I think so far as the majority of the laundries in the rural districts are concerned, there are a whole lot of workers who are getting considerably more than the Trade Board rate. The rates vary on different classes of skill, and I know as a matter of fact that they are getting considerably higher wages in many cases.

5831. Mr. Pugh: In view of the objection to differential rates, how are you going to enforce rates above the minimum? If you cannot enforce them, will you not then have actual differential rates above the minimum?—The only reply I can give to that is that these differential rates have been in operation by agreement with trade unions to my personal knowledge for the last 8½ years, and they have been increasing in number. Our first agreement with a trade union was made in June or July, I think it was 8 years ago, and we have agreements in Newcastle and various parts of Lancashire and in Birmingham, Leicester and Nottingham.

5832. Perhaps I have misunderstood you. Is not your objection not to differential rates but to different rates for different areas; that is for a rural as against an industrial area?—I am afraid I do not quite see the point.

5833. I understood you to say that there was an objection on the part of your Board, with the exception of possibly 2 representatives on the employers' side—and they were unanimous on the workers' side—an objection to differential rates as between rural and industrial areas: is that so?—That is so.

5834. Then the objection is not to differential rates above the uniform minimum but to differential rates as between one area and another?—I am afraid I do not quite see the distinction.

5835. Chairman: I understood you to say this: the majority of your members object to the Trade Board fixing differential rates in different areas?—That is so.

5836. Now we have passed on to a different subject, a minimum wage, and you are stating your view, and I understand the view of your Federation and those whom you represent, that that minimum wage should be the wage of the least skilled worker in the least expensive district, and that differential rates above that should not be fixed by the Board at all, but should be a matter for agreement?—Precisely. I think I ought to report that just over a year ago when we found a very great practical difficulty in obtaining a rate which was reasonable for the rural areas, we then as an employers' side proposed differential rates, and we drew up a somewhat elaborate scale which varied from, I think, 28s., 30s.—I am speaking of the female workers only—32s. and 34s., and the labour side absolutely refused to have anything to do with it whatever, and threatened to withdraw from the Board if anything of the kind was entertained, though our 34s. rate was higher than the rate which was eventually given as a flat rate, and included a very large proportion of the workers. The then Chairman of the Board has admitted that although he believed this scheme was put forward in good faith, and was a workable scheme subject to adjustments here and there, he did not think it could be put into operation unless the labour side would co-operate with us in defining these areas, which they refused to do; and after a very long argument the proposals were finally issued at 30s. for the country and 35s. for London, and a radius of, I think, 50 miles. That was the form in which the proposals were issued. When the meeting was held to consider objections to those rates, the newly appointed Chairman told the Board quite frankly that he would have nothing to do with the differential rates, and that the special rates for London must be dropped. He said he would have nothing to do with it, and so we went ahead with the rate.

5837. Mr. Poulton: You are rather suggesting that the Chairman has a very great deal of power in that matter. I did not know he had anything like that power in his hands?—You see our experience has been

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so far, as I have previously mentioned, that the voting, when it came to important questions, such as rates, was invariably equal, and presumably the Chairman on that occasion was speaking for the other Appointed Members. It simply meant that by voting for or against any amendment the Appointed Members gave an indication as to what they would be prepared to vote for, and if a proposal came from either side along those lines it would be carried by the votes of the Appointed Members.

5838. You eventually, I presume, had a rate for the country?—Yes.

5839. What was that rate?—There were various complications there which I shall have to trouble you with to enable you to appreciate the course of it.

Chairman: You will find it here. (*Copy of Scale of Rates found to Mr. Poulton.*)

Witness: May I just correct a point which I mentioned just now? I said the radius for London was about 50 miles; it is 30 miles.

5840. Chairman: I gather the present wage is 8d.?—It was 7½d. from yesterday; a new order came into operation yesterday.

5841. That is the ordinary minimum rate?—Yes.

5842. Then there is a piecework rate?—A piecework basis time rate of 9d., reduced from 9½d. to 9d.

5843. And then special rates for casual work?—Yes. That was a very small matter.

5844. There is also a guaranteed time rate?—That is so.

5845. Do you need that in addition to the piecework basis time rate?—We do not think we do, but we have to endure it.

5846. Would these new rates apply to the country except the Orkneys and Shetlands and Cornwall?—The last order was 7½d., which succeeded an 8d. order. The Orkneys and Shetlands were excluded from the 8d. order, and therefore they are already on the new rate for the rest of the country.

5847. Really they are on the same footing now as the rest of the country?—Yes, very much to their disappointment.

5848. What hours do you work?—That is on the basis of a 48 hour week.

5849. That is 32s.?—Yes for 8d.; for 7½d. it is 30s. Would you wish me to reply to that question of Mr. Poulton's?

5850. By all means?—It is a little elaborate, but it is necessary, I think, as throwing a side light on something else which probably has been brought to your notice. Our first order, which was issued in November two years ago, was for 28s. for a week not exceeding 48 hours. It was carried against the vote of the employers both as regards the rate and as regards the principle of the guaranteed week. Some few months after that we issued this proposal of 30s. and 35s. to which I have already referred. During the objection period the Ministry of Labour discovered from their legal adviser that a guaranteed week was *ultra vires* as regards a Trade Board; so that when our Board met to consider the objections to the 30s. and 35s. proposal respectively, presumably to confirm it, they were confronted with the position that they could not confirm the order in the form in which it had been issued. I have already told you how the 35s. special rate for the London district came to be eliminated, and it was decided then to confirm the order as a national rate for a week of 48 hours, instead of a week "not exceeding." The labour side argued that that loss of a guaranteed week meant a loss to the workers, and that there ought to be some *quid pro quo* for it, and the Board decided not only to make an order for the 7½d. or 30s. rate, but at the same time to ask permission of the Minister, which they obtained, to issue proposals for an 8d. rate, or 32s. to make up to the workers for the loss of the guaranteed week. The point to which I wish to draw your special attention is that the legal adviser to the Minister of Labour, after having had the two months' objection period and the month following the confirmation of the order by the Board, failed to discover this illegality in the order, and it

was presumably in operation for 6 or 8 months before they made this discovery, which handicapped us very much in our work.

5851. Mr. Layton: Do I understand that this 30th May variation was the result of that decision?—Eventually, because when it came to confirming the 8d. rate the cost of living had begun to fall; unemployment was creeping up and our industry was getting into a very bad condition, and we claimed as a side that the rate ought not to be confirmed, and we therefore took advantage of the opportunity given after the confirmation of the rate by the Board by a majority of coming up to the Ministry here and asking the Minister not to confirm that 8d. order. We did not see the Minister; we saw the Parliamentary Secretary and received a very courteous hearing, and the Minister took some two months in which to make up his mind as to what he would do, and eventually he returned it to the Trade Board, and the Trade Board had to meet again to consider the new situation. Finally the 8d. rate which had been issued in the former proposals in the early part of the previous November came into operation on the 30th May, when there was really no excuse for it, though the labour side asked for it, and I believe the Appointed Members thought that it was due some months before. They said it was overdue and must be issued in that form, but the whole controversy arose owing to the failure of the legal adviser to the Ministry to discover what we think it was his duty to discover in the first instance. I believe I am correct in saying that ours was the first Board to fix a guaranteed week; that was the first order of the kind ever issued, so that one would have thought that the legal adviser to the Ministry would have given the matter his careful attention.

5852. Chairman: Did the proposal arise in connection with your own Board or in connection with some other?—I think our Board is the only Board that has put forward a guaranteed week proposal. I am open to correction, but I believe that is so.

5853. I am told that the Milk Distributive Board proposed to do the same thing, and it was in that connection that the point was investigated?—I do not doubt that that is so, but I have my suspicion that there was some difficulty experienced when it came to prosecution for breaches of our Order, as to whether the Legal Department felt they would be quite safe in prosecuting our people. Probably it was a combination of circumstances.

5854. Does that lead you on to your next point about machinery? You say it ought not to be necessary for you to seek the permission of the Ministry of Labour: that is on the six months point, I suppose?—Yes, on the six months point. On that point I think it is only fair to my side to say that when the suggestion was made by, I believe, several Trade Boards from the employers' side that this period should be reduced, we refused to take any part in the agitation, because we thought it was hardly playing the game with the other side. While the rates were going up the employers were ready enough to take advantage of all the delays that they could find, and it did not seem quite playing the game when the rates were coming down suddenly to take the other view. But we found that it was really necessary, and we realised this great difference, which I think is a fair statement of the case, that when the rates are going up, supposing a Board issues proposals to increase the rates, it was quite in order for an employer either on his own initiative or by agreement with his workers, or by agreement with the trade union, or for the whole industry voluntarily, to introduce those higher rates prior to their coming into legal operation, and as a matter of fact that did actually take place in a number of instances. But when the rates are going down you cannot take the reverse process; however much you may bargain with the trade unions you cannot anticipate a decrease, and taking that fact into consideration we think that the speeding up which is suggested in this little memorandum of ours would not be unfair and would in fact be a great advantage to everybody concerned, because in our own industry at the present time we are suffering from a decrease in volume, simply because the people cannot pay the price.

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5855. I follow what you say when wages are going down, but when wages are going up if you allowed a change at any time would not that prevent forward contracts being made?—Well, that does not apply in our industry to any appreciable extent.

5856. You do not make long forward contracts, probably?—No. There are a few cases of hotels and so on, but I am dealing with hotels later on in my evidence.

5857. Then as to time, you say the time for objection to a new rate should be reduced from two months to one month?—Only when the two sides of the Board have agreed. That may be a council of perfection, ever to hope that the two sides of our Board will ever agree on a proposal, but I understand that it frequently happens on other Boards, and we hope that it will on ours.

5858. What do you say as to the time for objections to a variation of the rate?—That is our point, that when the two sides have agreed on a new rate, that is a variation of a rate—

5859. Oh, that means variation, does it?—Yes, the objection period should be reduced from two months to one month.

5860. Then you say, when no serious objection has been raised, a new rate should be made operative at the earliest possible date, having regard to the printing and issuing of the notice to the employers?—Yes.

5861. Do you mean that the time for confirmation should be reduced?—No, Sir, what I mean is this. What happens is the proposals are issued, the two months' objection period starts from the date of the issue of the notice, which may be a fortnight or three weeks or a month; it is usually two or three weeks after the decision of the Board; there is two or three weeks for the issuing of the proposals. Then comes the two months' objection period. Then the Board has to meet to consider the objections, and the Board cannot reasonably meet until that two months' period has passed by two or three weeks, because the objections have to be considered by each member of the Board, and therefore have to be duplicated and circulated and carefully considered. The Board then, we will assume, confirms the rate. The Order as made by the Board or the decisions of the Board go to the Minister, and we find that the Minister takes the longest possible time in which to decide whether he will issue that Order or not. Under the Act, as you know, of course, he is allowed one month in which to make up his mind, but in exceptional circumstances he may take longer. At the very best it is the last day of the month and sometimes longer even than that. Here is a case in point showing the difficulty. We passed a resolution in connection with this 7½d. variation, the one which came into operation yesterday, asking that the Order should be issued so that it would come into operation on the 28th November. Finally the Order was issued on Saturday, dated the 10th, but coming into operation on the 12th. He is a fortnight later than we ask, and he gives—well, no notice at all.

5862. What is the date of your fixing that rate?—9th November.

5863. So he took just the month?—Yes.

5864. That is what you mean, that you would like the action of the Minister to be expedited?—We think so. Then the last paragraph of that clause (d) of my précis we consider is very very important, and we do not think it is controversial. The objection period is obviously reasonable and fair, and is for a purpose.

5865. An objection period?—Yes, an objection period. We meet to consider the objections. It is conceivable that some objections may be raised dealing with some point which possibly has escaped the notice of the members of the Board, or it may be that it is discovered that the proposals of the Board are so very unpopular that it would be wise to alter them. Now except in minor details, if it is deemed necessary to vary proposals after the objection period, except in quite minor detail, it is necessary to issue a fresh set of proposals before you can issue the Order. Now we think that that is wrong, that the power

of varying proposals ought to be extended beyond purely minor details. It operates in this way against both sides. We felt it, of course, in reference to ourselves, but it is particularly necessary in the case of fresh Boards—those who are issuing their first set of proposals. I think the first proposals are largely in the nature of a gamble; you try to be fair and reasonable, but you are breaking up new ground. We had 850 objections to our first proposals, and while, of course, we cannot say what was in the minds of our then Appointed Members, we formed the impression, rightly or wrongly, that if it had been possible to vary proposals in the Order without going through a fresh objection period, the Order which the Appointed Members would have voted for would have been somewhat different from the one they did. I do not say it is so, because I cannot know the thoughts of the Appointed Members; but that is the impression we formed, and at any rate, whether I am right or wrong, it is a position which might arise, and will be very likely to arise on many of the Boards, particularly when they are issuing their first Order.

5866. How far would you carry it? Just take this instance: you issued a proposal on 9th November, altering the rate to 7½d. Supposing you had a number of objections to that as being too high, and you had been persuaded that 7d. was a right rate, do you think the 7d. should have been fixed without giving a further period for objections?—Well, I agree it wants safeguarding, and just how it should be done we have not considered on our Board. It is a personal opinion; I cannot commit my side, but I feel sure we should not object to any provision of that sort. For instance, if the Appointed Members in consultation with the Ministry of Labour thought it wise, we should not object, I think.

5867. If the Board with the consent of the Minister of Labour thought it wise?—Yes—something of that kind; it must be protected, obviously; I agree. I will give you one really important illustration; it was one of those border-line cases in which we passed a resolution as part of our proposals regarding payment for statutory holidays. The payment for statutory holidays was to be double time, and the employers in passing that resolution felt that the substituted day which is permitted under the Factory Acts, which is permitted for our workers, would, for the purpose of the Trade Board Order, become a clear day for the purpose of payment. For instance, practically every laundry in the country works on Good Friday, and gives some other day; the women prefer it and the employers prefer it. We quite thought with regard to Good Friday that the old procedure under the Factory Act would apply for Trade Board purposes; it would be a clear day and the substituted day would become the statutory holiday; but it was held by the legal adviser that unless there were special words put in it meant the other thing; the workers themselves were quite desirous of having it. So far as we could get the views of the workers—not the officials but the workers—they quite agreed with that, but it was said: "Oh no, that would be a substantial alteration. It would have to be dealt with as a new proposal, consequently, the Order went through in that objectionable form, and we had to wait until the recent Order before the necessary corrections could be made. Incidentally on that point I may draw attention to that as one of the little things which shows the advantage of having workers present, because the Trade Union officials on the other side opposed our proposal at first to have this custom, and the actual workers got up and said: "We want to work on Good Friday, we prefer to do so," and yet the officials were against it; they did not realise the point. They thought we were trying to make our workers work on Bank Holidays. I do not say the same thing would apply to Easter Monday; but I know from my own personal experience that when I was first in business—I do not know whether I have become contaminated afterwards—I had an idea that it was wrong to work on Good Friday. The workers said they did not want to stop at home; they wanted to work; and that is the attitude of the workers generally.

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5868. *Dame Adelaide Anderson*: Is not this special order a special order in the same way as under the Factory Acts; is not the procedure the same?—We are informed that if we make what the legal advisers of the Ministry consider are serious alterations, but what seem to us to be quite trivial, there must be a fresh proposal and an objection period.

5869. I understand that. I was touching on the point that it is parallel to the issue of special orders in other circumstances; it is a fixed procedure?—Yes.

5870. Would you alter one in one case without the other?—We feel very strongly, although we agree that there must be safeguards, that there ought to be a little more freedom. I do not mean to say that you ought to be able to alter the thing entirely, but you should be able to take into consideration any points which may arise in the objection period, and include them in the order without delaying the thing for another three or four months.

5871. If there was a dangerous process in the laundry, and an order were proposed regulating that process and the employers objected, would they like to see the order made operative without the issue of notices?—May I suggest that it is not quite a parallel case, because here you have a Trade Board which is presumably representative, and is, as a matter of fact, fairly representative of the trade, and it would open for either side to make representations to the Minister?

5872. That is just what I wanted to get at; it is, as a matter of fact, an established procedure in the making of special orders?—I think that the Home Secretary may, and in fact does, consult the people concerned. I am quite free to confess that the Home Office always treats us very fairly in these matters, but when they ultimately make their decision we are not there, whereas on a Trade Board we are in the negotiations all the while. There is that slight difference.

5873. *Chairman*: Then to take the next point shortly, you think the Ministry should publish the various orders in the trade papers?—We think that is very necessary. That is simply arising from the fact that, speaking as a Federation official, we come across cases not infrequently of people who do not know the orders, and it is very difficult to get hold of their names and addresses.

5874. Then you say in the event of a violation of the order the onus of proof should be on the prosecutor?—Yes, we think that is only common justice. As a matter of fact I must confess I was very much surprised to find on looking into the Act that it was as we have complained at the present time.

Chairman: I am afraid that the system has grown a good deal in recent years; I cannot say I like it.

5875. *Dame Adelaide Anderson*: Is it not the fact that practically no prosecutor could get at the facts except with the consent of the employers, and surely it is the ordinary law or custom that nobody should be compelled to commit himself?—May I gave you an illustration of that? It is far from an extreme case. I am going to deal with it later in this memorandum; that is, the question of the ordinary worker. Surely it is not up to the employer to prove that a worker is not an ordinary worker, but it is up to the Minister of Labour or his representatives to prove that somebody whom we do not think is an ordinary worker is an ordinary worker. That will become clearer when I deal with that part of the evidence.

5876. It means that the Minister must have access to all the documents?—He has at present. He has a right to go to the works and look at the wages books, and in fact he does go there, and sometimes stops for a week on end. That is one of the complaints we have to make with reference to hotels, that the commercial laundries have the privilege of visits from these inspectors which may last for some time—two or three days or a week—but the hotel laundries are free from that.

5877. *Chairman*: Which is the section to which you refer in the proof?—It is Section 5 (4) of the 1909 Act: "On any prosecution of an employer under this

section it shall lie on the employer to prove by production of proper wages sheets or other records of wages or otherwise that he has not paid or agreed to pay wages at less than the minimum rates."

5878. That particular sub-section is now repealed, but I think the same words are in Section 5 sub-section 5 of the Act of 1918; the final words of the section?—Yes. I think I have made my point on that.

5879. Then I think (g) speaks for itself. You think there should be notice to the employers of any arrears?—We think that very important. Within the last two months I have had at least half a dozen cases, or thereabouts, brought to my notice in which the inspector visited round about March of this year. It was known that he was not satisfied with the rates, and the official communication from the Ministry with a note of the arrears which were due to the worker was received in September and October, and I think the last one was in November.

5880. Were the arrears running on all that time?—No, the rates had been adjusted. The inspector had said: "Those rates are wrong and must be put right, and I will send you a note of the arrears," but the practical difficulty is first of all this. In one case there was a laundry where the arrears were either £200 or £300, but it specifies the workers and the amount due to each. There is first the difficulty that these workers are very liable to have left, and then comes the difficulty of finding them. It is only fair to the workers that they should have an opportunity of getting the money due to them. Secondly, it does not follow that the amount which is returned by the Ministry is a correct one, and the longer the time which has elapsed the more difficult it is to investigate and check those figures, and it has been found that the figures are not always accurate.

5881. *Mr. Pugh*: Surely if the error is admitted the employer himself can calculate what the arrears amount to retrospectively, cannot he?—No. That point again will be dealt with when I deal with the piecework basis time rates. I think Mr. Pugh will appreciate the difficulty of calculating them, and there may be differences of opinion.

5882. *Chairman*: The employers know what the arrears are?—Quite.

5883. Cannot he reckon it just as well as the inspector?—No, with respect. Perhaps it would be better to take the piecework basis time rate which I was going to deal with later on.

5884. Which number is that; is it not the second part of (f)?—That is so.

5885. You draw special attention to the difficulty of "applying the piecework basis time rate, arising from the indefiniteness of two expressions (1) the ordinary worker, (2) the circumstances of the case."—This, I think, is a difficulty which perhaps does not arise in a number of industries, but it is a very real one with us. There were two of our members who quite welcomed the Trade Board Order in the first instance, and always believe in treating their workers fairly, and a week or two before the first Trade Board Order came into operation—their laundries were in the same district; as a matter of fact, *Dame Adelaide Anderson* in another connection would know both these laundries if I mentioned their names—and they met and discussed very carefully what piece rate it would be necessary to introduce in their laundries to comply with the piecework basis time rate of this first Order. They had the experience of many years to go on, and they agreed on a schedule. The first piecework basis time rate was 8½d. In the one case every one of the workers on piece earned 9½d. an hour and over, except one, and there was one—or it might be two—who earned 8½d. or 9d., and they were very old people. In the other laundry the average worked out at 8d. an hour, and the majority of the workers were earning round about 7½d. an hour. They were two laundries within a couple of miles of each other, working under presumably reasonable conditions, with well-equipped factories under good management, and the rate which was higher than necessitated by the Trade Board Order in the case of one laundry was not high enough in the other. Now, that could be multiplied over and

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over again. An inspector comes along—I do not know whether you are taking evidence from the inspectors, but I venture to suggest that if you had the Trade Board inspectors before you, and you put this question to him, I think their answer would be the same as mine—that if half a dozen inspectors, one after the other, equally skilled inspectors, went into the same laundry on successive days where there were 30 or 40 pieceworkers, their individual estimates as to how many of those 30 or 40 pieceworkers were ordinary workers would vary. Now, we will assume, for the sake of argument, that of those 25 are ordinary workers. The earnings of pieceworkers in the average laundry vary tremendously. As a rule, the better workers earn about double what the less skilled workers do, and your piece rates, each piece rate, in fact, has to be such that the less skilled ordinary worker can earn not less than the piecework basis time rate, whatever it may be. Now, we will assume that the employer has admitted that there are these 25 ordinary workers. An inspector comes along and he says: "No, you are wrong there; there are 26;" and the twenty-sixth worker is earning $\frac{1}{2}$ d. less than the piecework basis time rate. You may say that is a small matter, but no, those rates have to be increased so that the other women can earn the extra $\frac{1}{2}$ d., and the others have to be increased by putting up that rate to 9 $\frac{1}{2}$ d., or whatever it may be. You have not complied with the Order in making up the slower worker to the proper figure; the whole wages have to be put up, and that is the great difficulty. I may tell you that at the present time there is a committee consisting of employers and workers sitting to try and prepare a piecework schedule which will get over this difficulty (which I think is admitted by both sides as a difficulty); they have had one or two meetings, and so far they have 200 articles down—200 different rates—and there are still a good many more provisions to be made, variations and so on. You will see the extraordinary difficulty of applying a thing of this sort; in fact, inspectors have told us that it is quite conceivable—and we know it from experience—that there may be two laundries working side by side or on opposite sides of the road, and doing the same class of work, and a piece rate which will be passed by an inspector in one laundry would not apply in the other, because the "circumstances of the case" would be different.

5886. But you might have the same difficulty, might you not, even if there were no piecework basis time rate, because then you have to say that the piece rate is such that the ordinary worker could earn the general minimum rate; so you would have the same point?—Yes; but there is the question of degree. At the present time we have a piecework basis time rate and also a time rate. Now seeing this difficulty—and we do not agree that the piece rate ought to be higher than the time rate, for a good reason—we think that the piece rate for that reason alone ought not to be higher; but the principal thing is, apart from whether it is higher or lower, that these two expressions "the ordinary worker," which is gloriously indefinite, and "the circumstances of the case," are not the right kind of expression to be in an Act and in Orders of the kind that we are dealing with.

5887. What would you put in their place?—We think something of this kind: that the general minimum time rate should be guaranteed to all these workers, whether they are on piece or not; simply that the time rate should be applied to everybody.

5888. Mr. Poulton: Who has the right of determining, under these particular two clauses, what is an ordinary worker?—That is ultimately for the Courts to decide. The inspector comes along and says: "Your rates are not high enough." If the employer agrees or thinks it is not worth while to oppose the inspector, then he has to alter his rates and to pay arrears. If he refused to do that then the case is taken to Court and it is for the Court to decide.

5889. Let us take that case you mention, which was rather an extreme case, of 26 workers and 25 of them can earn the rate and one cannot; the inspector says

that is because the rate is not high enough, but the employer says 25 out of 26 can earn it, so the rate is high enough; how would you say that should be determined?—We say it is a thing that cannot be determined. At present it is decided in the Courts.

5890. Mr. MacCallum Scott: Does it lie with that inspector to determine it?—The inspector makes his careful examination, and I would like to say we respect and appreciate very much the work of the inspectors; we think they are very admirable, generally speaking, although of course the new ones when they are learning the business made mistakes, but generally they are very fair and reasonable. The inspector comes back to the Ministry and someone at the Ministry, presumably the head of the Department, sends a notice to the employer that there are so much arrears to be paid.

5891. That is not what I mean. An inspector goes into an individual factory where he finds 26 whom he would class as ordinary workers, and one who is not earning the rate. Does it lie with the inspector to decide "This is not a proper rate on the experience of this individual factory"?—Yes.

5892. Then he can fix a different rate for each factory?—He can inform the employer that he has to pay certain rates, and if the employer does not pay them, then he is open to prosecution.

5893. Chairman: But, of course, he can defend himself; it is for the Court to decide ultimately?—Yes; it is the magistrates who have to decide ultimately; and if I may remind you, the magistrates are not, as a rule, trained in these technical points of laundry work.

Mr. MacCallum Scott: That is not exactly what I mean. It would not be the inspector who would initiate the prosecution?

Chairman: The inspector would inform the Ministry, and the Ministry would institute the proceedings.

5894. Mr. MacCallum Scott: That is the point I wanted to appreciate.—That is our whole point.

5895. There may be different piece rates enforced in different factories for the same work?—Yes, because of the circumstances of the case.

5896. Dame Adelaide Anderson: I was just wanting to ask what are the essential factors of these circumstances that affect the matter—the salient things?—For instance, the use of flat irons which have to be heated at a coke stove, as compared with gas irons. Then there is the condition of the work which comes for ironing. From one laundry it might come in a wetter condition than from another. Dame Adelaide Anderson will understand what I mean by preparing for ironing; if the clothes are properly prepared for ironing it makes a difference. There are all sorts of practical points: for instance, whether the work which has to be ironed is taken to the ironer by some member of the staff, or whether the ironer comes to the giving-out table, as we call it, and fetches it every few minutes; whether she does her own goffering or some other girl does the goffering for her.

5897. It is the varying organisation?—Yes. To some extent you can allow for that by time studies and so on, by careful analysis of the jobs, the conditions under which the work is done; but when you come to those somewhat intangible considerations, such as an enthusiastic head of a department who is capable of arousing enthusiasm, and another one who is not quite so enthusiastic, it becomes more difficult. I do not want to slander any particular county; but take what we generally understand of workers in certain parts of East Anglia. The ordinary worker in a somewhat remote district of East Anglia, if you take such a worker and put her alongside the ordinary average worker in a Lancashire mill town, where they are used to machinery—if you put those two sets of girls on to the same piece rates, working with the same machinery, probably what would enable the Lancashire mill girl to earn perhaps double, or 25 per cent. or 50 per cent. more than the piecework basis time rate, would not enable the girl from East Anglia to earn the rate.

5898. Mr. Poulton: Do you suggest, as a remedy, that the Board should have sufficient elasticity to deal with it?—No, we suggest that you should remove

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these two expressions "the ordinary worker" and "the circumstances of the case." We say they are so indefinite that (if one may use a colloquialism) it is largely a gamble how they will be interpreted.

5899. *Chairman:* You suggested just now that the employer should guarantee the minimum general rate, but surely that would not suit all employers, would it?—Yes, I think so, if you abolish the piecework basis time rate. At the present time if you simply do not make a rate, then the time rate becomes the piecework basis time rate, does it not?

5900. *Yes.*—Now leave that out of consideration; leave the piecework basis time rate and say that every worker in that particular laundry shall either be paid or have their money made up to so much, and do not go into these finer points, for which it is impossible almost to lay down a rule.

5901. Surely that puts a premium on the slow worker, does it not? I can understand your saying that the piece rate ought to be such that it should produce a general minimum time rate in the hands of the ordinary worker, but I doubt whether all the employers would agree with your view that the employer should guarantee to every one working at piece rates, however fast or however slow, the general minimum time rate?—We have had two years' experience of this delightful uncertainty as to whether when an inspector calls upon us we are going to be called upon to pay arrears of £50 or £100 or £200, or whatever it may be; and laundrymen are tired of it; it is too uncertain.

5902. *Mr. Layton:* I see you have here a guaranteed minimum time rate fixed by the Board?—Are you speaking of the guaranteed time rate for pieceworkers?

Mr. Layton: Does not that apply to the pieceworkers?

5903. *Lord Weir:* The real thing that has caused all the trouble surely is your fixing of a standard, instead of a minimum?—Excuse me, may I answer the other question first, because that is quite a different point? There is the guaranteed time rate for the average ordinary workers. Then there is a guaranteed time rate to pieceworkers, which, under the new order, is 6½d. Now that does not get over the difficulty; all that means is that in the case of what we call sub-ordinary workers, those whom it is agreed are not ordinary, or those who are ordinary workers, but for some particular reason do not earn up to the rates, even if they are unsatisfactory you make their money up to that 6½d., or whatever it may be according to age; but when you have done that, your obligation has not ceased, unless your piece rates are such that in the circumstances of the case the ordinary worker can earn the money; so even though you have made the money up to the 6½d. you have still this other liability upon you.

5904. *Mr. Layton:* And this guaranteed time rate provides for abnormal workers or abnormal circumstances; you want another guaranteed time rate for the piece workers?—No, I am suggesting that there should be no piecework basis time rates in the Acts at all. Under the Acts if you do not make one, the ordinary time rate becomes the piecework basis time rate. Now my difficulty there is—to repeat myself; and it is not quite easy to grasp unless you have been through it as we have—that it does not meet the case to make that particular worker, or those two or three or more workers, up to the piecework basis time rate. You have either to dismiss all these workers—and still you have got the arrears difficulty to deal with—or you have to increase all your rates; so that rates which enable some of the workers to earn double the piecework basis time rate are not high enough; and you have to pay the arrears.

Chairman: Or fight the case.

5905. *Mr. Pugh:* But would you not regard that worker as sub-ordinary, and deal with her accordingly?—Yes, we should, but the inspector would not take the same view.

5906. But you gave a case of 25 out of 26.—Yes, that was an extreme case, but there are other cases.

5907. *Chairman:* I think we follow the point.—We appreciated that point as officials very much, because

we have so many laundrymen coming to us and asking us whether their piece rates are in order or not, and I have to go through those piece rates, and in many cases I have advised them to have the inspector down to tell them whether they were right or not, because I could not form an opinion at all, as to whether they were right or wrong.

5908. Now we go to (h).—Yes. That is not very important perhaps, but it would be helpful to us to know.

5909. Then (i): "That Trade Boards should be empowered to make permits of exemption retrospective."—I am presuming that members of this Committee know the provisions under which licences are granted.

5910. Oh, yes.—Well, what happens is this. I apply for a licence for a worker; if I know the procedure I ask for a form. If I do not, I simply write a letter and a form is sent to me. A form may come in in a day or two, or perhaps three days or four. Then however quickly the communication may get through from the Postal Department of the Trade Boards offices, eventually I get the form. I then fill up the form, and perhaps that may take me two or three or four days. I have got to get the worker to sign it; I have to find the worker's age; in a good many cases she does not quite know how old she is and has to look up her birth certificate. If it is not a case of old age the medical man has to provide a certificate. Then notice is sent in, then that has to be dealt with either by the Board or by a Committee of the Trade Board; in our case it is a Committee. That Committee has been meeting on the average something like once a fortnight; it used to meet at longer intervals—it is a committee of two (at the present time)—in order to get these things through quickly. It was about 12 months ago that we were informed that we could not make these licences retrospective. Up to that time we had been granting them, when we approved of them, up to the date of the application, and I understand that that was another sudden discovery of the legal advisers to the Ministry of Labour. I think the explanation may be that there have been some changes in the legal advisers to the Ministry; I do not know, but being charitable, I hope that that is so. I reported this matter to the employers or other Trade Boards and was practically laughed at by those on the older Trade Boards, because they said they had never had any difficulty of the kind; they had granted licences in the ordinary way. I think the workers' side of our Board agree about this; I do not think there is any controversy about it at all. I am a member of this Committee, so I speak feelingly, and I feel the responsibility in granting a licence—in granting a permit, which we call a licence. It not infrequently happens that we think that a particular case is very likely quite a legitimate case, but we cannot be satisfied on the form; we would like to have an investigation. It may be that I say on my side, "Well, I will get my local representative to have a look and report on the goods," or it may be that the labour side say they would like their local trade union official to make inquiries, or it may be where there are eight people employed altogether, and there are applications for four licences, and we ask for an inspector to go. Well, if I have to take it up I may get a report in a fortnight, or it may be in a week. If a Trade Board inspector has to go, if we get a report in six months we are fortunate. I had one case where it was hung up for 12 months owing to lack of inspection. Now it is an absolute scandal; there is an employer who is liable to be shot at simply because, although the Committee on both sides is agreed—the whole Board is agreed—that it is a legitimate case for a permit, after 10 or 12 years' experience the legal adviser to the Ministry of Labour says we cannot make these licences retrospective. I do not query the legal opinion, but it is very difficult and troublesome to get that opinion now.

5911. As a theoretical point it seems very important. Have you ever known a case where an employer has been made to pay arrears in a case like this?—Not exactly, but this is the difficulty. I presume you know that the Minister has said that though the licences cannot be retrospective he will

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not take proceedings for the intervening period when the licence has been granted; but I submit in the first instance that that is an extraordinary attitude for a Government Department to take up, to wink at what is illegal; and, further, it is too risky from the employers' point of view.

5912. I see your theoretical point, but I wanted to elicit the point that there has been no actual hardship?—But if you will allow me, this did actually come to a prosecution with them; but it is a thing which Mr. Pugh will appreciate, not perhaps just now for a year or so.

5913. I have said I appreciate the point as a theoretical point for amendment of the Act. Do you want to go into further hypothetical cases?—With all respect, I want to suggest that this is more than a theoretical difficulty.

5914. Do you want to convince me that I am wrong in agreeing with you?—No, I do not want to press the point, but this is not a fact. It is more than a theoretical point, it is a practical point.

5915. Very good. Now in the next point (j), you deal with the slow worker?—Yes, and no. As a matter of fact we have adopted this on the suggestion of our own Chairman, Mr. Clegg Mellor, and it arose in this way, that there were one or two cases in which the trade union member of the Sub-Committee and myself felt that technically we could not grant the licence, because the case did not come within the four corners of the Act; but we agreed it was a case in which it was reasonable and fair to the worker, and best for the worker, that it should be granted, and so we referred the matter, as is our custom when we are not quite sure, to the Chairman, and the Chairman, having had one or two of these cases before him, suggested that this clause should be put in.

5916. You must be a little more definite in an Act of Parliament than this clause is: what kind of case do you wish covered?—The last case that was brought up, and which I think will serve as an illustration, was the case of a worker who was suffering from intermittent malaria. He had these attacks of malaria perhaps once in six months, or something of that kind, and obviously he was not worth quite so much as the man who was fit. It was the male rate of £3 a week, and the man was perfectly willing to accept £2 10s., because it was more than he could get in any other place in the district, and it was put up in view of this malaria that he came within the expression about physical or mental deficiency. We considered it on both sides and we said: "No, we do not think technically it comes within the four corners of the Order, but it is a case in which it would be good for the man to grant the licence." Possibly Mr. Clegg Mellor is appearing before you.

5917. Mr. Poulton: In other words, you want the Act worded so that you can do it?—On agreement cases, yes. It is not a case where it is done by a majority.

5918. Then you come to (k)?—All I can tell you of that is that at the last meeting but one of our Board, after we had been sitting for about half an hour, having had to waste about half the time while we sat in silence for the noise outside to cease, one of our members collapsed and had to leave the room on account of faintness (which I expected to have to do as a leader of the side); and eventually at about 11.30 we had to hire a room at our own expense away from the building, simply because we could not face it. There is only one room at the Old Bailey that is possible for a meeting of the Board, and that is so bad for hearing that on my side I have as leader, to sit as far away from the Chairman as possible, in the remotest corner, so as to make sure that everybody on the Board may hear what I say and what the Chairman says to me; I have to treat the Board as a public meeting. How the ladies must feel I do not know. It is a great physical strain, and a strain which nobody ought to be called upon to go through.

5919. I take it that what you have said will be read by the Minister; it is scarcely a matter for the consideration of this Committee?—We have written it, Sir, and I hope it will be read.

5920. (l) is as to scope. You think that the practice of consulting the Board should be compulsory?—Yes. We are very strong on that.

5921. Then (m); what is the kind of agency referred to there?—I think that this is a difficulty peculiar to the laundry industry, so far as I know. Take one case which was typical from the Birmingham district; there is more than one case of either a house or a small shop to which people bring, and from which they fetch, their parcels of laundry work. It would be advertised as a receiving depot, or the agency of such and such a laundry. The arrangement that the laundry makes with the person living on the place is that as a rule she is rent free, and possibly gets her gas free, and usually gets a few shillings a week, and very often a small commission on the cash turnover; and the only duty that the person living there has is this: there is a push bell at the door, and when that bell is pushed she comes down from her household affairs, takes the parcel in, and then goes away again. Well, the legal advisers to the Ministry claim that she is an employee within the meaning of the Act, and that the whole of the time she is liable to be called by the bell to answer the door she is working; and in some cases the amount that landrymen would be called upon to pay would be about equal to the total amount of the cash she handles in the course of a week.

5922. Mr. Poulton: You mean that in all these cases—a good many are newsgagents and small tobacconists—they would come within the regulations?—If they took in laundry.

5923. Many of them do.—I did not know many of them did; there are pure depots, but our view is that the cases you have mentioned would come in.

5924. Dame Adelaide Anderson: They are agents, and you would be compelled to pay the agent as if he or she were a worker?—Yes.

5925. Chairman: Which head do you say it comes under?—That comes under the 1909 Act, clause 9.

5926. I know that, but which heading in your schedule of rates?—It is clause (m) in my statement; clause 9 of the 1909 Act is so ambiguously worded.

5927. I beg your pardon, I know that; but what do they say she is under your schedule of rates?—As a time worker, subject to the 7½d. an hour.

5928. Then she is doing some operation incidental to the laundry trade?—Yes, that is so; this is based on clause 9.

5929. I know that; I was looking at your schedule here. Well, what do you suggest should be done to meet that sort of case?—That a necessary alteration should be made in the particular section of the Act.

5930. That is throwing it on to somebody else. However, I dare say it will be considered.—Thank you.

5931. Mr. MacCallum Scott: Do you suggest that it might be met by a definition of what the trade was?—I suggest this whole difficulty arises from the fact that many parts of this Act were drawn up at a time when it was not contemplated just where it would go. That is outside our own particular order, but if I may draw attention to it, it may be useful. I believe under the Act you will find that there are only certain types of places in which it is necessary to expose the orders, and there are a good many of the new Trade Boards which have been established in which it is not compulsory to expose the orders, and power is not given to the inspectors to come in and inspect the wages books, and yet there are Trade Boards for those particular occupations. It is one of those things where it wants amending to suit the circumstances. What might suit us might not suit somebody else. I submit it is for the Ministry of Labour's legal advisers to amend the Act in accordance with the way they want to administer it.

5932. Chairman: Then (n)?—That is simply the result of experience. I do not know whether it is

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within your knowledge that there are, according to the records of the Office of Trade Boards, between 7,000 and 9,000 places to which Trade Board notices have to be sent. On our Federation records of commercial laundries we have about 2,800 to 3,000; but we believe there are considerably more than 7,000 places employing one or more workers. That is a matter which is probably common knowledge to anybody, at any rate in the suburbs, who notice a very large number of small hand barrows going about with laundry work on Mondays and Tuesdays. Now, in the aggregate they represent a very large turn-over. For instance, in Bournemouth a very careful census was made by the laundrymen, and I think about two or three years ago, or it may have been a little longer; and it was found then that in the aggregate there were just as many people employed in these little cottage laundries as were employed in the commercial laundries. Now the complaint on the part of our commercial laundries is that they are privileged to receive the visits of inspectors on more than one occasion, whereas these little people who are not complying with the order at all, and who are in the aggregate as big as the commercial laundries, are not inspected. For instance, only within the last two or three days one of my assistants, whose business it is to call upon laundries with a view to making them members of our Federation, discovered a place in the centre of Kent that has never yet complied with the Trade Board Order, and yet an inspector has been into that district and visited certain laundries which are complying with the Order at least three times since the Board has been in existence. Now how it is to be overcome is a very difficult problem, and it may be that it will be necessary to deal with it along lines outside the scope of this Committee; but it is a very great hardship on the commercial laundries, and it is having its effect. It is tending to transfer the work, and consequently workers at the laundries where they are protected by Trade Board Orders, and Welfare Orders, and Home Office inspection, and so on, are being transferred into these other places where they are not protected in any way at all. That has actually taken place.

5933. *Mr. Poulton*: Do you mean that these places employ other people, or are they simply one man or one woman businesses?—Oh, no, they employ one or more workers; in some cases they have an extraordinary number of relations working for them, but in other cases they actually employ labour; in fact if I were at liberty I could mention one case of a Trade Union official who was actually working a hand laundry of that kind.

5934. *Dame Adelaide Anderson*: That is not a new trouble, as regards regulation?—Oh no.

5935. I remember I challenged you to give the names of such places for inspection. Lists were made as complete as possible, and every one of these places is under the obligation to notify its existence if they employ one single person?—I agree. I am not complaining of that.

5936. The list can be made complete with a certain amount of energy and care?—Well, at the present time, as I have already said, there are 7,000 people on this list. At the present rate of inspection I forget how many years it is going to take before all of them have been inspected once. That is my difficulty.

5937. *Mrs. Lyttelton*: You want more inspectors?—Well, I suggested to the employers on the other Trade Boards that that would be so, and asked them to combine with me in making that request; but they said they would have all the inspectors concentrated on our industry, and they did not appreciate that so much as we did.

5938. *Dame Adelaide Anderson*: At many of these places there is probably one woman working by herself, and with occasional help from some other woman?—In that case I think it must be more like 50,000.

5939. They are not really employing at all?—I should say these 7,000 are. It is surprising. I know

there is a difference of opinion on this point, Mr. Chairman, but I can only say that I am receiving evidence of it every day, reliable evidence; laundries that we at our office had never heard of. I will give you chapter and verse if it is necessary, but I do not think it is necessary at the moment.

5940. *Chairman*: The point is that with the present staff the inspection is really not adequate to cover all the ground?—That is so.

5941. Do you want more inspection or none?—Well, no, I do not want none.

5942. Then you have a resolution about Institutions?—That may be divided, I think, into two parts. It is a very important matter, and is probably a matter which will appeal to this Committee very strongly. It will be within the knowledge of at any rate some members of this Committee that my organisation strongly opposed the suggestion made 8½ years ago that a Trade Board should be established for the laundry industry. We were successful, but when the proposal was made under the new Act we came along and said: "Oh yes, we will co-operate with you provided your order is made comprehensive." We had a conference in this building over which the then Parliamentary Secretary for the Ministry of Labour presided, Mr. Wardle, and the conference consisted of employers' representatives and labour representatives, and a number of officials from the Ministry, and Mr. Wardle submitted to us a draft definition which we criticised, and eventually our revised form was accepted, on the statement from the officials of the Ministry that it was comprehensive and would include practically everybody. The only doubt in the minds of the officials was whether it would cover institutions. Mr. Wardle then said that if this wording did not cover institution laundries, and if the Act as at present worded did not allow them to cover it, it was the moral responsibility of the Ministry of Labour to see that that difficulty was overcome. After our first order had been issued some little while—I think it was three or four months—we were informed by the Ministry of Labour that the scope of the Board did not apply to laundries run in connection with hotels, shipping companies, railways, and so on. Well, that came as a very great shock to us, because it was obviously unfair, it was not intended, and we had been advised by the Ministry of Labour that the definition which we agreed upon would bring them in. Consequently we made joint representations to the Ministry, that is, the Appointed Members, employers and labour, and we attended, I believe it was in this room, at any rate in this building, in May of last year when we were received by Mr. Wolfe, and he said that there were these legal difficulties in the way of these institutions, which were fully realised, there being no contract of service and so on. But there might be some difficulty in the case of boarding schools which had their little private laundry, where the inclusive fee covered laundry work as well; but there was no difficulty in the case of hotels and shipping laundries, and railway companies and restaurants, and so on; but as they were not covered by the scope of the Board at present it would be necessary to give them an opportunity of objecting to the proposed extension, which he practically promised us. That would take, he said, some three or four months, because the notice had to be published for so long—notice of proposal to extend—and they had to be given an opportunity of objecting. Well, that was in May of last year, and nothing has happened yet, at any rate nothing so far as meeting our views is concerned. So after waiting many months, writing to the Ministry of Labour and getting either no reply at all or nothing but formal acknowledgments that the matter was receiving attention, we sent a strong resolution reciting the facts. A few weeks ago we had a representative from the Ministry of Labour before the Board, and he apologised for the delay and admitted that he was somewhat surprised to find on looking up the file that the matter had been in hand for so long, but he suggested that it would be unfair and unwise to press the Minister just now. The actual expression was that it was

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unfair to embarrass the Minister just now, and it would be much wiser to wait and see what the Cave Committee was going to recommend on this point. We feel that this has been scandalous treatment of a Board—and I used the word deliberately—after it has been in existence two years, especially in view of that conference which was held very nearly three years ago when we co-operated with the Minister, and the desire of all parties concerned was that this hotel, restaurant and shipping should be brought in. Everybody thought that they were covered by the section, and then after the first Order had been in operation a little while they found that they were not, for some reason or other—nobody knows why. Then after 18 months we are promised that it will be put right in three months, and the whole thing is apparently forgotten. We think it is very unfair, and the consequence of it is this, that in the meantime, particularly over the last 12 months, these hotels, or many of them, have started establishing their own laundries, whereas before they sent the work to the commercial laundries. I believe it is a fact that in many of these cases they pay the Trade Board rates of wages, but they are not troubled with the difficulties such as I have indicated with regard to piecework basis time rate, and this creates a feeling of injustice, and, if I may say so, a lack of trust in the Ministry, that after these very clear statements nothing should be done. Now with institutions we are up against a more difficult problem, I admit, and the extent of the evil varies according to the district. You are not concerned with Ireland in this matter, I think?

5943. No.—There, of course, it is most extreme, 40 per cent. of the work is done by institutions. Liverpool is probably the most acute centre with us, and there is one institution laundry in Liverpool which enters into competition and actually holds large contracts for shipping work, and has multiple roll calendars and big motor vans running about, and has taken away from the commercial laundries large contracts. Now the difficulty is—and we fully appreciate the difficulty—that there is a contract for service in many of these cases; the inmates are taken there for various reasons; but I believe that the percentage of work done in Liverpool is 7 per cent. of the estimated turnover of the laundry work that is sent away from homes in Liverpool; 7 per cent. is done in these institution laundries. Now, that may sound small, but it is the effect of that price competition which is absolutely uncontrollable. What happens is that they get a contract, or get a chance of getting one, there is an appeal made for funds, for the £1,000 or £2,000, that is wanted for the additional machinery. It is an extraordinarily difficult situation. The Board is quite united on this; the labour side is as keen as the employers' side, and the Appointed Members too. We have communicated with several Government Departments; I think at one time we had the pleasure of communicating with Miss Anderson, and with every Government Department we could think of. I do not know whether you can help us in this matter. I hope you can.

5944. What do you ask us to recommend?—That such alterations should be made in the Acts as will bring all laundries, institutions, hotels, contracts and so on within the scope of our particular Board.

5945. *Dame Adelaide Anderson*: It is very surprising that hotel laundries and shipping laundries which are occupied as ordinary businesses employing workers are not included. Are they really quite outside the scope of the Board?—It is quite as big a surprise to us.

5946. They are not outside the Factory Acts?—No, not outside the Factory Acts.

5947. *Lord Weir*: If they were brought in, would it make much change in the competition? If those institutions and those departments of the railways and hotels were under the Trade Boards Acts, would it make any vital difference to the competition?—Well, I want to be very careful; I do not want to overstate the case at all. Of course we do not know,

but I understand that in many cases the hotel and shipping laundries are paying the same as commercial laundries. I believe that is so in many cases, but they are allowed complete freedom from this kind of restriction, certain advantages which are really practical—they have freedom in various ways. For instance, there are some laundries who do not pay for Bank Holidays who give some other concession. There is a sort of free play; they are not under restrictions at all. Take, for instance, the freedom from piecework basis time rate. I do not want to speak disrespectfully of the inspectors, but it is not always pleasant to feel that when some official of the Ministry of Labour thinks it necessary to spend three or four days in your laundry going through the place, he can do so, it is so much cost really, and it disturbs the place. The inspectors are quite kind and reasonable; I am not complaining about them at all, but it is very inconvenient.

5948. *Dame Adelaide Anderson*: Is it not the case that you have made agreements with some of these institutions—some of the associations?—That is so, in some cases.

5949. They have joined your association so that they are working on the same lines?—It is not a question of joining. There are cases in which they agree not to enter into price competition; there are some districts where that is so.

5950. They fix their prices on the same basis as the commercial laundries—by agreement with the association?—All I can say is that they do not indulge in price competition. My federation does not regulate prices.

5951. *Mr. Layton*: Then with whom have they entered into these agreements?—Just with the local tradesmen as such.

5952. Are there local associations which have these understandings?—There are local sections. The organised laundries have local branches, and in some cases they have proper agreements regulating prices—an understanding that they will charge about the same prices for the work.

5953. *Mrs. Lyttelton*: It is really an agreement about rates of prices and not rates of pay, because in many instances they do not pay?—In these institutions they do not pay.

5954. Where there is a contract of service?—Yes. Then comes the point of entering trade for gain. May I draw your attention to that, Mr. Chairman, because it is rather important? If you got over the difficulty in some of these other cases there is the use of the words "for gain"; it is a little difficult to say what is gain and what is not in some cases. For instance, if you have an institution which is doing a turnover of £2,000 or £3,000 or £4,000 in the laundry, is that for gain? It is not gain in the ordinary commercial sense, but it is really a gain in the sense that it benefits the institution.

5955. *Mr. Poulton*: The hotels, railway companies and shipping companies do not enter into competition with the commercial laundries, do they? Surely they do not try to secure any laundry work, do they?—Oh, yes. For instance, the Regent Palace Hotel within the last 12 months, or about that time, have established a laundry, I believe, in the basement. Up to that time the visitors to the Regent Palace Hotel could send their laundry wherever they liked. Very shortly, if not immediately after they started their own place they made it a rule of the hotel that no laundry van should be allowed to call there, and any visitors who wished to send their laundry had to carry it out themselves; the members of the staff are not allowed to move it. That also applies to other hotels. Take the Carlton and the Savoy; their work up to about a year ago, I think, was done by the commercial laundries, but now they have started their own laundries, and one of them employs over 100 workers, and that work has been taken clear out of the commercial laundries.

5956. *Lord Weir*: Is not that normal progress?—It may be; but my point is that when they are doing the same class of work they ought to be under the same conditions as the people who were doing the work originally. If it is good for the workers in a commercial laundry to be under the Trade Board, it should be equally good for them to be under it when they are working for these hotel laundries, when they

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are doing the same work in a place called by another name. It is not merely incidental to that work; they are doing the work for the visitors at their hotels, and, as a matter of fact I believe in one case work is being done for people outside; it is not even confined to the work of the visitors at the hotel. That does not matter very much, perhaps; but to the extent that they are not under the Trade Board regulations the workers are being removed from conditions which are presumably for their benefit, and are being put into places where they are not under those restrictions.

5957. Surely a case like that would come under the Trade Board; surely one like the Savoy, an independent laundry, would be under the Trade Board?

5958. *Dame Adelaide Anderson*: Has there been any test case?—No; we have simply been informed that they are not under the Trade Board.

5959. *Lord Weir*: On what basis did you increase your minimum rates in May, 1921; what caused a rise in wage rates then?—I think that was dealt with before you came in, my Lord, but if you wish it I shall be glad to repeat my answer.

5960. Not at all.—We think it was a scandal doing it at that time.

Chairman: It was owing to the delay between the proposal and the confirmation.

5961. *Mrs. Lyttelton*: What proportion of your workers are women, and what proportion of them are in trade unions; do you know at all?—The proportion of women is roughly 85 per cent.; but the nearest figures to which I can direct you are those now published in the "Labour Gazette" for the month under the extension of unemployment insurance.

5962. What proportion of those are in trade unions?—On that point I am afraid that any figure I could give you would be strongly contested by the other side of our Board. We hold that comparatively few are organised, but they vary in different parts of the country.

5963. If comparatively few are organised, that makes the case for the Board stronger?—Yes; we are not opposing it; we have supported Trade Boards, but we want certain amendments which appear to be necessary as the result of experience. We should be sorry to see our Board abolished.

5964. *Mr. Layton*: I do not recollect whether you told us this last rate was passed by agreement or by a vote of the Appointed Members?—This last reduction?

5965. Yes.—By the vote of the Appointed Members.

5966. Have you ever had an agreement on your Board?—No—except, I think, with regard to the ventilation of the offices, or something of that sort.

5967. How does the minimum rate of 8d. and a piecework basis of 8½d. compare with pre-war rates? What do you estimate has been the increase on average earnings as compared with before the war?—It is practically impossible to give you an estimate, because prior to the formation of the Laundry Trade Board all we had to go on was agreements with trade unions. There was no craft union; it was purely local agreements, and the agreements varied. We would make almost on the same day, or at any rate within one week, different agreements with the same trade union according to the district in which we happened to be working; and the only thing that we had to go on when our Trade Board Order was issued was an Award of the Interim Court of Arbitration for London, for Brighton, for Hull and for Newcastle.

5968. But could not you give representative cases; take London, for example?—There was no rate in London other than this Award that I have given you, which had been in operation for three or four months, and then only applied to the Federated Laundrymen.

5969. That had only been in existence a few months before the Trade Board?—Yes.

5970. But have you no means of comparing those with representative rates for London before the war?—I do not think one could fairly. One could take an average, but it would be largely a guess. There is no secrecy about it. We admit as an industry that wages before the war, generally speaking, in the

laundry industry were altogether too low. There were many cases in London in which the rate of wages for time workers would be 13s., 14s., or 15s. a week for a week of 54 hours. There were a number of cases in which it was more, according to the nature of the laundry, according to the attitude of the individual laundry proprietor, and more particularly the nature of the work done by the worker—the department. You see my difficulty; it was not an organised industry. I am not trying to dodge the question; I do not quite know how to give you any facts which would be other than guesswork largely; Mr. Crabtree, who is our industrial commissioner, can perhaps confirm that. 8½ years ago was the first agreement we made; that was in settlement of a strike, and was agreed with the National Federation of Women Workers. It meant an increase, and the agreement was 12s. a week at 21 years of age and over for a 55-hour week. From that time onwards we made successive agreements with trade unions for time workers. That was by agreement. From that time onwards we began making an increasing number of agreements with trade unions for localities, and it was always going up and up and up, to the point at which it reached the Trade Board. The Trade Board rate was equal to the highest rate we had made. That is significant. The first Trade Board rate was the highest rate which we had entered into by negotiation with trade unions for any part of the country.

5971. At the time the rate was made?—At that time; it is about two years ago. It came into operation, as a matter of fact, two years and a month ago.

(*Lord Weir here took the Chair.*)

5972. *Lord Weir*: The Trade Board adopted the maximum as a national minimum?—Yes. Those agreements I speak of were for the industrial centres, and it is because of that early experience that we attach so much importance to the definition of what a minimum wage should be. Have you got my point? I do not want to be disrespectful to any member of this Committee, but one must speak perfectly frankly. We found in effect that when we were dealing in negotiation with a particular trade union, and one or two of the officials, we could make better terms than one could get when there were a whole lot of trade union officials together. You will appreciate my point; that is what we found on the Trade Board. I say it with all respect, but that is actually what happened, and it is very significant; and we submit that it proves the very great necessity for laying down as clearly as possible what is meant by a "minimum."

5973. *Mr. Layton*: I understood you to say there was a tendency to lose work from the commercial laundries, which went to very small laundries, or laundries run by individuals. Would you say that that is a serious tendency?—Yes, particularly in certain districts. I could give you a number of them.

5974. Would that be because your prices are more than the public is prepared to pay to-day?—Yes; that is the reason.

5975. Has there been any marked reduction in your prices in the last six months?—No, very little; because they were not increased as the increased costs justified at the time when all other things were going up. We did not go up to the extent that other things did, and so we cannot come down.

5976. I suppose labour is the chief item in your cost?—About 50 per cent. of gross turnover goes in wages, and therefore an increase in wages to us makes a great difference.

5977. Nevertheless, the prices paid, I suppose, are at least as high as the increase in the cost of living—probably more; is not that the case?—As far as I can tell—it is very difficult to say exactly on that point, because we have about 50 or 60 articles on our price-list, and the actual percentage increase varies according to the proportion of these different articles.

5978. But there are not many that have risen less than 100 per cent.?—The average for everything, as

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nearly as I can tell you, for everything throughout the country, is 100 per cent.

5979. The average is only 100 per cent.—That is the average; but even then there was no standard price before the war. There is no standard quality of work.

5980. But that being the case, and the public being unwilling to pay your price, how do you propose to meet the situation, seeing that this trade is going to these small individual laundries, or is being done at home, or, as you have explained, by institution laundries, and so on?—The trade at the present time is a decreasing one. We are in a position when we cannot decrease our prices materially, and we have simply got to put up with the remaining volume, unless some new discoveries, which have not yet come along, are made, which will enable us to reduce our costs. The last figures I just referred to show 103,000 employed in the laundry industry. As far as I know—it is very difficult to get exact figures—before the war there were about 140,000. Then you had about 144,000 people working on an average of 56 hours a week, and you now have 103,000 working an average of not more than 44 hours a week.

5981. Is that the whole trade, or your own members?—No, the whole trade. I am speaking from the unemployment figures.

5982. That may be accounted for by a different method, of course?—There is actually, very much to my personal disappointment, because it is contrary to what I have preached personally, a decrease per hour output in spite of the reduced hours. I would have expected an increase. There has been a certain amount of labour-saving machinery introduced; not to any appreciable extent, because so much of the work in laundries is of a nature which you cannot deal with on mass production principles.

5983. But at the same time, I suppose, your Board does not contemplate endeavouring to get the rate down below the general female rate in the country as it was before the war?—We have no desire whatever to return to pre-war conditions. The only point we are concerned with at the moment is just what is best for everybody concerned, and, as a matter of fact, with regard to this reduction in wages of which I have spoken, I was at a meeting yesterday when over 50 per cent. of the people there—I think it was about 80 per cent.—said they were not going to reduce their wages that 3d. per hour, because they considered that in their particular district it was not justified; it was not fair to the worker.

5984. *Lord Weir*: You mean that the decreased cost arising from this rate change would not be reflected in prices?—No; I did not make myself clear. In the particular case I was speaking of they were not going to reduce their wages, because they considered it as a new rate, and one which did not apply in their particular district, but applied to other districts where the cost of living was not so high. The difficulty as to whether prices were to be reduced is a matter for each man, or group of men, to consider for themselves. For instance, there are many districts—I think the majority; but at any rate many of them—where, when that 8d. came along in May last, the rise from 7½d. to 8d., there was no increase made in the charges; consequently when it comes down to 7½d. they cannot make a decrease.

5985. *Mr. Layton*: That depends upon the profit they were making before the rates came in?—On that particular point there is no laundryman in the country—perhaps I must not say that; but the great majority of laundrymen in this country to-day and for the last three or four years have not been making a profit on their turnover which would be considered to be a reasonable one by any collection of business men.

5986. *Mr. Poulton*: When you say 50 per cent. labour cost, do you mean 50 per cent. labour cost now, or do you mean generally; is that higher or lower, say, than it was before the war?—It is higher than it was before the war. The difficulty is this: however high the price of boots may go there are

very few men or women who can make their own boots; but there are very few women who cannot, or, if I may say so with respect, think they cannot, do laundry work at home, and they can do it. If they count up what it costs it seems much less than they pay a laundry. If I may use a very simple illustration, if a lady can take a silk blouse and wash it with a pennyworth of soap and iron it in a very little while she wonders where the one shilling or one shilling and sixpence goes to, which she has to pay to the laundry. Before the war the cost of labour was about 42 per cent. of turnover; at the present time it is 50 per cent.

Lord Weir: A change in the hours would affect that.

5987. *Mr. Poulton*: With regard to the hotels and railway companies and so on, is it not a fact that they are doing more work and consequently there are fewer commercial companies in business? You stated that that has become a rather serious thing to you, the hotels doing their own work, and also the shipping companies and the railways. Therefore they are not within your meaning of the term, at present at any rate, commercial undertakings, although of course they are commercial undertakings in a sense?—Did I understand you to say that you understood me to say that there were fewer firms?

5988. Yes, in answer to Mr. Layton.

Mr. Layton: I think he said fewer employees. I think the witness gave me the figures; the 140,000 was approximate, but the 103,000 is actual.

5989. *Mr. Poulton*: I do not know how you make your returns; it depends how the returns are made. Supposing returns are not made from these places, and your place happens to be reduced in their employees?—Excuse me; the present figures are for all those who come under unemployment insurance; they are the Board of Trade figures; but further than that I have confirmation from my own records. These people come under unemployment insurance; there is no question about that. I do not think anybody will doubt that, and there has been a marked decrease in the number of employees. There is no query about that at all.

5990. *Mr. Layton*: You would assert that there are actually less people; they are doing less per hour, and therefore the commercial laundries generally are doing less laundry work than before the war?—Absolutely, yes.

5991. Whereas the work is now being done in private houses?—In cottage laundries and in private houses and at home. I can put it in a plain way. You have only to consult any middle-class woman whom you may meet, as to whether she is doing more work than before the war and she will always tell you that she is. I have heard of ladies getting together and having a sort of little communal laundry; they combine together to have a little laundry built in the garden.

5992. *Mrs. Lyttelton*: Of course, the great increase of these electrical and other small machines which you can put into private houses has increased the amount of washing at home. They are very clever things, and many people have set them up co-operatively as you have just described. Lots of people I know have combined in that way. They get a machine and employ one woman, and it is due to the immensely expensive rate that we now have to pay to the laundries for the work.—That is an opinion.

5993. I only state the fact. I do not criticise your prices.—It is only just equal to the difference in the value of money.

5994. *Mr. Layton*: Have you ever investigated whether these individual persons working for householders, or in small laundries employing one person, can earn the Trade Board rate?—They do not get it because they charge such extraordinary prices.

5995. Can you give definite evidence of that?—Yes; I have not the papers with me now, but in my own laundry which I owned up to three or four years ago it was not unusual for me to get customers' books coming in to me. Ladies very often use their previous laundry book when they go to a new laundry, and I would see that they were being

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charged at their previous laundry for many of the articles no more for the complete process of collecting and delivery and doing all the work than I was paying my piecework ironers for ironing the things only. We could get evidence of that if you liked; there are thousands of cases of that kind.

5996. But women who take in washing and work very long hours, are their earnings less than the Trade Board rates?—These women would be better off working in a factory laundry; they would be financially better off, there is no question about that; there are various reasons for it with which I do not think I need trouble you. You will frequently find that these women who are doing that kind of thing—one is very sorry for them—

5997. *Mrs. Lyttelton*: Your main point is that it is not fair that there should be a large class

of workers engaged in your trade who are not under the Trade Board?—That is so. I will not go so far as to say throughout the whole country, but in many parts of the country it represents half; I refer to such places as Bournemouth, Southport, and places of that kind. I could also take you round the suburbs of London where practically every house takes in washing.

5998. *Lord Weir*: I think if 50 per cent. of the workers are employed in such a fashion it makes it very hard indeed to extend the Trade Board so as to cover their operations?—Yes, and it makes it all the harder for the employers who are willing to be not merely just, but generous, when these people are cutting into them all the while.

Lord Weir: Thank you very much for your attendance.

(The Witness withdrew.)

Mr. ALEXANDER RAMSAY, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

General Aspects.

1. It is desired to draw the attention of the Committee to one or two of the national aspects of the Trade Board System. The system embodies the principle of compulsory regulation of wages, and in effect puts the determination of the wage to be paid into the hands of an authority nominated by a Government Department, and one which does not, in general, enjoy the confidence of the employers.

2. This system of compulsory wage regulation already applies to approximately $3\frac{1}{2}$ millions of workers. It is understood that Industrial Councils in operation cover approximately another $3\frac{1}{2}$ millions of workers. There is a marked tendency on the part of these bodies to emulate Trade Boards and seek the power to fix compulsory rates. Should this tendency develop, it would entail their being for Whitley Councils some Statutory Authority corresponding to what already exists in Trade Boards, and there is, therefore, a prospect of the wage conditions of some 7 millions of workpeople being governed by an Authority which has no responsibility to industry. It is held that such a condition would, in the long run, be extremely bad for the economic life of the country, and that any movement in this direction should be carefully watched.

3. It is a matter of common knowledge in the Midlands that workpeople who are protected by Trade Boards do not join Trade Unions, and as Trade Boards extend, the authority of the Trade Unions over the workers will correspondingly decrease. In spite of the fact, certain Trade Unionists are strong supporters of the Trade Boards system. It is suggested that this support is a question of high policy, and that these see in the compulsory regulation of the wages of millions of workpeople what they believe to be a first step towards the ultimate control of industry by the State.

No argument is made here for or against such a proposition, but it is suggested that there are far-reaching issues bound up with this enquiry to which the Committee should have due regard.

Regulation of Wages in other countries.

4. The ultimate economic prosperity of this country depends largely on our capacity to exercise a prosperous foreign trade. In no other country in Europe, nor in America, is there machinery in operation at all comparable to that of our Trade Board system. Our foreign competitors are, therefore, in a position to take advantage of the disabilities of British employers and undercut them. It is argued that the development of wage regulation in an export country such as ours must be made with some regard to the international labour situation.

Cost of Trade Boards.

5. The Minister of Labour on 23rd March, 1921, gave the cost of Trade Board administration for ten months, ending January 1921, as £92,665. No reference is made to the cost of printing, to rent, incidental labour and establishment charges generally, such as would be debited against the Department by any ordinary business house. It is believed that the real cost of administration is nearer £200,000 per annum, and while this would not be regarded as a large sum provided Trade Boards were rendering national service of importance, it is one which, in these times, should not be overlooked.

Inception of the 1918 Act.

6. The third report of the Whitley Committee, dated 7th June, 1918, on "relations between employers and employed on Joint Standing Industrial Councils" made certain recommendations upon which, presumably, the Government acted in bringing into being the Act of 1918. The Committee recommended that where no suitable organisation existed for the regulation of wages a Trade Board should be set up, and this is the basis of the 1918 Act.

They observe, however, "briefly our proposals are that the extent of State assistance should vary inversely with the degree of Organisation in Industries." We do not, however, regard Government assistance as an alternative to the organisation of employers and employed. On the contrary, we regard it as a means of furthering the growth and development of such Organisation."

If this is the intention behind the Act it has so far signally failed in its purpose, because, as already pointed out, the effect of Trade Boards upon workers has been to decrease their dependence on Trade Unions and, naturally, to remove them from without their scope.

In very many instances the same applies to employers of Labour, especially the smaller manufacturers, who, finding their wage conditions regulated for them, do not experience the same need to associate themselves with employers' organisations.

Trade Boards as an Alternative to Direct Organisation.

7. If, contrary to the opinion of the Whitley Committee, Trade Boards could be regarded as providing an alternative to the organisation of employers and employed, the fact that they do not tend to create organisation might be immaterial. But they do not provide an alternative for organisation. It is sometimes argued that it is fundamental in Trade Boards that they secure peace in industry. Such a contention is based on a pure assumption, which ignores the other and dominating factors.

The majority of Trade Boards have been created since 1918. They started by perpetuating the wage rates which gave the workers no reasonable ground for complaint. But there ensued a period

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of declining trade, succeeded by a definite and disastrous slump. To claim that under such conditions Trade Boards have been the means of keeping the peace is simply to claim for them that they have defeated an enemy which did not in fact exist.

Effect under Good Trade.

8. When trade is good and labour scarce, Trade Boards will not contribute to the peace of industry unless they put themselves in the position of the best employer, a situation not contemplated under the Act. Workers will not be content to accept less from a Trade Board employer than their fellows obtain by direct negotiation, apart from Trade Boards. This means that the wage fixed by direct negotiation, apart from Trade Boards, will be the determining factor in the wage standard, and it is contended that no step should be taken by the State which will weaken the organisation on either side responsible for reaching such agreement.

Extension of Trade Boards.

9. Under the 1909 Act 13 Trade Boards were brought into being. Under the 1918 Act Trade Boards were constituted as follows:—

Eleven in 1918.

Fourteen in 1919.

Thirty-five in 1920.

The activity of the Ministry of Labour in the years 1918 to 1920 is extraordinary. Wide powers for fixing special rates for special classes of workers existed under the 1909 Act, but it was apparently found unnecessary to apply them. In the intervening 10 years the Trade Union organisation in this country had enormously developed, and, it is contended, would have proved adequate for the safeguard of the workers. But on the ground of alleged lack of organisation the Ministry ran riot and in so doing have done much to destroy the confidence of employers in its discretion and disinterestedness.

Inefficiency of the Present System.

10.—(a) Trade Boards have led to confusion in that sometimes more than one Board applies to the same factory, although the work is entirely analogous.

(b) Differing rates are applied to operations, although the same worker may be performing those different operations successively in short periods of time.

(c) The rates fixed differ from those arrived at by direct negotiation, although the operations, from the point of view of skill, arduousness, or economic value, are largely similar.

(d) While they are of no service when trade is in a prosperous condition, they prevent, when trade is bad, the quick determination of an economic wage.

(e) As a matter of fact the rates and operations scheduled by the Trade Boards are so numerous and complex that hundreds of inspectors would be needed to ensure definitely that effect was given to them.

(f) From the time a Trade Board determines a rate, until such rate becomes effective, a period of, at least, three months elapses, and until it can be altered a further six months must elapse, unless the Minister specially intervenes. Such delay and restriction is too great. A Trade Board having made a decision, such decision should be made applicable within a month, which provides ample time for appeal, and it should be within the power of the Board to alter a rate at any time subject to the provision of a month's notice being given.

(g) *Appointed Members.*—There is a feeling in industry that the present Appointed Members are economic theorists or social workers. While in their own sphere they are entitled to the highest admiration, as industrial administrators they do not enjoy the confidence of employers. It is suggested that the Minister should, in future, definitely ask for nominations from responsible bodies on each side, who concern themselves with the same or similar classes of labour to that which it is desired to protect.

Fundamental Considerations.

11.—(1) The Ministry of Labour should be impartially at the service of industry.

(2) It should refrain from all undue interference in industrial affairs.

(3) A policy which lays it open to a charge of seeking, at the expense of the State, an alternative to direct negotiation should be abandoned.

(4) In relation to the above, it should be kept in mind that the Government have considered it necessary, in the national interest, to de-control other sections of industry, viz.:—

Agriculture;

Mining;

Railways.

(5) While a decision of a Trade Board is supposed to rest upon the authority of Law, a general attempt to refuse application of such decision would create a difficult situation, and have a bad moral effect on the parties to industrial negotiation.

Recommendations.

12. A. *Release from a Trade Board.*—Appeal to be removed from the control of a Trade Board already established should not be directed to the Minister, but to an Industrial Tribunal to be appointed.

B. *Creation of a Trade Board.*—The Minister of Labour should not in his own right exercise an authority to create Trade Boards. The Industrial Tribunal before-mentioned should examine any such proposal; give suitable notice to the parties proposed to be included; hear evidence and report; without such report the Minister should not act.

C. *Scope of Trade Board.*—Trade Boards should not attempt to define wages for operations. They should concern themselves only with a minimum wage for the lowest grade of worker in an occupation and allow the ordinary economic forces to determine the wages of skill and merit.

5999. *Lord Weir:* Mr. Ramsay, I think you are Chairman of the Birmingham and Wolverhampton District Association of the Engineering and National Employers' Federations?—That is so.

6000. Are you yourself a member of any Trade Board?—No, I am not connected with a Trade Board.

6001. You wish to give us some evidence, first, on the general aspect; you wish to draw our attention to some of the national aspects of the Trade Board system.—I think in dealing with paragraph 1 of my statement—I presume you have the evidence in front of you—I had better just say in relation to that national issue that in drafting this summary of evidence I tried to keep before me not only the particular needs of certain of our people who were covered by Trade Boards, but also the needs of very many and very large employers, who, although not covered by the Trade Boards, find that the Trade Boards really do affect them in their operations; and therefore paragraph 1, and perhaps some of the subsequent paragraphs of the statement, are directed not only from the point of view of the man who is covered, but from the point of view of the employer who is not covered but affected by the Boards.

6002. You say in paragraph 1 that in effect the determination of the wage is in the hands of an authority nominated by the Government—surely that is rather a strong statement.—It may appear to be a strong statement, but I can only tell you that part of the general feeling in the industry, or at least that part of the industry which I represent, namely, the manufacture of metal products, is that the Trade Board in effect and in fact may be regarded as a Court consisting of the Chairman and Appointed Members, and that the representatives on either side may be regarded as the respective attorneys arguing the case. Therefore, if that in fact is the principle and method upon which the Trade Board is conducted, it is not too strong, I think, to say that it does put the determination of these conditions into the hands of an authority nominated by the Government.

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6003. *Mr. Poulton*: You go on to say, in paragraph 2, on the Industrial Council—by which I take it you mean the Whitley Council—there is a marked tendency to emulate Trade Boards and seek the power to fix compulsory rates. Do you suggest that on these Boards, which are voluntary, it is a bad thing to fix a rate for the bad employer, which shall be, at any rate, as good as that of the fair employer?—I can answer that question, I think, best from two points of view. I should be inclined to agree that there is something to be said for bringing the bad employer, as you describe him, into line with the good employer; but I am more concerned at the moment in paragraphs 1 and 2 in regard to the issue more from the general point of view and in the wider sense, and I am concerned with the prospect of some considerable number of millions of workers in the country having their wages regulated for them in a compulsory fashion. I do not believe that that would be a good thing for the country.

6004. *Mr. Layton*: The emphasis, then, is not on the fact that it is a Government Department which does not in general enjoy the confidence of the employers, but on the fact that it is a legal regulation; is that so? I mean you are not complaining primarily of the tribunal which nominates the people who fix the wage, but of the compulsory character of the wage fixed?—I think you will have to regard it that I am complaining that as affecting 3,500,000 workpeople an authority nominated by Government does fix wages, and I do not approve of such an arrangement; and then subsequently I fear that by the extension of this system of compulsory wage regulation another 3,500,000 people would be brought within the orbit, so to speak, and I regard that as an evil separate and distinct from the other.

6005. Supposing that you had got two collective agreements between employers and employed forming the basis of this system of wage regulation, would you then object to its being given legal sanction?—I do not for the moment think I could agree to say that I approve of wages being made statutory by the Industrial Councils.

6006. I am trying to get at whether it is the character of the tribunal that you complain of or the statutory authority behind them?—With respect, I suggest if you separate paragraph 1 from paragraph 2 as I have done you will see my point. In paragraph 1 I am dealing with the tribunal nominated by the Government and in the second I am dealing with the general principle of some millions of workpeople being controlled by an authority, whatever the authority may be, and which has compulsory powers.

6007. What is the burden of your complaint against compulsorily fixed wages; is it that they are insufficiently elastic to meet varying trade conditions?—Do you mean the compulsory regulation of wages by Trade Boards?

6008. Well, you were suggesting in the note that 7,000,000 people may have their wages statutorily fixed; what is your objection to that? Is it that that system does not allow sufficient elasticity, or do you suggest that they fix the wrong wages?—Well, one cannot say that they fix the wrong wages, of course; for they have not fixed any wages. We are casting our minds into the future.

6009. Which is it that you fear?—I am just going to explain that, as far as I can see, if we had some kind of extreme development of this fixing of a wage, and making it compulsory, we should have, as I have tried to demonstrate later on, the majority of those workpeople, whose wages are so fixed, outside the trade union on the one hand and a considerable number of the employers outside employers' organisations on the other hand, and I do not believe it would be good for general industry. I am not here to speak for the unions, but I do not think it would be good for the workpeople that there should be on the flank of industry a very large force of unorganised labour. But my other point, and probably the stronger point, is this. My view is that limits whereby wages can be fixed and made statutory are pretty well defined,

and I do not think we have got to go very far to reach the limit; but if this system were carried to the point at which 7,000,000 workpeople were covered, as I indicated it might be, then one can foresee that the time would come, probably in a state of good trade, where the workpeople might refuse to carry out, or to be regulated by, the order of the Court; and one can conceive that in a bad time there might be a reaction amongst employers also against the finding of the Court. And where you have got a system of compulsory regulation, so far as I can see, the moment either the one side or the other says it is not going to work this system, the whole system will collapse like a pack of cards, and that is why I feel it is one which we dare not take too far.

6010. *Mr. Poulton*: But with regard to this second three-and-a-half millions, their method is a method of voluntary arrangement, although it may have a compulsory application to a trade or any given number of trades. Therefore the position is not the same. I was going to ask: What do you mean by the phrase "they will be governed by an authority which has no responsibility to industry," whereas as a matter of fact they are the employers' and the workers' representatives on the Whitley Councils, which are taking the place of the old arbitration boards and that kind of thing; I mean, they have got a direct responsibility?—At the moment, while the members of the Industrial Council are nominated from either side of the industry, it could not be held to speak for the industry as a whole.

6011. Why not?—Because it does not represent the industry as a whole.

6012. What would you say did represent the industry as a whole? Supposing there are 80 per cent. of the employers and 80 per cent. of the employees organised in federations and unions respectively, would you not say that that represented the industry?—I should certainly say they would.

6013. That is the case in many of these Councils?—But that is not the case I am making. The case I am making is this: that the moment you give that Industrial Council statutory powers you immediately set in motion a force which is going to operate against that organisation, a force which will bring people out of the unions and will bring many employers out of their employers' organisations.

6014. *Mr. Layton*: But is not the exact opposite to what is happening in the trades which are governed by Trade Boards? The evidence that we have is that the organisation tends to be strengthened by the operation of the Trade Boards Acts?—I can give you evidence on the other hand, as far as the manufacture of metal products is concerned, that the whole tendency is in the opposite direction, and I think I can show you that the normal tendencies to be expected from the facts of the case would lead, not towards organisation, but towards disorganisation.

6015. You say that the number of workpeople under the Stamped Metalwares Board who are in organisations is less than it was before the Board was formed?—Yes, and I say further that as the Boards extend the number of people connected with organisations will decrease.

6016. *Lord Iveir*: I should like to know the definite ones you know of, because the bulk of our evidence, as Mr. Layton says, has been the other way. You might give us just as full details as possible to bear out that contention?—I have a case in mind of a firm to whom the Trade Board was applied in 1920. The Trade Board was applied to only 5 per cent. of the workpeople; but the employer, in order to avoid confusion, did, I believe, in fact extend the Trade Board rate to the whole of his workpeople. At the time the Trade Board was applied to that factory, and it is not a small factory, 90 per cent. of the employees were members of a trade union. At the present moment, after something less than two years' operation of the Trade Board, so far as we know the numbers of workpeople who are members of a trade union is absolutely negligible. I have in mind two other factories, both covered by Trade Boards, in which I am credibly informed that there is not a single

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[Continued.]

trade unionist employed, and these factories are quite in the heart of the industrial section of the Midlands. I have the assurance of certain trade union organisers of the district from which I come, and I do not think there would be very much difficulty in getting their permission to use their names for the statement that the Trade Boards do, in fact, operate against the extension of their organisation.

6017. It is very important for you to let us have full information about that; because all our other evidence leads the other way. However, you say quite definitely that in this particular trade, the pressed metal trade, the workpeople who are protected by Trade Boards do not join trade unions, and, on the other hand, you go on to say, not only so, but they leave the trade unions?—They do.

6018. Perhaps you might take the other side of it, the organisation on the side of the employers. What is the effect of the Trade Board on that?—What we find is that the smaller employers do not consider association of any kind when their working conditions are provided for and governed by the Trade Board. We have cases of other employers, more substantial employers, who have, in fact, left the employers' organisation. It might not be possible for me to say and prove that they left because they are provided for by the operation of a Trade Board, but the fact remains that the Trade Board does govern their working conditions, and that such being the case they do not find the need of association with other employers, and they have dropped away.

6019. Might we put it in this way, that in the stamped or pressed metalwares trade organisation on the employers' side has been decreased since the establishment of the Trade Board. We want to get this definitely?—I am just wondering how to reply to that, not because I have any doubt as to the tendency, but there have been so many factors operating in the last year or two affecting organisations that one must hesitate about saying that any decrease is entirely due to this cause. But if you examine the probabilities of the case, as I think you are entitled to do, if a worker, whether a man or a woman, finds that his or her wages are regulated through a Trade Board, it is clear to me that, receiving these advantages without cost, there is no inducement for them to join a trade union and pay a subscription, and precisely the same argument operates on the employers' side.

6020. Mr. MacCallum Scott: Does not that show how well satisfied the employers are with the Trade Boards—that they think it is no longer necessary to maintain their own organisation, that the Trade Board does the work that organisation was doing before?—No, I should not say that that was the case. If the satisfaction was so great, one would have some difficulty in discovering why this Committee was sitting.

6021. Lord Weir: In the badly organised industries the very fact that you have to establish a Trade Board tends to bring about an immediate organisation among the employers, if for nothing else than getting representative members for the Trade Board?—But may I suggest that the fact that a Trade Board is in operation does not at all prove that there was a state of disorganisation before the Trade Board came into being? Let me put it in another way. When the war-time conditions were removed, with the regulation of wages by the Ministry, had the Trade Board not intervened the unions themselves would have been successful in performing their functions of organising these people.

6022. Mr. Poulton: But surely you are forgetting the important clause in Section 1 of the Act, which really established these Trade Boards—that the Minister has to be satisfied that there is no adequate machinery existing for the regulation of wages; therefore, if your statement is correct—and I am rather surprised to hear it, having regard to the evidence of your other colleagues in that particular trade, because if they are leaving the associations they have no organisation, and therefore the Trade Board will continue, because that is exactly what the Act states?—I quite agree with you that the Act states

that it must be shown that sufficient organisation does not exist, but the feeling in the Midlands is, that the Minister, or his representatives, to be exact, were easily satisfied when they were looking for the lack of organisation.

6023. Lord Weir: Let us get it quite clear; do you suggest that the Minister was unjustified in establishing that Trade Board, because there really existed adequate organisation?—I suggest that the Ministry was too zealous in extending Trade Boards.

6024. You are speaking of Trade Boards generally?—Yes.

6025. Do you suggest, for example, when you say "zealous" that the Minister established any Trade Board unjustifiably, that is, in industries where the organisation was adequate?—Yes, I think I dare put it as high as that.

6026. Can you give us an example of that?—The difficulty I am faced with is that under the Stamped or Pressed Metalwares Trade Board there are undoubtedly a number of smaller employers amongst whom I should say, when the Trade Board came into being, there was very little organisation. On the other hand, there are included under the Trade Board very many employers who are members of employers' organisations and whose workpeople in very many instances were members of trade unions. Now, I suggest to you that when the control of the Ministry in relation particularly to the control of women's wages came to an end, or was about to come to an end, the ordinary forces governing wage negotiations, namely, the employers on the one side and the unions on the other side, had no opportunity of demonstrating whether, in fact, this trade was going to be organised or whether it was not. The Trade Board simply stopped in, and, as I claim, by stopping in, created and caused to extend this disorganisation.

Mr. Poulton: On paragraph 3, I am not quite sure whether Mr. Ramsay is very sincere about this, but I should like to know whether he has any evidence to back up the latter part of his statement, that "certain trade unionists are strong supporters of the Trade Boards system. It is suggested that this support is a question of high policy, and that these see in the compulsory regulation of the wages of millions of workpeople what they believe to be a first step towards the ultimate control of industry by the State."

Lord Weir: That must mean control industry; not control the State.

6027. Mr. Poulton: If they controlled industry they would more or less control the State?—I can answer that in only one way. Your argument presumes that I have made my point in connection with the Trade Board in point of fact tending to draw people out of the employers' and workers' organisations. The Trade Union Congress at Cardiff recently passed a strong resolution in support of the Trade Board system, and they spoke, if my recollection serves me rightly, about the political intrigue of employers who wished to have the Trade Board system removed or modified; but the men who passed that resolution were miners and railwaymen and dockers, and probably engineers also; there were many others who were not concerned with Trade Board working, and who, I submit respectfully, knew nothing about it. It is a significant fact, and here I must make a statement which I am afraid I cannot prove; I have the proof, but I cannot adduce it. It is a significant fact that at least one of the most important and strongest trade unions in this country, a union which is concerned with the organisation of precisely the class of labour which Trade Boards cover, is exceedingly doubtful with regard to the Trade Board system, and, in fact, I might put it higher than that, and say it is opposed to many points of the administration in its present form.

Lord Weir: I think that Mr. Poulton's question is answered, but I do not know that it helps us very much.

6028. Mr. Layton: I should like to go back to the other point, as to whether your objection to this system of national regulation is largely based on the lack of adaptability of such a system to changing

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economic conditions?—I think it ought to be made clear that I have not any objection to the compulsory regulation of wages where such can be clearly proved to be necessary; that is to say, I do not support sweating; I should say by all means take every power you can to repress sweating. What I say is that the country ought to watch the tendency to the undue extension of this system of fixing wages by compulsion.

6029. But assuming—and it is a big assumption—that the system can be made sufficiently elastic to vary with the economic conditions, would you then object to a rate being made compulsory and obligatory on either employers or workpeople who were trying to get the wages at the lower level?—I am afraid the only answer I can give you is that the assumption, even, is not one which I can accept, because as I tried to make the case before, if this system of fixing wages and making them compulsory gets beyond a certain limit in extent, it will break down the very moment that either side says it is not going to have that wage, whatever it may be, and put it into operation.

6030. You say the assumption is not adequate; that is the point I was really trying to get at, that the legal system of regulation is not sufficiently elastic to meet the economic conditions of the country?—As an article of faith, if I may so put it, the only safe and satisfactory way of determining the wage conditions in this country will be by direct negotiation.

6031. Because it is more adaptable, or simply, as you say, as an article of faith?—I should say for many reasons. For example, the unions on the one hand and the employers on the other having made a bargain, there is a reasonable assumption that that bargain will be kept; secondly, that having made a bargain, that bargain may be taken to reflect the opinion and feeling and general needs of industry, and that on the whole the system is the system which commends itself as being the one which will most satisfy the parties.

6032. In other words, they fix better figures; they fix figures more suitable in accordance with economic conditions?—I should limit my consideration to one point. They are the people who are concerned in industry, and therefore they are the people who are entitled to determine the conditions of industry.

6033. Mr. Poulton: What would you do, then, with that great mass of employers who are outside organisations, and employees who are outside unions, because possibly some of their economic conditions are different from those of the organised parts of the industry. I mean, with some of the smaller men the wages might be exceptionally low; what would you do with them under your method?—What I should do is this: the Act of 1909, the parent Act, provides that where it can be shown that wages are exceptionally low in relation to other wages, a Trade Board should be set up. I should apply the 1909 Act.

6034. So that, as a matter of fact, although you have taken a strong view, at any rate, against the 1918 Act, you would not abolish Trade Boards altogether?—No, not at all, but I should change the "circumstances."

6035. Lord Weir: That is, you would leave the "circumstances" to be entirely a measure of "exceptionally low," rather than based on lack of organisation?—Lack of organisation often merely in the opinion of an official of the Ministry of Labour.

6036. Would you attempt to define in a clearer way, or interpret in any way, the term "minimum rate"?—I deal with that, I think, a little later on in my summary.

6037. Very well, we will take it later. Would you tell us something about paragraph 4, foreign competition?—I have not dealt very much with the result of foreign competition. All I have done is to try and draw the attention of the Committee to what, after all, is an important factor. In the "International Labour Review" for November one finds a description of the compulsory systems which are in operation right throughout Europe, and from one's knowledge of wage conditions of these other countries it is significant—I put it no

higher than that—that the system of compulsory wage regulation in this country is very far ahead of that in any other country. Now, in view of the fact that we are an exporting country, and that a good deal of our prosperity depends on our capacity to export favourably, I suggest that, after all, the tendency to fix wages by compulsion in this country ought to be met with some due regard to the conditions in other countries with whom we are in competition.

6038. Mr. Layton: In other words, if I may come back to the point I was on, you assume that the compulsorily fixed wages are not the right economic wages?—All I have said here is that our foreign competitors are in a position to take advantage of the disabilities of British employers.

6039. Yes; that is to say, that the legally fixed wages are not the right wages economically?—I have not said that at all.

6040. Mr. Poulton: In effect that is what you say?—No, not at all. What I say is this: if the wage in this country fixed by a Trade Board is 8d. an hour and there is no compulsion in Germany, or in France, or in Austria or in Italy, there is nothing to prevent a French employer from paying 4d. an hour. I do not say he should, but I say it does put him in the position of putting his British competitor under a disability.

6041. Mr. Layton: Yes, but take the position to-day. You have foreign competition with a certain level of wages. If the Trade Board system were elastic, and followed, say, a sliding scale in any sort of way, it seems to me that a reasonable arrangement, such as exists in organised trades, would meet foreign competition very largely, based upon knowledge of export conditions. The rate could be fixed to meet that competition?—Yes, I know.

6042. And therefore the disability you are talking about is that the wrong rate is fixed?—The disability I am talking about, my Lord, is that the British employer has not in fact freedom, whereas his foreign competitor has.

6043. Lord Weir: In connection with that question, can you give us any definite examples of any trade which we are losing?—I think if you were to put that question to Mr. Chandler, who is the technical expert on this particular problem, he would answer it better than I could.

6044. Mr. Layton: Would you say that the fixing of rates which have not been elastic enough and have not adapted themselves to foreign competition has had any effect in influencing the wages paid in other trades which have to meet foreign competition?—As regards the manufacture of metal products, certainly I think it is true to say that the Trade Board rate has adversely affected the rate paid through direct negotiation, but that situation is very rapidly altering. The wage fixed by direct negotiation has been coming down due to the various economic factors agreed upon as between the parties, and it happens that at the moment the agreed rate is for certain ages of workpeople lower than the Trade Board rate, and in a month's time—say by the end of January—the agreed rate will be substantially lower than the Trade Board rate.

6045. But the fixing of the Trade Board rate has not prevented that agreement or prejudiced the negotiations?—To my knowledge it has not. Of course, I am speaking with a somewhat limited knowledge of the circumstances of this area.

6046. Lord Weir: Is it not anticipated that under certain conditions it might affect the negotiations with unions?—I understood that Mr. Layton was speaking of the past. If Mr. Layton put his question in the present or in the future, then I say unhesitatingly that the Trade Board rate will make it difficult for the employers to get an agreed rate such as otherwise they could get.

6047. Mr. Layton: And therefore to meet foreign competition?—Certainly.

6048. Lord Weir: Paragraph 5 deals with the cost of Trade Boards. We have had that before us already.—Yes.

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6049. Then the next paragraph is as to the inception of the 1918 Act.—I think there we have covered most of the ground. I just make the point that the Whitley Commission made this report and recommended Trade Boards to be extended where organisation did not exist, with the avowed intention of improving organisation, and my case is that it has not effected that. Now I think we get to paragraph 10.

6050. Is there any point about the rate of development of the Trade Board system that you wish to make?—There is not very much that I can say which is really evidence. We believe, and it was the common belief amongst employers, that the Ministry of Labour during 1920 was extraordinarily zealous, and that perhaps in 1921 it would have been equally zealous had not the employers raised a very severe agitation. We have knowledge of cases where it was proposed to extend the Trade Board to certain classes of work in which, in point of fact, there was a very high degree of organisation, and that not only the employers but the trade unions made very energetic representations to the Ministry that the Trade Boards should not in fact be extended as proposed.

6051. Naturally they would take the least organised trades first and gradually then would come to the more and more organised ones. Surely that is the order in which the Ministry would do it?—Yes, that is no doubt the order in which they proceeded, but what I suggest is that, having got to the organised trades, they ought to have left them alone.

6052. Now you want to say something about the inefficiency of the present system, which is dealt with in paragraph 10?—I think, in connection with Sub-sections (a) and (b), at least, you have had evidence with regard to overlapping and inefficiency, and I need not pursue that.

6053. Yes, we have had plenty of evidence upon that.—With regard to paragraph (d), I have already dealt particularly with that point by indicating that the rates arrived at by direct negotiation are, in point of fact, for some ages less now than the Trade Board rates, and that there is every prospect—in fact, it is a certainty, because we are operating under a sliding scale—that at the end of January the rates agreed upon by direct negotiation will be considerably less than the Trade Board rates.

6054. They will reflect more quickly the influence of economic causes?—Yes.

6055. Mr. Poulton: Did the employers in point of fact, when trade was good, object to that slow process? I do not remember a case, and I have asked many witnesses and they cannot tell me about it. They did not object when it was in their favour, but now that it is affecting them adversely owing to bad trade they are complaining of the slow method and the inefficiency and the economically disastrous position that it is landing them in. They really cannot have it both ways?—You are dealing with the question of machinery?

6056. Yes, quite so.—I am only responsible for my own point of view, but I will say quite honestly that I am not putting up an argument in favour of employers who want it both ways. I have simply examined the Trade Board machinery and its operation from the point of view of those who are affected and who are my constituents, and I am making the recommendation which I believe to be the right thing.

6057. I am quite sure of that; the only thing which I want to say on this point is that, if it was all right when trade was prosperous, it seems to me that the only thing that can be said now, instead of saying that it is disastrous and ought to be abolished, is that the machinery is not sufficiently elastic to allow you to deal with it quickly?—As a matter of fact, the information I have is that during the war period and during the prosperous period the Trade Board rate was not in effect bothered about. In very many instances the employer paid more than the Trade Board rate, and he did not worry about the Trade Board rate, so that he did not get the advantage of that slow crawl up which you indicate.

6058. Lord Weir: Then we come to Sub-section (e).—That deals with the question of defining rates for

operations which, perhaps, I might go into a little more fully afterwards, but there is very little doubt that the scheduling of operations is so complex that the employers, in point of fact, very often do not know what rate they ought to pay, and inspectors coming into their works are very often unable to tell them what rate they ought to pay for operations.

6059. Mr. Poulton: I take it from Section (f) that you are not absolutely opposed to the Boards. There again there is the question of the ability of the Board to alter its methods quickly, because you go on to say that the delay and restriction are too great, and that there should be ample power of appeal and for altering things quickly?—I entirely agree that the Trade Board system should be maintained, but I contend that the basis upon which a Trade Board is created and maintained should be altered, and I suggest that there should be a reversion to the point of view of the parent Act of 1909, namely, that the Board should apply only in cases where wages can be shown to be unduly low.

6060. Lord Weir: And, in those cases, that the machinery for alteration should be speeded up?—Yes, it should be speeded up.

6061. Then you have something to say about Appointed Members?—There again I am only echoing the feeling of the industry. We have a high regard for the Appointed Members in their own particular sphere, but, unfortunately, they do not know enough about works administration properly to fix suitable rates, and we suggest that the Minister should definitely ask the responsible authorities on either side.

6062. You want the Minister to consult the employers' and employees' representatives on the Board?—Yes, or to ask on the one side the reputable employers' associations, and on the other side the trade unions, to submit to him a panel of suitable names from which the appointed members could be chosen.

6063. Mr. Layton: Certain witnesses have suggested to us that it would be best to have a lawyer or someone with legal training, since the function is that of hearing and deciding upon the arguments put forward by either side, rather than a technical man. Would that be your view?—I am afraid it would not be my view. I have no prejudice against lawyers at all; I think that very often their legal training and very acute minds are of extreme value. If one may judge from what one hears of the operations of Trade Boards by members who come to consult me, the decision of the Trade Board rests with the side who can use the best advocacy and persuade the appointed members, who in themselves know nothing about the practical operations.

6064. Would you consider it essential for the appointed members, or, at all events, the chairman, to have technical knowledge of the trade?—I think it would be a very great advantage.

6065. Is there not the difficulty that if you insist upon that, the people who have technical knowledge are associated either with the employers' or with the employees' interests?—It is generally true, of course, but still there must be suitable persons who are not associated with either side. After all, one finds Industrial Courts—

Lord Weir: It is very difficult to find them, surely?

6066. Mr. Poulton: Would you put it the other way: that you should have a trained man in the chair, and that he should have one from either side as assessors to help him, so that they could deal with the technical points which came before him?—The only difficulty there is, I think, that if you give a chairman assessors, you are in point of fact putting the whole responsibility of the decision on to the chairman.

6067. You have to do that in many cases on a voluntary Board, when the Board itself fails to agree. Of course, this would only operate when the Board failed to agree?—Quite. I should think, as a matter of fact, the system would operate at least as well as the present one. All I am suggesting is that the Ministry should keep in mind the desirability of having men to hear evidence and give a decision who know something about factory administration,

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because otherwise I feel that they cannot; they will be persuaded by the side which puts up the best case, and it does not necessarily follow that those have got the facts with them, although they are the most convincing in their speech.

6068. *Mr. Layton*: If you limit the Trade Board to fixing a minimum, is the detail of factory administration of much importance, or is it not rather a question of general economic considerations, having in view rates in other trades, the cost of living and matters of that kind?—If you will so alter the working of the Trade Boards that they do in point of fact establish what can be reasonably regarded as a minimum instead of a standard rate, and allow the economic factors to come into play in the factory, then I should think that the answer is in the affirmative, but I do not regard the rate which is at present fixed by the Trade Board as a minimum; I regard it as the standard rate paid.

6069. You would agree that a minimum is rather a commercial or economic matter than a question affecting the technique of any particular factory?—Yes, if you will consent, as I suggest you do, that a legitimate minimum rate be fixed, then one can regard the whole situation quite apart from the technical point of view.

6070. *Mr. Poulton*: But I think that is all the Board professes to do—to set up a minimum?—I am glad you said "professes." That is quite so.

6071. The evidence we have had from so many witnesses is that it is a minimum and not a standard.

Lord Weir: You promised to speak to us about this question. We might take that now.

Mr. Poulton: If it has become the standard in your trade, it is a very interesting fact, of which we shall have to take note.

6072. *Lord Weir*: You suggest that it is the standard in your trade, do you?—I cannot from my own knowledge say that, no.

6073. Shall we get that from Mr. Chandler?—Mr. Chandler could probably tell you more about it than I could, but I was going to put a point to you: I cannot, from my own knowledge, say that any rates higher than the Trade Board rates are being paid, but I would point out to you that if you take the Pin, Hook and Eye Trade Board, for example, the agreed rate at present for a boy of 14 years of age—and a rate which we think is a high one—is 14s. per week, and the Trade Board rate is 15s. 6d.; the agreed rate for a youth of 15 years of age is 17s., and the Trade Board rate is 20s. 6d.; the agreed rate for a youth of 16 years of age is 21s., against the Trade Board rate of 23s. As you go up the scale you find that the Trade Board rate is in that instance considerably higher than the agreed rate, the rate paid by the Employers' Association.

6074. Which you have termed the standard district rate?—Which is called the standard district rate. If the Trade Board rate is a minimum and the employer in giving it is expected to regard it as a minimum and to pay more as the exigencies of the case demand, then I suggest that he is being very unfairly dealt with.

6075. *Mr. Poulton*: As a matter of fact, is not this in most of the documents sent out on the final determination of the Department upon the proposals come to by the Board; because whether they are come to by agreement or by the Appointed Members is immaterial for the moment; they have to come to something, and this is one of the last notices sent out; I will just read it: "The above proposed general minimum time rates are without prejudice to workers who are earning higher rates of wages, or to agreements," etc.; I need not read any more. Is not that, as a matter of fact, the basis—that they are minimum rates, and the fact that the Department sends that out practically means that they hope they are paying higher than the minimum, does it not?—Might I answer that by saying that if a Trade Board does in point of fact create a minimum rate which is higher than the standard agreed rate for the district—the standard district rate—then it is a

very serious argument against Trade Boards, which have put rates of that description upon the industry.

6076. It does not follow. It might be because the standard rate is too low, according to the Act; and you know that was the basis of the original Act, at any rate, that the rate was so low that nobody could live upon it at all?—I am afraid I could not agree that a rate, which is arranged between the leading employers' associations in the country and the main trade unions of the country can ever be regarded as a rate which would justify the setting up of a Trade Board.

6077. *Lord Weir*: When you speak of a minimum time rate, what have you in mind—I mean a genuine true minimum?—Do you want a figure?

6078. No. What, in your view, is a genuine true minimum?—First of all, one must clear the ground. I think this attempt of the Minister and the Trade Boards to create a whole series of rates for operations is absolutely doomed to complete failure. It has the essence of failure in it. Its complexity condemns it. What I suggest, therefore, is that what ought to be done is to fix a rate for an occupation; that is to say, if a girl is working a metal press, what does it matter to the Trade Board or to anybody else whether the article which she is pressing is going to make a shaving stick case or a piece of furniture for a coffin? It does not make the least difference, but still the rates would be fixed under two Trade Boards differently. Therefore I say a rate ought to be fixed according to occupation, and a rate ought to be fixed for the lowest grade of worker in that occupation beyond which rate in a lower direction no employer should be permitted to pay. That I regard as a genuine minimum rate—a rate under which no employee engaged in that occupation can be paid. The higher rates, the rewards for skill and merit, should be determined by ordinary economic factors, and in point of fact would be determined by those factors if the Trade Board did not operate.

6079. May I take it that you have not in mind anything in the nature of a national minimum rate?—I should very strongly object to a national minimum rate.

6080. *Mr. Poulton*: You believe in an occupational minimum rate?—Occupational. I hold the view that if you create a national minimum rate you immediately create, not an industrial issue, but a political issue, and I should be very sorry indeed to see industrial conditions determined by political considerations.

6081. *Mr. MacCallum Scott*: Can you fix an occupational rate without a Board of some kind for each trade?—Of course, one has not worked out the minimum in detail. I think it would probably be convenient to keep certain Boards in being—that instead of addressing themselves over weeks of labour to a rate for a whole series of operations they would simply decide that a suitable rate should be regarded as a minimum rate for the occupations covered by that Board, and they would probably fix a minimum rate in a single sitting without the least trouble, whereas now they spend weeks in hard labour and create only confusion at the end of it.

6082. Would you suggest any idea as to the basis of that rate? Should it be a rate based upon the standard of subsistence?—There again in the determination of that rate I think one could quite easily be guided by the recognised practice outside the Trade Board orbit. If you take the manufacture of metal products, for example, my own Association covers 170,000 workpeople. I do not suppose that there are more than 2,000 within our control who are covered by the Trade Board. We fix a minimum rate for the 170,000 workpeople, and no man employed by us gets a less rate than that minimum. I should think if I were a member of a Trade Board fixing a minimum rate I should have regard to the minimum in operation as agreed between the main Employers' Associations and the main Trade Unions, and I think that in actual practice that would be found to be a satisfactory method of arriving at the rate.

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6083. You have certain recommendations to make, I think?—I am inclined to think that we have covered most of these now.

6084. You refer specifically to some kind of tribunal which you suggest.

Mr. Poulton: I should like that amplified, because it is a very interesting suggestion.

Lord Weir: We want to know all about this.

6085. Mr. MacCallum Scott: That is dealt with in Sub-section A of paragraph 12?—The 1918 Act provides that if one wants release from a Trade Board application should be made to the Minister. Our feeling is that application to the Minister means application to the permanent officials of the Ministry of Labour. There is a feeling in industry that in relation to this matter the permanent officials of the Ministry of Labour are not entirely disinterested parties, in that with the extension of the Trade Board system the standing and importance, and it may be the permanence, of the Department are increased, and the employers at least, for whom I speak, feel that they would have a greater measure of security if, instead of making an appeal to the permanent officials of a Department which is interested, they had the right of appeal to an outside authority.

6086. Mr. Poulton: Would that Industrial Tribunal be composed of an equal number of employers and employees, or in what way would you constitute it?—What I had in mind was a tribunal nominated by the Minister, somewhat of the nature of an Industrial Court.

6087. They would naturally take evidence?—Yes.

6088. That would apply equally to the creation of a Board as to release from a Board?—Precisely. I suggest that in the creation of a Board they should give notice of their intention, hear the evidence from both sides, and then make a Report to the Minister.

6089. Lord Weir: The procedure now is by public inquiry?—No, the procedure at the moment, I believe, is that the Minister lays an Order upon the Table of the House.

6090. That is, to establish a Board? Mr. Poulton was dealing with the establishment of a Board?—Yes. In Section 1, sub-section 3, of the 1918 Act it says that a trade can be withdrawn from the operation of the Act by special order if at any time the Minister of Labour is of opinion that the conditions of employment in the trade have altered. My point is that we should be required to satisfy not the Minister but a tribunal whose duty it would be to consider the facts.

6091. What sort of tribunal would you suggest?—A tribunal very much in the nature of the present Industrial Court.

6092. You would not suggest the Industrial Court?—I should prefer to leave my answer as I have stated it, if you do not mind.

6093. Then your second recommendation——Deals with the creation of a Trade Board.

6094. That is just the converse?—Yes. And the third recommendation deals with the question of scope which we have already covered in the previous discussion. I have another suggestion to make which I do not advance very dogmatically, but which I feel the Committee might keep in mind when they are considering the matter, and that is: having in view the fact that I have recommended a reversion, as it were, back to the point of view of the 1909 Act, that it should be considered whether an employer who is a member of a substantial Employers' Association, and who pays the authorised rate of that Association, should not by virtue of that fact be automatically excluded from the provisions of the Trade Boards Acts. If you had an employer in those circumstances it is perfectly obvious that he could not be sweating because he is paying a rate agreed upon between the main employers and the Trade Unions of the country. He is not a sweater because the rate is one which would have the whole organised opposition of the Unions of the country against it if it were not adequate; and, secondly, it could not be said that he at least is not organised, which, so far as the employer is concerned, meets the purview of both the 1909 Act and the 1918 Act. If his workpeople were not organised I think, in view of the fact that their wage was being determined by direct negotiations, the ordinary functions of the Union would operate, and I think they very soon would become organised.

6095. Naturally in that case you might have in some place a set of wages determined by the organised trade and another determined by the Trade Board.—In the same factory?

6096. Yes.—We have that at the moment and cannot avoid it; but if the employer were a member of the employers' organisation under the scheme which I am rather tentatively suggesting, the rate which he would pay would be universal—the agreed rate—and the present anomalies and differences would be got over.

6097. Mr. Poulton: That is to say that the rate which he would be paying would have to be not an agreed rate of his association, as an association, but an agreed rate between that association and either the workpeople direct or their representatives acting for them, and it would have to cover the whole of his employees? You could not have a rate which was set up arbitrarily by one side, who would say: "That is the rate."—I think that that does not in fact happen in actual practice, you know.

6098. Yes, it does occasionally. I take it that you mean an agreed rate?—An agreed rate.

Lord Weir: We are much obliged to you.

(The Witness withdrew.)

MR. FRANK H. CHANDLER, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

General Remarks.

In giving evidence I propose to confine my remarks to the Stamped or Pressed Metalwares Trade Board, of which I am a member. The Board has brought into operation by an Order issued in November, 1919, and the first meeting took place in March, 1920. The number of firms covered is between 650 and 750, and the variety of products made by these firms is so large as to prevent the whole of the products being brought within the scope of the Board, consequently anomalies arise in the conduct of the Board's business, and it is difficult at times to deal

intelligently with questions put before us. My experience has definitely shown that the Ministry in their attempts to schedule operations have been far too ambitious. The policy of attempting to schedule operations has proved completely unsuccessful, and should not, in fact, have been adopted.

Scope.

This brings me to a question of scope. I do not know the difficulties with which other Trade Boards have to contend, but with the Stamped or Pressed Metalwares Trade Board the question as to whether a worker is covered or not is an ever-present source of trouble and difficulty.

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Mr. FRANK H. CHANDLER.

[Continued.]

Original Definition.

The definition covered about twenty-five articles originally, and has an omnibus clause which includes "any similar articles or metal parts of such articles." The Trade Board in November last year were at variance with the Ministry of Labour as to the interpretation of scope. The Deputy-Chairman of the Trade Board (Professor Jones), was requested to make an independent investigation and report, which he did, and in January last a meeting took place between the Trade Board and the Department on the question of scope. The then Chairman (Mr. W. J. Jeeves, C.B.E., K.C.) and the Deputy-Chairman agreed with the Trade Board's interpretation of scope, which was at variance with the interpretation of the Department.

Further Negotiations.

As a consequence protracted negotiations have taken place and the result is that an amended draft definition will be submitted for the consideration of the Trade Board at their meeting in December. This draft definition represents a compromise between the different parties concerned. It has not yet been submitted to the public, and it is quite possible that when the various interests who will be affected know of the suggested alteration in the definition of scope, further negotiations will have to take place, the result of which cannot be determined until afterwards.

Consequent Delay.

It will thus be seen that with this particular Trade Board, twelve months has already elapsed since the question of scope was raised, and the individual members of the Board cannot by themselves give an authoritative reply on points which may be put before them. In these circumstances it will readily be seen that an ordinary inspector is unable to answer questions of scope when he visits establishments in the course of his duties. The inspectors attempted to do so during the earlier months of the Board's operations, but their decisions conflicted with each other and also with the opinions of the Trade Board. These facts are well known to, and acknowledged by, the Department.

Minister's Arrangements Regarding Questions of Scope.

In order to mitigate these difficulties, the Minister of Labour, a few months ago, arranged that questions of scope should be referred to the Trade Board for their opinion before he gave a ruling on any point brought forward. This arrangement certainly has advantages, but the serious point from the view of the ordinary employer or worker who raises a question is the length of time it takes to get an authoritative reply.

Minister's Arrangements still Result in Delay.

As an illustration of this delay I have in mind a notice of meeting dated the 16th August, referring

questions of scope to a Committee who met on the 25th August. The opinions of the Committee were subsequently confirmed in September, and the Minister issued his ruling on the 8th November. Your Committee will readily see that although such delay may be explained officially, it is no satisfaction for a person who writes in July to get a reply in November.

Definition of Scope still in Abeyance.

You will, no doubt, remember that Mr. Wolfe, in giving evidence before your Committee some weeks ago, said that the definition of the Stamped or Pressed Metalwares Trade Board occupied a week of discussion—you will observe that the discussion is not finished yet.

Present Definition Unsatisfactory.

One of the difficulties in connection with scope is found in the narrow definition at present in operation. The variety of products which are similar to those enumerated in the Schedule, and the large number of firms involved who make articles both inside and outside the jurisdiction of the Board tends to create an unjust situation by differentiating between various factories.

Effect of Trade Board Rates on Other Classes of Workers.

I have in mind a works where the Trade Board operates for a small number of workers, and the fact that the Trade Board wages rates are applicable to one section necessitates that a similar rate is applicable to the whole works, although the other workers are provided for by direct negotiations. The competitors of the firm in question do not come within the scope of the Trade Board's present definition, and consequently are not controlled.

Analogous Operations.

In the Birmingham District there is also a difficulty in the similarity between the workers engaged under the Stamped or Pressed Metalwares Trade Board and other Trade Boards, such as Coffin Furniture, &c. About 15 months ago a suggestion was put forward by the Stamped or Pressed Metalwares Trade Board for amalgamating the following Trade Boards:—

Stamped or Pressed Metalwares Trade Board.
Coffin Furniture Trade Board.
Pin, Hook and Eye Trade Board.
Button Trade Board.

The proposal was not agreeable to the other Trade Boards. Presumably it was felt by them that the Stamped or Pressed Metalwares Trade Board would prejudice their conditions.

Minimum Rates Operative.

The minimum rates operative at the present time in the different Trade Boards above referred to are as follows:—

	Date of Order.	Males, 21 and over.	Females, 18 and over.	Females, 21 and over.
Stamped or Pressed Metalwares ...	October, 1921...	1s. 2½d. per hour	8d. per hour	—
Coffin Furniture ...	September, 1921	1s. 2-42d. per hour	—	7d. to 8-3d. per hour.
Pin, Hook and Eye ...	September, 1921	1s. 1½d. per hour	8d. per hour	—
Button Trade Board ...	October, 1921...	1s. 1½d. per hour	7½d. per hour	—

There are, of course, other and different Schedules, and with correspondingly higher rates for all these Trade Boards.

Difficulty of fixing other than Trade Board Minimum Rates.

The difficulty of fixing other than Trade Board minimum rates on a national basis is found by painful experience to be an almost insuperable task. In the Stamped or Pressed Metalwares Trade Board it has been agreed that the rates fixed between the Brass

Employers' Association and the Brass Workers' Trade Union shall be operative under the Trade Board. In April last the brass employers agreed to a sliding scale based on the cost of living. It is not possible under the Trade Board machinery to give immediate effect to the variations caused by such an arrangement, and for a few months we have had the Trade Board rate as a legal minimum fixed at a higher rate than that which has been agreed upon between the employers and the workers' trades union. The matter has been dealt with as intelligently as the Trade

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[Continued.]

Board's machinery allows, but the result has been that a man working in a shop and coming under the Trade Board has been receiving a higher rate of pay than men in the same shop on similar work whose work does not come under the Trade Board.

Special Workers.

The above remarks apply to skilled male workers, such as polishers, drop-stampers, &c.

With regard to women workers, in June and July, 1920, a Committee sat to determine special rates for special workers, and a schedule was drawn up for women workers. The rates of pay were considered during a period of good trade, and, owing to various delays, were confirmed in June, 1921, during a period of depression (they were carried by a vote of an Appointed Member). The schedule of special rates is not satisfactory, owing to the difficulty of covering a wide range of variations in practice both as to method and organisation in different factories. The committee when drawing up this schedule had in mind certain specific requirements, and while these are set down as clearly as possible, they are often ambiguous to a worker or employer. When the special rates for women workers were confirmed, it meant an increase in wages to certain women at a time when trade was depressed and the economic conditions demanded reductions all round.

Machinery.

The present system of altering rates is too cumbersome to be useful. As your Committee know, after negotiations have taken place and a rate has been decided upon, it is four months before the rate can become operative. So much has been said on this point that it is not necessary for me to labour you with further arguments.

In some factories where several Boards operate, there are varying rates for similar classes of workers—this point has also been put before you by other people. Another point of difficulty is where only a small percentage of workers are affected by the Trade Board, and the rate introduced in the works affects workers who are not covered by the Board. As an instance, I have in mind a factory where about 5 per cent. of the workers can be regarded as coming within the scope of the Trade Board. It is a very bad policy to introduce a rate in a factory for a small percentage of workers which differs from the rate paid to the majority; consequently whatever rate is introduced has to be a general rate. The employer in question is federated with the Engineering and the National Employers' Federation, and consequently pays a reasonable rate in any case. The point I raise here is one of principle, to show how unwise it is to apply a Trade Board to an employer who is federated, and is able to show that he pays a reasonable wage.

Exemptions.

Another evidence of cumbersome machinery is found in this connection. It takes too long for applications for exemptions to be dealt with. I have in mind a visit I paid to a works in Birmingham, in company with a workers' representative, in March last. The employer said, "I wrote about this woman last October, and thought the matter had been dropped long ago." Our committee had had the application brought up for their consideration a week before we called.

Inspection.

For the year ended 11th August, 1921, the Department made the following visits:—

Number of firms visited for the first time	37
Number of revisits to firms	68
Numbers of visits to workers	17
Number of visits paid to other persons	7
Total number of visits paid	129

Of this total, 115 visits were paid in Birmingham, and the remaining 14 in the rest of the country. It will thus be seen that Birmingham is the principal centre affected by the Stamped or Pressed Metalwares Trade Board. The evidence of visits paid shows that some 600 firms have not been visited at all, which means that, if inspection were to be made really efficient, the whole system would break down through an overburden of staff.

Uncertainty of Definition.

In the manufacture of stamped and pressed metalwares, an article in its early processes can be utilised as the basis for a number of finished forms which may, or may not, come within the scope of the Board. In practice, the early processes are often made in large quantities, and afterwards sub-divided into different orders; consequently it is not always possible for an employer to say that a worker is under the Board or not, because a worker may be engaged on a machine, and the work produced in the morning may be utilised for an article within the scope of the Board, and the work produced in the afternoon may be used for an article which does not come within the scope of the Board. If it is not possible for the persons engaged in an industry to always determine whether a worker is covered or not, how is it likely that an Inspector can give an authoritative ruling on so difficult and complex a question? The question of inspection is entirely bound up with the question of scope, and in order to illustrate clearly some of the difficulties the Inspectors are met with, I propose to submit to your Committee a few samples illustrating the above points.

Ineffectiveness of Present Definition.

Before leaving this question entirely I should just like to mention one article, by way of illustrating how ineffective the present schedule is in reaching some workers who might well be brought within its scope. Some weeks ago the Trade Board was asked to confirm an opinion expressed by the Department with regard to ferrules. According to the schedule, a ferrule made by cold stamping or cold pressing is covered by the Trade Board. The following question was put:—

"Ferrules.—Workers engaged in cutting metal for ferrules with hand shears, shaping by hand and soldering on base and barrel by fire."

Obviously we are considering stamped and pressed metalwares, therefore the ferrule mentioned above does not come within the scope of the Trade Board. The point I wish to illustrate is as follows:—To make a ferrule by cold stamping or cold pressing requires suitable machinery, and implies that the firm who would manufacture such articles is of sufficient size and possesses an organisation capable of dealing with large quantities. The obvious implication is that such a firm would pay a reasonable wage. Taking the other case of the ferrule made by hand, in the manner described above, a firm using this method is most likely to be a small firm unattached to any Employers' Federation and, by reason of the present schedule, not hampered in their dealings with workpeople. If we bear in mind that the object of the Trade Board is to protect the lowest-paid worker in unorganised factories, we quote this instance as an evidence of the fact that Trade Boards are capable of missing the workers who should be covered and are attempting to do the work which has already been done by Employers' Federations and Trades Unions combined.

Recommendations.

These are being presented on my behalf by Mr. Alexander Ramsay, Chairman of the Management Board of the Birmingham and Wolverhampton Districts of the Engineering and the National Employers' Federations, and I concur with all he says on this point.

(Signed) FRANK H. CHANDLER.

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Mr. FRANK H. CHANDLER.

[Continued.]

6099. *Lord Weir*: You are the managing director of Messrs. Wright, Bindley & Gell, Limited?—Yes.

6100. You appear to give evidence on behalf of the Birmingham and Wolverhampton District Association of the Engineering and National Employers' Federations?—Yes.

6101. I think we might take your evidence as submitted, and if there are any special points that you desire to emphasise, you might mention them. I think there is the piece-work rate question, is there not?—I will not weary you by saying much.

6102. I do not want to hurry you in any way. If there is any point which you wish to emphasise, please do so, but we will take your statement in full.—You will observe that in my evidence I have restricted myself to a criticism of the operations of the Stamped and Pressed Metalwares Trade Board. I do that because I take it that your Committee is dealing with the administration of Trade Boards and I wanted to give you, if I could, a clear outline of the difficulties we have had in administering this particular Trade Board. It is a very difficult one.

6103. You are a member of that Trade Board yourself?—Yes, I am a member of the Trade Board, and I am also a member of the administration committee of the Trade Board, which is composed of four employers' representatives and four workers' representatives. You will observe generally from my evidence that the biggest difficulty which we have is in the question of the interpretation of the scope of this particular Trade Board. I say at the end of paragraph 1 of my evidence: "My experience has definitely shown that the Ministry in their attempts to schedule operations have been far too ambitious. The policy of attempting to schedule operations has proved completely unsuccessful, and should not, in fact, have been adopted." Then in paragraph 2 I say: "This brings me to a question of scope. I do not know the difficulties with which other Trade Boards have to contend, but with the Stamped or Pressed Metalwares Trade Board the question as to whether a worker is covered or not is an ever-present source of trouble and difficulty."

6104. There is just one point. You refer always to the Ministry?—Yes.

6105. Do those matters of scope not come up very definitely before the Board itself? Cannot the Board exercise any authority in the matter?—That is the difficulty. Our Board first met in March, 1920. In September, 1920, Mr. Dawson, who is a labour representative on the Board, wrote to the Ministry on a question of scope and he got a reply in October. We considered it at our November meeting and we were entirely at variance with the Ministry's interpretation of scope. During the period from March up to our meeting in November we had been interpreting the scope of this Trade Board as covering all stamped or pressed metals by virtue of the omnibus clause at the end of the definition saying, "All similar articles or any parts of such articles." It enumerated about 25 articles in the definition and then it said, "Any other similar articles or metal parts of such articles." We, on both sides of the Board, read that as covering the whole scope of the stamped or pressed metalwares trade. The question of scope which arose was in connection with the metal trade. We of the employers' side agreed with the workers that a certain thing should come within the scope of the Board. The Department took a different view, and the step we took was to ask Professor Jones, who is the Deputy-Chairman, to make an independent investigation into the trade, which he did, and he reported to the December meeting of the Board. His report was favourable to our previous opinion. We then asked the Department to meet us, which they did in January. We made very strong representations to them as to the inefficiency of this definition of the scope and they arranged for us to appoint a Committee to meet members of the Department the next day, which we did. In February we came down again to the Department and met representatives of other industries who would be affected by any extension of the scope. After that, the Department, we assumed, would get out a draft

definition, in which there was some delay, and questions had to be asked in Parliament by Labour Members. We pressed the Department to get out this draft definition and they asked to meet us again in June, and gave us seven days' notice. We could not meet them until August because our Chairman was away, and the Deputy-Chairman was away, and there were one or two other things which interfered with the meeting. We met them in August and were then still at variance with the Department: The Trade Board's opinion is that the definition should include all articles which are of similar character or similar nature. If you allow me I will illustrate some of the difficulties of this question.

6106. *Mr. MacCallum Scott*: Would this be the same point as was mentioned by Mr. Jackson?—I think, if I may be allowed to say so, I can perhaps emphasise it a little more clearly than Mr. Jackson did, if I may show you these samples. (*Various specimens of work were produced and explained by the Witness.*) Here is a cup, which is used for a gas burner, and at the present time that comes within the scope of the Board; and here is a similar cup from which are made various things. Here is a tube which is supplied for parts of medical instruments. These are two washers; one washer is for the motor trade, and because it is a motor accessory it does not come within the scope of the Board, but the other washer is supplied for the burner, and because it is part of an article which comes within the scope of the Board, that comes within the scope of the Board, so that while a woman is cutting out one washer the Board would have nothing to do with her wages, but when she cuts out the other on the same machine, and possibly on the same day, she is under the operation of the Board.

6107. *Lord Weir*: It is covered by this, is it not, that you have your cup, and from that you may make a large variety of things, some of which come within the scope of the Board, and some of which do not?—Yes.

6108. And when you make the cup you do not know what it is going to be made into?—That is right.

6109. Does that cover it all?—Yes, that covers the point.

6110. What real difference does that make? What is the practical effect of it in practice? Is it very serious?—The effect in practice is this: that the operation of the Trade Board for people who make certain articles which come within the scope of the Board brings those people within the scope of the Board, and it is quite possible to make these various articles, which I have here, on the same type of machine or the same machinery, but they do not come within the scope of the Board. There are a great number of firms who make articles which do not come within the scope of the Board at all, but they are in the stamped or pressed metalware trade, and at the present time they are not covered by the operation of the Board. I have an illustration here of certain things which are made out of a heavy cup. It is possible to make out of that cup a .303 cartridge case. I have put this point to the Ministry officials themselves, and so have the Labour representatives. If we in our factory are covered by the Board for certain of these things on the same class of machines or in the same shop, and the rate of wages of the women is determined by the Trade Board, obviously the same rate must be paid to the women who make these other articles which do not come within the scope of the Board. I think that is clear. Out of this particular cup we can make a cartridge. I particularly put this point to the Ministry: "I want .303 cartridges covered by the definitions." They refused to consider it, because they said that the munitions industry in this country is well organised, and they would not consider the inclusion of the making of cartridge cases within the provisions of the Stamped or Pressed Metalwares Trade Board.

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Mr. FRANK H. CHANDLER.

[Continued.]

That is one of the points of difficulty which we have. Therefore we come across this difficulty with the Ministry, and they drafted a definition to meet our case, or as they said to meet our case, and it was divided into two classes: Class A, which they considered were primary articles, or primary trades, and Class B, which were contributory articles, or contributory trades. Assuming that a firm make the articles within Class A, they come within the scope of the Trade Board for the whole of their manufactures. If they do not make the articles in Class A, but make them in Class B only, they do not come within the scope of the Trade Board unless it is more than a certain percentage of their output. Now that would leave such a firm, say, as Kynoch's, of Witton, outside the scope of the Trade Board. The question of whether Kynoch's pay a reasonable wage or not is immaterial for the point I am making; I am making the point that if the scope applies to one firm it should apply to another. We as a Trade Board would not accept that. The definition which is to be considered by our Trade Board at the end of this week is a compromise between the Department and ourselves. We have been arguing this point with them for 12 months, and we have really not got anything agreed upon yet. The thing which I am contending against with this particular Trade Board is the inefficiency caused by the fact that we are uncertain as to whether we can tell persons that they are under the Board or that they are not. We made such strong complaints to the Ministry about it that the Ministry arranged about last May or June that questions of scope should be referred to the Trade Board. I have instanced a question of delay in that connection in my evidence. In paragraph 7 of my evidence I say: "As an illustration of this delay I have in mind a notice of meeting dated August 16, referring questions of scope to a committee who met on August 25. The opinions of the committee were subsequently confirmed in September, and the Minister issued his ruling on November 8." Now some of the points were raised in July; a man asks a question in July: does such and such a thing come under the scope of the Board, and we cannot give him a reply until November. I submit that it is ridiculous. We have a meeting of the Administrative Committee of our Trade Board on Friday next, and we have six foolscap sheets of questions to answer as to whether certain things come within the scope of the Board or whether they do not. As an individual member of that committee, I would not dare to pass an opinion upon it unless I were in consultation with all the other members. I illustrated this to put this question. If we, who are employers and workers, have got to get eight people together to give an opinion as to whether a certain thing comes within the scope of the Board or does not, how can an Inspector, when he goes into the works, know whether the workpeople engaged in that particular works are covered or not? The result of it is this: that there is great difficulty of inspection, which I mention in paragraph 17. You will observe that for the year ended August 11, 1921, the total number of visits paid was 129; of those, 68 were revisits to firms. According to the information that I have got, the Department can confirm it, and they may have some further details, I think there are between 650 and 750 firms scheduled under this particular Trade Board. Now 600 of them have not been visited for a whole year. I do not submit that it was possible for the Department to visit them, but what I do submit is, that if the Department had been able to carry out an effective inspection of that particular industry it would have broken down the Trade Board, because of the cost of the inspection, and the point I make is this: that we have got 600 firms not visited, and, while I am unable to prove it, I am told on all hands—I have not any evidence to put before you—that there are numbers of firms who are altogether ignoring the Trade Board, for the

simple reason that they are not themselves in a position to say whether they come under the scope of it or not.

6111. This method of referring questions of scope always to the Trade Board itself is insufficient, in your opinion?—The difficulty which I am trying to emphasise is this, that this particular Trade Board is too ambitious in its origin or in its scheme, and that the stamped or pressed metalwares industry is so wide in its scope, and its application is so varied, that I do not think one Board would effectively cover it. I think that to deal with the job really effectively and as it should be dealt with, you would want 20 Boards.

6112. Mr. Poulton: Would not that be covered by your colleague's statement that, if you fixed them at all, you should fix a minimum, which is a minimum and not either a standard or a maximum, for the occupation?—It would help them immensely, providing you could get this: that you make the Stamped or Pressed Metalwares Trade Board cover all stamped or pressed metals.

6113. That is what I was coming to; because, as far as I can see, the whole of your evidence (which I think is very valuable) is largely based on the definition of scope and the inevitable delay because the Department itself appears not to be able to make up its own mind?—Exactly.

6114. I do not know how many there are of you, but supposing there are 20 of you practical men sitting round the Board, I take it from your evidence that what you mean is that if those 20 men said, "That particular article comes within such and such a category," the Department should accept that from you, you being the practical men in the trade.—That is our contention.

6115. I thought I read you correctly.—If I may, I will give you this instance of some of the difficulties of this. This is one of the Department's definitions of scope. They say, "Workers who come within the operations of the Trade Board: carrying: workers engaged in carrying goods which fall within the scope of this trade to or from a warehouse," they consider come within the scope of the Trade Board. Here is another ruling of the Department on carrying: "Workers engaged in carrying goods which fall within the scope of the Trade Board from one Department to another, neither Department being a warehouse," do not come within the scope of the Trade Board; which means that if the warehouse is through that door, and a man is carrying goods from here through the door into the warehouse, he comes within the scope of the Trade Board, but if he is carrying goods from here to another part of the works he does not come within the scope of the Trade Board. That is a ruling of the Department.

6116. I take it you think that if the Trade Boards are to be continued, the Trade Boards should have the right, as being the people who understand the business, to say that so many people in my factory—it does not matter how many I employ or what particular operations they are—are within the Trade Board, and there is the minimum for my factory, and beyond that we will pay in accordance with agreements with the union?—Quite so.

6117. And that that shall have the force of legality, the same as decisions arrived at, you say, after a long series of delays occurring, with uncertainty created on both sides?—Quite so.

6118. Lord Weir: I am sure you have made those points very clear in your evidence. Is there any other point that you would like to emphasise?—I do not think I will worry you any more, for the reason that I can see you have got it clearly in your minds—and I am very pleased to see it—and that you are giving due weight and consideration to a minimum rate, and that you would abolish the schedules. If you can do that it will relieve the Trade Boards of a great deal of work.

6119. You must not take it for granted.—I simply put it into words.

(The Witness withdrew.)

Adjourned to to-morrow at 11 o'clock.

14 December, 1921.]

Mr. HERBERT KAY.

[Continued.]

FOURTEENTH DAY.

Wednesday, 14th December, 1921.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE, G.C.M.G.,
(Chairman).

THE RIGHT HON. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTLETON, D.B.E.

MR. J. BELL, M.P.

SIR ARTHUR F. PEASE, BART.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (Secretary).

Mr. HERBERT KAY, called and examined.

The witness handed in the following statement as his evidence-in-chief:—

SUMMARY OF EVIDENCE to be submitted on behalf of the London Employers' Association by Mr. HERBERT KAY, Secretary of the London Employers' Association, Secretary of the Employers' Side of the Dressmaking and Women's Light Clothing Trade Board (England and Wales), Secretary of the Employers' Side of the Hat, Cap and Millinery Trade Board (England and Wales), Chairman and Secretary of the Employers' Side of the Ostich and Fancy Feather and Artificial Flower Trade Board (Great Britain), Member of the Wholesale Mantle and Costume Trade Board (Great Britain), Member of the Retail Bespoke Tailoring Trade Board (Great Britain), Member of the Corset Trade Board.

The views expressed in this summary were also approved by a majority of the employers' representatives on the Dressmaking and Women's Light Clothing Trade Board (England and Wales) (only one member voting against) at a meeting held on Monday, December 12th, 1921.

The London Employers' Association is an organisation concerned mainly with the various branches of the Clothing trades, both manufacturing and distribution. The largest sections are dressmaking and women's light clothing and hat, cap and millinery. The membership includes manufacturers who supply the wholesale, wholesalers who supply the retail, and retailers who supply the public direct. The Association has representatives serving on all the Trade Boards referred to above, and its chief work is in connection with questions of wages and working conditions as apart from general trade matters.

The main portion of the membership is in London, though several Provincial Associations are affiliated and a number of individual firms in the provinces are members.

Scope of the Present Trade Boards Acts.

1. Under the Act of 1909 the Board of Trade were able to apply the Act only to trades where payment was exceptionally low as compared with other trades.

2. The Act of 1918 may be applied by the Minister of Labour "to trades where no adequate machinery exists for the effective regulation of wages, and that having regard to the rates of wages prevailing in the trade or any part of the trade, it is expedient that the principal Act should apply to that trade."

Attitude of the Association towards Trade Boards.

3. The Association is of opinion that rates of pay and conditions of employment in any industry are best determined by collective bargaining between employers and workers or their accredited representatives, but if the Government decide that wage regulating machinery is necessary owing to absence of

organisation or for other reasons, then a system of Trade Boards embodying the principles of the Trade Boards Act of 1909 is preferable to a national minimum wage.

4. The following resolution was carried without opposition at a meeting of the Executive Council of the Association held on Monday, December 5th, 1921:—

"That if wage regulating machinery is to continue, Industrial Councils and/or Trade Boards are preferable to a national minimum wage, and that a system of settlement of wages and working conditions on the principles as laid down by the Trade Boards Act of 1909 be approved."

Criticisms of Existing Acts and Machinery.

5. The Act of 1918 began to operate in 1919, and the trades with which are concerned were brought in during 1919/1920. This was a particularly inopportune time for Trade Boards to begin to function, for the basis of fixing wages was in the main the cost of living as compared with 1914, which at that time was continually rising.

6. There was also a tendency, due in the main to war conditions, for the new Boards to follow too closely the rates fixed by the older Boards, and by reason of their better organisation and a gradual lifting of rates from 1909 onwards, were able to bear higher rates. Insufficient regard was paid by new Boards to the circumstances existing in the particular trades, and the importance of moving slowly and effecting gradual improvement in the rates, although this was continually urged by employers' representatives on the new Boards.

7. These two factors have led to the fixing of what have in many cases been standard rates and not minimum rates which the Acts contemplate. The effect of this action was less noticeable and the rates less burdensome so long as trade remained normal, but after the slump came in 1920 many of the trades newly scheduled found it extremely difficult to continue to pay the rates.

8. It is perhaps correct to say that in some of the trades newly scheduled, the pre-existing rates of pay were comparatively low and—taking the case of small country dressmakers—perhaps below the economic level, but suddenly to lift those trades to the economic level was more than they could bear, and the progress should have been—as in the case of trades covered by the 1909 Act—more gradual.

9. The tendency of the new Boards on which we are represented has been to move too quickly, and in undertaking the fixing of rates for special classes of workers, they have attempted in less than a year what some of the older Boards did not attempt for several years, added to which experience has shown that in certain trades the basic rates have been fixed on too high a level to begin with.

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10. In certain trades the number of notices issued, together with their complicated phraseology, have had a bewildering effect, especially upon the small employers in the newly scheduled trades. Taking the case of the Retail Bespoke Tailoring Trade Board, in a period of about two years something like 14 Trade Board notices have been issued, and are expected to be digested by small tailors up and down the country. It would be no exaggeration to say that many of the employers affected have consigned these notices to the waste paper basket, and those who have not done so, have certainly never troubled to become acquainted with the obligations which these notices entail. Even if they had attempted to understand them, the involved nature of the phraseology would in many cases have baffled them.

11. Much confusion, friction and expense have been caused by the operation of different Boards for branches of practically the same industry in establishments where all these branches are carried on side by side, and where in some cases the workers come under two or more Boards in one day.

12. The length of time required under the Acts before changes in wage rates can be made, may be said to be one of the most serious defects of the Acts as they stand. Even when wages were rising, at a time when the cost of living was going up and trade was good, many of the employers, once a rate was fixed, would have preferred that the increased rate should come into operation with the least possible delay, but when trade is bad and the cost of living falling, the question is a far more important one, as the maintenance of higher rates than the trade can bear does, in fact, lead to unemployment.

13. The Minister of Labour also scheduled trades far too rapidly, having regard to the fact that practically no machinery existed for enforcement of the rates or even for notifying employers that rates had been proposed or fixed. Many employers in various parts of the country received no Trade Board notices and were entirely ignorant of rates for months after they became effective, and others, knowing that enforcement was being neglected, did not pay the rates.

14. The relationship between the Ministry of Labour and the Boards has not been conducive to their successful working and the transference to Montagu House of sections of Trade Board work hitherto carried on under the Trade Boards at the Trade Board offices has led to constant friction between the Boards and the Ministry, and has been responsible for much unnecessary delay.

15. Had the Minister put into operation the recommendations of the Joint Committee appointed to inquire into the administration of the Trade Board machinery (see their report of March, 1921), much would have been done to remove some of the difficulties referred to above.

16. The method of appointment of Appointed Members, and, for that matter, some of the Appointed Members themselves, have given rise to dissatisfaction amongst both employers and workers on these Boards, and some alteration in the procedure of appointment is necessary.

17. On the workers' sides of certain Boards there are:—

- (a) Too many trade union leaders
- (b) Too many trade union leaders who have not at any time had any connection with the trade.

Suggestions Submitted for the Consideration of the Committee.

18. Experience of the Boards with which we are concerned has convinced us that the Act of 1918 should not be applied in the first instance to trades which are in the main unorganised on both sides, and have had no experience of the working of Trade Boards, and we suggest that in the case of newly scheduled trades the principles of the Act of 1909

should apply, and only a general basic minimum rate for male and female workers and female learners (both time and pieceworkers) be fixed in the first instance.

19. Should the power to fix rates for special classes of workers be retained in the Act, these powers should not be used in the case of newly scheduled trades for at least two years after the setting up of the Boards, and then not until the Boards are satisfied that the basic rates are being paid throughout the trade, and only by complete agreement between the two sides of the Boards and without the votes of Appointed Members and under special order made by the Minister or authority concerned.

20. The determinations of Trade Boards should be simplified, and instead of varying rates being fixed for workers entering the trade at different ages, simple basic minimum rates should be fixed on experience rather than age, and in yearly periods rather than half-yearly periods in the case of learners.

21. It is possible by arrangement between employers and workers in many industries to embody in simple terms agreements affecting thousands of workers on a sheet of foolscap, and this position should be aimed at by the Trade Boards.

22. Schemes of apprenticeship and such other matters should not be undertaken in newly scheduled trades for at least two years after the setting up of the Board, and then only by agreement as set out in paragraph 19.

23. If the determinations were simpler and the work of the Boards confined to the limits referred to above, the number of meetings involving employers travelling from all parts of the country would be very considerably reduced, thereby saving expense to the State and loss of time to the employer, in addition to which enforcement of the rates would be much easier.

24. Outside the fixing of basic minimum rates the greatest amount of freedom of contract should be allowed as between employers and workers or employers and trade unions, as the case may be.

25. That both from the point of view of expense and smooth working, the smallest possible number of Boards should be set up in any industry which has various branches closely related to each other.

26. The Acts should be so amended as to make it possible to include all the making up branches of the clothing trades under one Board for the purpose of fixing basic minimum rates, and the same should apply in the case of the distributive trades.

27. Separate committees might be formed within the Boards for the purpose of dealing with special matters affecting any particular section and also for recommending the fixing of rates for special classes of workers, where any section was agreed that this was desirable.

28. Effective steps should be taken to see that all employers in any trade which has been scheduled and for which rates have been proposed, should receive the appropriate Trade Board notices, and for this purpose the machinery of the Employment Exchanges and, if possible, the Home Office (Factory and Workshop Section) and Unemployment Insurance departments should be used in compiling lists of employers.

29. The present Acts should be so amended as to make it possible in certain cases to effect variations in the rates in from four to six weeks at the most from the date of proposal.

30. It should be possible under the Acts to make alterations of a limited character to a notice of proposal at the fixing stage without the necessity of issuing a fresh proposal.

31. The relationship between the Ministry concerned and the Trade Boards should be on the lines recommended by the Joint Committee in their Report of March, 1921.

32. Questions of scope should in all cases be referred to the appropriate Boards, and where the views of Boards concerned do not coincide, co-ordinating machinery should be established.

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33. Legal advice should be available for the Boards at any stage on questions relevant to their work.

34. The enforcement of rates should be the subject of close co-operation between the Boards and the Minister or other authority responsible under the Acts, and the machinery referred to in paragraph 28 should be used to secure enforcement.

35. The powers of the Minister responsible for applying the Trade Boards Acts to suitable trades should be strictly limited by any amending Act, and the fullest measure of self-government be given to the Trade Boards. Certain matters at present dealt with by the Minister might be referred to an Appeal Board elected from the whole of the Trade Boards. The work of Trade Boards should in no way be subject to political influence, but there is always this danger so long as the power to hold up the confirmation of Trade Board decisions remains in the hands of a Minister of the Crown.

36. Appointed Members might be appointed in consultation with the two sides of the Board, or alternatively, might consist of a Chairman with two Assessors, one nominated by each side of the Board; the Chairman being acceptable to both sides.

37. *District Committees.*—The Association is not in favour of District Committees, but agrees with the principle of area rates for certain trades, the division recommended being that adopted by the Grocery and Provisions Trade Board (England and Wales).

6120. *Chairman:* You have had a great deal of experience of Trade Boards, and I think you have come here as Secretary of the London Employers' Association?—Yes.

6121. You are also Secretary of the employers' side of the Dressmaking and Women's Light Clothing Trade Board of England and Wales?—Yes.

6122. You are also Secretary of the employers' side of the Hat, Cap, and Millinery Trade Board of England and Wales?—Yes.

6123. You are Chairman and Secretary of the employers' side of the Ostrich and Fancy Feather and Artificial Flower Trade Board of Great Britain?—Yes.

6124. And a member of the Wholesale Mantle and Costume Trade Board of Great Britain?—Yes.

6125. And a member of the Retail Bespoke Tailoring Trade Board of Great Britain?—Yes.

6126. And a member of the Corset Trade Board?—Yes.

6127. So you are something of a pluralist?—I have had some experience of Trade Boards at all events. In addition to the London Employers' Association, the Summary of my Evidence has been approved by the majority of the employers' side of Dressmaking and Women's Light Clothing Trade Board (England and Wales), a majority of the employers' side of the Hat, Cap and Millinery Trade Board (England and Wales) and unanimously approved by the employers' side of the Ostrich and Fancy Feather and Artificial Flower Trade Board (Great Britain) and the Federation of Ladies' and Children's Light Clothing Manufacturers Association, Ltd., Nottingham. The employers' representatives on the Hat, Cap and Millinery Trade Board (England and Wales) were communicated with by letter, and had there been a little more time, it is probable that further letters of approval would have been received.

6128. Is the London Employers' Association a large body?—The membership is something over 400, and the total number of workers employed by our members, mainly manufacturing, when the figures were collected, was between 60,000 and 70,000. That takes in none of the distributive workers employed by our members, nor does it include our affiliated associations.

6129. Are your members mainly connected with one trade, or do you represent a good many trades?—All sections of the clothing trade.

6130. That is dressmaking and millinery, and I suppose the other trades are represented on the Boards of which you are a member?—Yes. We also have a certain number of members in the men's clothing trade, which in the main is represented by the Wholesale Clothiers' Federation.

6131. You mention the difference between the two Trade Boards Acts, with which the Committee is now familiar; what is the attitude of your association towards Trade Boards?—As defined here, we say, in the first instance, that the Government should make very sure that wage-regulating machinery is necessary before applying it, and, if that be the case, then we say that we have no objection to Trade Boards; in fact, we prefer them to other machinery, provided their work is confined within limits similar to those imposed by the Act of 1909.

6132. Your view, I gather, is that rates of pay are better determined by collective bargaining than by wage-regulating machinery?—Yes, provided always that the organisation is sufficient on either side to justify that position.

6133. *Lord Weir:* Can you tell us your main objection to a national minimum wage?—Yes; we fear that a national minimum such as we have seen mentioned would become a very big political question. That is one aspect of it. Then we see great difficulties in the working of a national minimum wage. We would want to know upon what type of workman it is going to be determined, whether persons with dependants or without. Then we see difficulties also in making provision for the infirm and incapable workers. We say, in fact, that the position could only be met by some system of Trade Boards attached to this so-called national minimum wage machinery. Those, I think, are the main things which we have in mind. The political aspect was the one to which I think we attached the most importance.

6134. You mean that there might be agitation to raise the national minimum at every election?—That is what we rather fear. We even think that the Labour Party might make very effective use of it by saying that they would get another couple of shillings per week for their constituents, if we had a national minimum wage in operation.

6135. I dare say you are familiar with the Australian attempt to fix a national minimum wage?—Yes.

6136. We are told that the sum arrived at by a committee there was £5 16s. 0d. a week?—I can tell you at once that such a figure would not be acceptable to the trades with which I am concerned.

6137. I understand it is not acceptable in Australia, at present at all events?—Quite so.

6138. Assuming that a Trade Board were established for a particular trade, either because of inadequate organisation or on the ground of exceptionally low wages, why would you prefer the 1909 Act rather than the 1918 Act?—The 1909 Act was clearly, I think, intended to deal with cases of underpayment.

6139. Assuming that a Trade Board has been applied to a trade, what is the essential point for which you prefer the 1909 Act?—Because of the reason I have just stated, that we feel that the prevention of sweating is desirable, or the prevention of real underpayment, whereas, as I understand, the Act of 1918 is a piece of machinery which is intended in fact to regulate wages throughout the industry.

6140. Where does it say that?—The words of the Act are quoted.

6141. The regulation of wages is referred to in the clause by which the Act is applied.—Then we have experience of what has been done under the Act of 1918: an attempt has been made in certain trades—

6142. What has been done is a different thing.—Then we can say that in the case of the 1909 Act it was not attempted. The machinery is obviously provided in the one Act where it was not provided or used in the same way in the other.

6143. A Board is not compelled under the 1918 Act to do any more than it is under the 1909 Act, barring, I think, the addition of a piece rate?—I appreciate that provision was in fact made in the 1909 Act for fixing special rates, but the fact remains that the machinery was not used.

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6144. You mean that, under the 1918 Act, Boards have gone very much further than they have under the 1909 Act?—I do mean that, and I think the conditions through which we have been passing have been very largely responsible for it. Mention is made at a later stage in my summary that the Boards have progressed too quickly by reason very largely, perhaps, of war conditions and the fact that the pace was set by other industries. I think that is one of the reasons perhaps why the provisions of the 1918 Act have been used too rapidly by new Boards.

6145. *Mr. Bell:* Would not that have happened without a Trade Board in existence under the abnormal conditions?—Not to a great extent in the case of the trades that we are concerned with, because of the fact that no very great amount of organisation existed on either side.

6146. But when you say that wages fixed in other industries had the effect of increasing rates in your own, would not that have applied without any Trade Board?—No. I say that that was the position because of the Trade Boards being established.

6147. Was not the difficulty to keep workpeople and to obtain workpeople, if they could get higher wages elsewhere? Had not that an effect on your industry?—It might have had some effect.

6148. Without a Trade Board in operation?—Yes, even without a Trade Board, but it would not have had nearly the same effect if there had not been a Trade Board.

6149. *Chairman:* You say that the year 1919 was an inopportune time for Trade Boards to begin to function; why do you say that?—Because of the reasons which I have just mentioned. In my judgment, and in the opinion of the Association, normal times would be the times for Trade Boards to be brought into operation. As a matter of fact, they did come into operation in numbers in 1919 and 1920, which I think the Committee will agree were the most difficult years that we had to contend with from the point of view of fixing wages.

6150. You say that insufficient regard was paid by the new Boards to the circumstances existing in particular trades and the importance of moving slowly and effecting gradual improvement in the rates?—Yes.

6151. You think they went too fast?—Yes, I say that the pace was made by the older Boards. Let me take the case of the dressmaking and women's light clothing trade. The point first and foremost in the mind of, let me say, the workers' side when this Board met for the first time in January, 1920, was the rates that had been fixed by other clothing Trade Boards, and I am bound to say that even the employers felt that they must have some regard to that position. It was overlooked, I think, by many that the conditions in the newly scheduled trades were different to those in some of the trades which had been covered by Trade Boards for a period of years, inasmuch as organisation was at a much higher pitch in the latter. There is something in becoming accustomed to machinery of any kind and having wages fixed. Those trades, like the dressmaking trade, had practically no experience.

6152. You agree that some of the rates of payment were too low?—I do. I think we cannot get away from that, and I have in mind particularly the conditions which were in existence before the Trade Board was actually set up in the dressmaking and other cognate trades. In 1919 an Order was made under the Wages Temporary Regulation Act, 1916, Order No. 357, which covered those trades which have since been covered by Trade Boards. The case was heard before the Court of Arbitration for three days, and I was present. Evidence was submitted by the workers' side, which, I am bound to admit, was conclusive that underpayment was taking place in certain parts of the country.

6153. That rate would continue in operation until that Act expired, would it not?—As I understand

the position, the Wages Order 357 was a temporary machine until the Trade Board was set up.

6154. But you think that, although some rise was quite right, the Boards have gone too fast?—Yes, that is the opinion of my organisation and of myself.

6155. I suppose when the slump came there was difficulty in reducing?—Yes; the slow working nature of the machinery was, of course, unfavourable then.

6156. You say that the two factors which you mention have led to the fixing of what in many cases have been standard rates and not minimum rates, as the Acts contemplate; will you develop that a little? First, what do you understand by minimum rates?—I mean a rate based upon the ordinary worker, and perhaps having regard to subsistence conditions, more than anything else, and of course the ability of the industry to pay. The rates in some of these trades were suddenly lifted to the same level as some of the organised trades, or very closely.

6157. *Sir Arthur Pease:* The standard wages?—Yes; not in these trades particularly, but I believe in some of the trades covered by Trade Boards, rates have actually been fixed higher than the rates agreed between organised employers and employees.

6158. *Lord Weir:* Do you differentiate in any way between the male and the female rates? Is it the case that the female rates may be taken almost universally to be a standard, whereas the male rates were not altogether a standard?—I should say that it was a standard, or more than a standard for certain sections of the trade in certain parts of the country, and there might be other districts and conditions of trade which would really make it a minimum. Take London, for instance. I do not think any of the rates which have been imposed by Trade Boards have been more than the London employers in the main would be prepared to pay, and to pay without damage to the industry, but taking the case of the smaller towns and the outlying districts, then I think the rate was not only a standard rate, but perhaps higher than a standard rate, having regard to the conditions which exist.

6159. *Chairman:* Have you ever, in your experience, tried to frame a definition of "minimum rate"?—Like many people I have given a good deal of thought to that, but it is by no means an easy subject.

6160. It is a difficult task, is it not?—Yes.

6161. Because to say only that it shall be a rate sufficient to maintain the workers in comfort, would perhaps not be sufficient?—No.

6162. I suppose there are rates, especially the rates paid to women and young people, which would not, by themselves, be sufficient to maintain the worker in comfort, because those workers may be helped from elsewhere?—Yes, I am quite sure of that, especially in the case of learners and young workers.

6163. Also, I suppose, in the case of married women, some work only as a supplement to the income of their husbands?—I think there are cases of that kind, but that is not, of course, general.

6164. *Sir Arthur Pease:* There are much fewer married women employed now than there used to be, are there not?—I imagine that would be the case.

6165. *Mr. Bell:* And you complain that the rate has been fixed too high?—I think that.

6166. Can you give us any idea of the percentage increase which has gone on as a result of the operation of the Trade Board?—I think that would be an extremely difficult answer to give, when you remember that we had no basis for fixing rates in many of these trades prior to the Trade Board being set up. It is almost impossible to give what would be the percentage increase.

6167. Is it your opinion that the percentage increase has been greater through the operation of the Trade Board than in some industries which have not got a Trade Board?—I should think so, taking certain sections of the trade. I have perhaps in my

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mind for the moment the small country dressmaker, who did in many districts pay comparatively low rates. The percentage increase there has been very high.

6168. Would it be as high as 200 per cent?—Yes, I should think so in certain cases.

6169. But would you not say 200, taking the industry as a whole?—No. If you take the larger towns, the percentage increase would be nothing like that.

6170. You are aware that in the cotton trade the percentage increase was 210 throughout the whole of the industry?—I have heard that said. Of course, the cotton employers might say that was too high.

6171. *Chairman*: Paragraphs 10 and 11 of your statement, perhaps, speak for themselves. You speak of the number of notices and the overlapping of Boards.—I would like to say a word on that question of overlapping. That has been one of the real difficulties of the employers, in establishments where they have different trades carried on side by side. It has been one of their particular grievances having different workers in certain cases coming under two Boards or more in one day.

6172. Could that difficulty be met by grouping some of the Boards so that one rate would apply to all the workers in the group, except, of course, as to piece rates, which might have to be separately fixed?—This is my own personal view. I have always felt that, as regards the making-up sections of the trade, if we got back to the real basic minimum rate, there would be no reason why there should not be one Board only.

6173. If the Board fixed piece rates they would have to have separate committees to deal with different branches?—Yes, I make the suggestion in my summary that some machinery of that kind should be in existence. I ought to say that some of the old Clothing Boards are very anxious to keep their section of the trade separate.

6174. That is human nature?—Yes. In the early days, of course, we had individual employers wanting a Board for their own premises, and certainly every organisation felt that they ought to have a Trade Board for themselves. I have always looked forward to the time when we should see beyond that position. Some of us, who have been accustomed to Trade Board work for the last two or three years, do see beyond it; the position will never be satisfactory until you get one piece of machinery for regulating the basic minimum, leaving freedom by section committees, or whatever machinery you put up inside the Board, to deal with the different matters affecting the different sections.

6175. *Lord Weir*: Could you give us an example of something which might take place now, say, in the sewing trades or the clothing trades?—For the purposes of a basic minimum rate—I want it to be clear that this is my own personal view—such trades as the dressmaking and millinery and mantle and costume trades are all trades which could be brought together for the purpose of this basic minimum.

6176. You could group, say, four in the clothing trade?—Yes. I think you might go beyond that. I even feel, as I said a moment ago, that there is no reason why the whole of the clothing trade, which has about seven Boards altogether, should not be brought within one Board for the purpose of this basic minimum rate.

6177. Having got them together, would you then submit that they should be divided into two groups—wholesale and retail—as has been suggested?—I have never yet found anyone who could find that line of demarcation as between wholesale and retail.

6178. You mean it would be impracticable?—Yes, for the purpose of administration. You have the difficulty of firms who do both. But taking up the first point, I remember the days when these

Boards were being set up and lines of demarcation were being looked for by the Ministry. Employers who came asking for Boards for separate sections, were obliged to go away admitting that it was impossible to find a line of demarcation.

6179. *Chairman*: If you were to group the Boards like that, and so reduce their number, would you think it desirable to form area committees?—I mention that later in my summary. Perhaps you have district committees in mind. From inquiries I have made—I have had no experience of the working of them in my own Boards—they have not been very satisfactory, added to which, as the Act now stands, once a district committee is formed it cannot be abandoned. What we feel is that the position might be met in some of these cases by having area rates; in fact, so keenly do we feel about that, that only yesterday we proposed area rates for the dressmaking trade.

6180. What kind of areas are suggested?—We have taken the same areas as the grocery and provision trade.

6181. From the point of view of population?—Yes. Rates were actually proposed yesterday.

6182. Do you think the division into three classes is a good one?—I have given a good deal of thought to it myself in submitting it to the employers, and I think that is the best available scheme. We shall know better after experience what is wanted. I can imagine some point cropping up about a man who is on the border line.

6183. *Mr. MacCallum Scott*: The illustration which was given yesterday, I think, was Bushey and Watford.—Yes.

6184. Do you know that district? Watford have the lower rate, being the much larger town, and Bushey, being in the London area, have the higher rate?—Yes.

6185. *Mrs. Lyttelton*: Do your area rates show great variation?—Yes. Perhaps I might give them.

6186. *Chairman*: If you please.—Taking the general minimum time-rate in the case of London, it is 8d. I am speaking of the retail branch for the moment.

6187. *Sir Arthur Pease*: Is that for men or women?—It is for female workers. The Board have decided to base the rate upon experience rather than age. They have eliminated the question of age altogether.

6188. After how many years would that be paid?—The proposal now reads: first year, second year, third year, and fourth year of learnership, and after four years the rate is 8d. in London.

6189. Would that apply if a woman did not start till she was 21?—Yes, the employer would, in fact, be able to take a woman of 21 at the basic rate, although that would not be very likely to happen. What I have just mentioned is for the London area. Taking the case of the larger towns outside London—

6190. *Chairman*: Over 10,000 population is that?—The areas are London and the Metropolitan Police area, and then towns up to 10,000, and all other towns as a central area. For the larger towns outside London, the general minimum time-rate for female workers is to be 7½d. Then for the areas under 10,000 population, and with those conditions which are attached to the Grocery and Provision Trade Board definition, the rate is to be 7d. That is after four years in the trade in each case. A piecework basis time-rate has been mentioned in each case. The employers' side opposed this as unnecessary, but the workers' side said that the co-operative societies did, in fact, employ pieceworkers in the retail trade.

6191. What was the result?—The proposal was decided upon by the Board.

6192. Do you propose piece-rates and time-rates?—Yes. The co-operative representative on the

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workers' side said that piecework does, in fact, exist amongst the female workers.

6193. Did the Board agree to fix a piece-rate?—Yes. A piece-work basis time-rate.

6194. Is that above the other?—Yes; it is 1d. per hour above the general minimum time-rate. As far as the bulk of the retail trade of the country is concerned, that will have no effect, because there is no piecework.

6195. Could you tell me before you leave that point what, in your view, is the justification for a piecework basis time-rate?—So far as the wholesale end of the trade is concerned, the suggestions made by the trade union are that the pieceworkers have got harder work and perhaps not quite such regular employment; whereas the time-worker, of course, has got her money assured whether she is working or not. Then I might mention certain other rates that were dealt with yesterday. In each area there is to be a rate for a special class of skilled worker. At the present moment there are two grades of such workers scheduled. The two have been reduced to one, and a rate of 9½d. in the case of London has been fixed for the skilled worker, who has got to be a really skilled worker with a special definition stating what her duties are. Then there is a rate of 9d. in the case of the larger towns, and a rate of 8½d. for the smaller districts. Perhaps Mrs. Lyttelton would understand that the worker affected has got to be 20 years of age or over; she must have had two years' experience in addition to the learner-ship period in the trade, and must take the responsibility for making a lady's bodice, skirt, gown, or blouse. That means she must have other people working with her—apprentices, improvers and assistants as a rule.

6196. But that rate, of course, is not fixed on sub-sistence?—That is so.

6197. It also depends upon the value of the worker to the employer?—Quite.

6198. *Sir Arthur Pease*: Would that wage be below the wage which is generally being paid in the trade?—The rate which is in operation to-day is in the one case 10½d. and in the other case 9½d.; but the information which many of us have is that those rates are not being paid by a good many employers.

6199. *Mrs. Lyttelton*: I suppose it is left entirely to the employer to decide on the skill which warrants 9½d.?—I do not think that. I think that a girl who can make bodices, skirts, gowns or blouses could soon establish the fact that she can do it.

6200. And in consequence she would get the rate elsewhere?—Yes.

6201. *Mr. Bell*: By what steps do you propose to ensure that the girl gets the higher rate?—Having provided the definition and the rate we look to the Ministry or to the authority concerned to enforce it.

6202. *Mrs. Lyttelton*: But if there is no adequate inspection of course the thing could not be done?—Inspection is a very important matter, and one of which I speak later in my statement.

6203. *Lord Weir*: This rate for a skilled person is not new, I understand?—That is true.

6204. You are simply varying it?—Yes. I mentioned that there are two rates in operation with a similar definition; but one rate is to be substituted with a slightly altered definition, and a lower rate.

6205. I thought it was an extension of your practice, but it is not?—No; it is a contraction really.

6206. *Chairman*: Then you refer to the time occupied in varying the rates?—Yes.

6207. Is that an important question?—It is a very important question. You see I mention that. Even when the cost of living was rising I have heard employers grumble about the length of time taken before they were able to give advances even.

6208. Surely there was nothing to prevent them paying a higher rate at once?—I agree, but it is a different matter one employer paying it and the others being left out. When the slump comes of course, and when you get these conditions, the drop becomes, if I may say so, even more necessary, because it means the difference between a small employer being able to carry on and having to close up in some cases. We say the time should be very considerably reduced. The Committee are aware that sometimes it means four months before you can make a change now.

6209. You think that the time for the lodging of objections might be reduced?—Yes.

6210. And also the time in which the Minister is required to form an opinion?—Yes; I think that is one of the sections which wants speeding up very badly.

6211. And you think also that the manner of giving notice might be modified so as to take less time?—Giving notice of rates which have been proposed?

6212. Proposals to alter rates.—Anything which would simplify the matter is worthy of consideration, I am sure. We say that in the case of agreed rates there is no reason why they should be held up at all.

6213. That, I suppose, is on the assumption that the representatives on the Trade Board really do represent the whole body—either the employers or the workmen—because if they do not, their agreement is not really conclusive?—I appreciate that point. Of course one looks to the Minister, or whoever may be concerned, to make certain that the Board is a representative one. While you have had a good deal said about the non-representative character of the Dressmaking and Women's Light Clothing Board, my Association are not in agreement with many of the criticisms that have been levelled at it.

6214. You think it is fairly representative?—In this case I think the Ministry really did their work as well as they could.

6215. Are the small people represented?—I have a list of the towns. I am thinking of the retail representatives. These are the towns: Cardiff, Birmingham, Ipswich, Exeter, Smethwick, Dudley, Newcastle-on-Tyne, Swansea, Woking, Leeds, Taunton, Burnley, Eastbourne, and London.

6216. The majority of those are towns of good size?—Yes.

6217. I did not catch the name of any representative country district?—No, I must confess that the very small places are not represented here.

6218. *Mrs. Lyttelton*: And the West Coast is rather left out?—That is so.

6219. *Sir Arthur Pease*: Can a district which is not represented give evidence before the Trade Board in any way, or is it confined to members of the Trade Board?—I think it is within the power of the Board to hear anyone who makes application. They would have the right to refuse or admit them, but there have been cases on record where non-members of the Board have been heard.

6220. But it is not the usual practice?—No, the assumption being of course that members of the Board where they are attached to organisations in different parts of the country, obtained the views of their members before attending. Where you have got independent representative members on the Board who have been selected by the Minister, I know that in certain cases they have taken the feeling of their fellow employers in the district from which they come.

6221. Are the customs and practices in the trade very different in different parts of the country?—Customs and practices of what character?

6222. I am thinking whether it is the custom to keep a man on whether he is actually employed or not, or whether he is sent away each day he is not

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wanted and those kind of things?—They may vary of course.

6223. I was thinking of holidays, for instance, and similar things?—The practice may vary.

6224. *Mrs. Lyttelton*: Take seasonal work?—Yes, you do get a variation in that way. I should say in pre-war days that the work in the retail section was of a more seasonal character than in the wholesale section, and I should say that that position would obtain to-day.

6225. *Sir Arthur Pease*: Is it the general practice of the trade, supposing it was a slack time out of the season, to keep the employees on?—Up to the days of the war I think that seasonal work was pretty prevalent in certain sections of the sewing trade; but I am very glad to say—and I think that employers are glad to say—that that has been considerably reduced. Since the war period slack time has been very seldom until we had this dreadful trade depression. The position is not normal now.

6226. Do you want to go back to what it was pre-war?—I do not think so. I do not think you will ever have the same amount of unemployment in normal times—or irregular employment.

6227. *Lord Weir*: Taking the representatives from the towns you have specified, would they not in most cases be employers from very big shops in the centre of the town rather than the small shops on the outskirts?—I am very glad that question has been asked. The employers from these towns which have just been mentioned are in many cases cutting out garments in their own workrooms, particularly the lady representatives, and they have been very valuable on the employers' side of the Board.

6228. *Chairman*: With regard to objections received from country districts, are they carefully read and considered, in your experience?—I can only speak for myself. I go through them most carefully.

6229. Do you get a copy of every one?—Yes, I think until lately we have had a copy of every objection. With a view to saving expense, which is always desirable, the Trade Board Offices have recently been preparing a summary, but the bulk of the objections have always been accessible to members of the Board who might want to see them.

6230. How many would they be?—Sometimes you get a large number. You might have 200 or 300. May I add one further point on the question of representation? I have in mind Ipswich, Woking, Cardiff, Newcastle-on-Tyne, Leeds and Birmingham. All those towns are represented on the Board by practical dressmakers who have got charge of their own workrooms.

6231. Then in paragraph 13 you say the Minister scheduled trades far too rapidly.—This perhaps is one of the most serious things of all. Trade Boards have been set up one after the other, with no machinery, or practically no machinery, for enforcement of the rates. Boards have been told at every meeting for some time past that rates were being evaded all over the country, and we say that if you cannot make certain that a reasonable amount of inspection should take place, and that enforcement will in fact be brought about, you had better not set up the Boards. That is the position really.

6232. Have you considered the possibility of using the inspectors attached to other departments?—Yes. I have made a suggestion as to that in the Summary.

6233. *Mr. Bell*: Have you any suggestion to make in the direction of improving the method of inspection?—I suppose you mean the quality of the inspection, do you not?

6234. Yes, and the method generally?—The method I would say would be improved if certain machinery which already exists were made use of. Take the Factory and Workshop Inspectors of the Home Office. I cannot for the life of me see why the Home Office Inspectors, when they are passing through factories and workrooms, should not at the same time ask to

see the records and wages sheets of an employer. The same thing would apply to the Unemployment Insurance Department. That would apply more or less to the straightforward inspections.

6235. *Chairman*: Can you tell me what the unemployment insurance inspectors do now?—I imagine they do some inspection in connection with unemployment insurance.

6236. I did not know whether you could tell us how much they did?—I do not know exactly what their duties are. I only know that our members have those inspectors passing through their factories from time to time.

6237. *Mr. Bell*: I want to get to the method of inspection which is in operation in this industry. You are supposed to have correct weights; you are supposed to have correct measures. You have a method of inspection to see that weights and measures are correct, have you not?—Yes.

6238. Is there any objection to the same method being adopted under the Trade Boards?—I suppose the essence of inspection would be to make sure that the Trade Board records were available for you to inspect them when you went there. I think that under the Act that is supposed to be the case. The record of time and the record of payment should be available to the Inspector.

6239. So that an inspector, say, sent by the Chief Constable in any town might walk into an office and ascertain whether the correct rates were being paid or not?—Yes; surely that would be the case. I think if it were a police inspector it would create a commotion.

6240. If it were a breach of the law, why should it not be a police inspector?—We have not considered the police side of the inspection.

6241. *Mrs. Lyttelton*: But you think the factory inspectors might be given power to examine the wages, which they have not at present?—Yes; also the unemployment insurance inspectors.

6242. You mean they would be working for the Trade Board practically, where there was one?—Their duties would be either dual or three-fold.

6243. *Chairman*: There is power in the Act for the Ministry of Labour to arrange with other Departments for the use of their officers?—Yes, and we say the fullest use should be made of them.

6244. *Mrs. Lyttelton*: Only up till now the factory inspectors do not inspect wages?—That is so.

6245. *Chairman*: No such arrangement has been made up to now, but it could be made.—Yes.

6246. Could the Shop Hours Inspectors be utilised in this way in this connection?—I do not see why not. In the case of retail shops the inspector who was passing round might go to the counting house and inspect the wages books.

6247. Those inspectors are appointed by the local authority.—I am not clear about that.

6248. *Lord Weir*: The inspectors who would be more suitable for viewing and inspecting the wages would be the factory inspectors of the Home Office would they not?—I should imagine so. I have had a good deal to do with the Home Office inspectors, and they look for things and are properly trained inspectors.

6249. *Chairman*: But they would only go into places which are factories and workshops within the meaning of the Act. They would not go into many of the small shops, would they?—I think so. Most of the small retail shops which have got workrooms come under the Factory and Workshops Acts.

6249a. Where there are workrooms?—Yes.

6250. Still, there would be a residuum which would not be visited in the ordinary course to-day by the factory inspector?—Quite so; but I saw an estimate of the numbers published recently. There are 281,000 factories and workshops in all, and 50,000 of that number are in London, so that there are quite a number of factories and workshops where Home Office Inspectors visit.

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6251. But there is a much larger number of shops which come under the Trade Boards Act?—Quite.

6252. If you add all the other trades?—Quite.

6253. *Sir Arthur Pease*: You would really want a trained man to do this inspection, would you not? An untrained man might be in great difficulties and would not do the work properly?—I do not say that. I think the ordinary routine inspection could be done by a person of ordinary intelligence. When you come to complicated piece-rates then you want someone who has had a proper training. But there is a tremendous amount of inspection to be done where it simply means the number of hours which have been worked in a given day or a given week, and the number of shillings they ought to receive in return. That is straightforward inspection and could be done by people of average intelligence.

6254. *Mr. Bell*: Would not you regard a police officer as a man of ordinary intelligence?—Some of them are.

6255. What makes you say it would create a commotion if a police officer walked in? Does he create a commotion now if he looks at the weights or the measures?—It would be a new departure, and a uniformed man parading about a workshop would not be conducive to peace. We should get accustomed to him in time no doubt in the same way as we do to other things; but it does not strike me as being the ideal form of inspection.

6256. *Sir Arthur Pease*: If he came in plain clothes that would be all right?—That might be better, of course.

6257. *Chairman*: I am told that unemployment insurance inspectors are, to some extent, utilised now. But they require a certain amount of training before they can do all the work required under the Trade Boards Act?—I can understand that. I am glad to hear they are being used to that extent. What we say is that they should be used to the fullest extent.

6258. We have now dealt with paragraph 13. I suppose paragraphs 14 and 15 run together?—Yes.

6259. You have in mind the recommendations of the Joint Committee?—Yes.

6260. Have you considered those in detail?—Yes, I did consider them, because I was one of the Committee that prepared them.

6261. Are you in agreement with all of them?—Yes; I signed the Majority Report.

6262. Do you really think that they should all be carried out?—I do. I think the recommendations of the majority should be put into operation, and that they would do a good deal to smooth the work between the two sections of the Ministry.

6263. Then you refer to the method of appointment of appointed members which you say has caused some dissatisfaction. Have you any suggestion to make on that?—Yes, I make a suggestion at a later stage, I think. These are in the nature of criticisms that you are dealing with now. My constructive suggestions come later in my statement.

6264. You also claim that on the workers' side of certain Boards there are too many trade union leaders, and especially too many trade union leaders who have not had any connection with the trade?—Yes.

6265. Perhaps your suggestion as to that comes later on?—No, I have not dealt with that. If you agree I will touch upon it now. I think employers would feel better satisfied if there was a bigger proportion of the actual workers from the factories or workrooms on these Boards.

6266. You would not object to there being some experienced trade union leader there, would you?—No, I should not object, and the people I represent would not object. You have had it suggested in recent times, I think, that all these non-employers should be removed from the employers' side of the Board, and I think that trade union leaders should be pretty well all removed from their side. Anyone with knowledge of Trade Boards knows you must have some person of that kind on them, and some of us have even got knowledge equal to that of the em-

ployers, because we have spent the whole of our lives in the trades we represent.

6267. *Mr. Bell*: I take it you yourself are in a similar position to that of a trade union leader?—I am at the moment, but up to 1918 I was in the trade, and had been for the whole of my life.

6268. And your association thought you were most efficient to give evidence on their behalf, although you are not actually engaged in the trade?—Yes, quite.

6269. *Chairman*: Do you suggest a percentage or something of that kind?—I think there should be some limit. We have not given very careful consideration to what the percentage should be, but we certainly feel that there should not be half a Board of purely trade union leaders, many of them not connected with the trade in any shape or form beyond that of being an organising secretary. If there are to be leaders at all, we think it is preferable that they should be people who have had experience at some time or other in the trade with which they are dealing.

6270. *Sir Arthur Pease*: Do you mean that they have not had experience in your trade, or do you mean that they are not working in it?—You have representatives on the workers' side representing perhaps the Workers' Union. These would be on the Dressmaking Board. A General Workers' Union organiser is not the best man to have as a spokesman on a Dressmaking Board. If they were men who are connected with one of the clothing unions who had, in fact, some knowledge and experience of the trade, then so long as the numbers were limited no serious objection could be taken.

6271. *Chairman*: I see 12 out of 30 workers' representatives on the Dressmaking Board are full-time trade union officials; and on the employers' side there is one non-employer out of 30?—That statement is not quite accurate. There are three non-members really on the employers' side of the Light Clothing Board.

6272. Then with regard to your suggestions, the first is that the Act of 1918 should not be applied in the first instance to trades which are in the main unorganised on both sides, and have had no experience of the working of Trade Boards. What exactly do you mean by that?—I mean that the Government ought to start with new trades much on the same lines as they started with new trades under the 1909 Act.

6273. Do you mean they should only apply the Act to trades where there are exceptionally low wages?—Yes, in the first instance.

6274. *Lord Weir*: If that test were applied instead of the organisation test, do you believe there are many trades in this country to which the Acts would require to be applied?—It is difficult to say, because of the very difficult times. But one knows of course at once that the position is nothing like it was in 1914. I do not think I can go beyond that.

6275. You mean that many trades where the wages in pre-war days might really have been called exceptionally low have had those injustices redressed during the war?—I think to some extent, yes.

6276. But it would be infinitely more difficult to select a large number of trades to-day than it was under the 1909 Act?—Yes, only you have got to take the other conditions into account. I suppose, while the wages to-day are considerably higher than they were in 1909 or 1914, there is reason for their being high, and relatively perhaps the rate of payment is not very much more than it was in 1909. There might be trades like that, I suggest. In the main, of course, I would say that the position is altered.

6277. The reason I asked that is that you might say you consider it would be the Minister's duty under the 1909 Act to impose a Trade Board on the mining industry on the ground that the base wages are exceptionally low?—Yes, that is a very real difficulty. I imagine that the miners would not receive the proposal of a Trade Board very favourably, even though their wages are low at the moment.

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6278. But it might become the Minister's duty under the Act to impose a Board because he was satisfied that the wages were exceptionally low?—But then the wages operating in the mining industry to-day have in fact been agreed as between the employers and the workers, have they not?

6279. Yes.—Would it be the Minister's duty to override what had been arranged between the employers and the workers in an industry where the organisation on both sides was complete?

6280. Do we not get to the fundamental question now whether the mining industry is a sweated industry?—I am not prepared to discuss that.

Chairman: There are some saving words in the Act of 1909 about the other circumstances of the case.

6281. *Mr. Bell:* Suppose you go to the conditions under the 1909 Act, I take it you mean that nothing but a minimum should be fixed. Suppose the rate in London was 40s. and the Glasgow rate 20s. Would not the Glasgow employers say that to make the minimum 40s. would be very unfair to them?—I should assume that there would be no such difference between London and Glasgow.

6282. You are quite aware that there have been very large differences in operation between different parts of the country?—Yes.

6283. And that it is the people who have had to pay the largest increase who are complaining the most?—Yes.

6284. Suppose that in fixing the minimum it brought the minimum rate higher than the rate that they had been paying in the same industry for a more skilled worker. How are you going to fix the rate for the higher skilled worker?—I do not quite follow the question.

6285. If you increased the minimum to such an extent in some parts of the country that it raised the minimum to a higher rate than the rate that had been paid to the highest skilled worker?—By agreement, do you mean between the two parties?

6286. I mean where the employer has fixed the rate without any agreement between anybody. Suppose the minimum for the lower paid work was increased to such an extent that it brought it higher than the rate the employer had been paying for the more skilled work, how would you fix the rate for the more skilled worker?—Would that be a serious matter if the rate you are referring to was a rate which had been agreed to between the employer and the worker? If it was a rate agreed to between a trade union and the employers in an industry where the organisation was very high, I could see something in it.

6287. My experience is that these rates are not arranged between the employer and the worker, and that where the rates are low they are generally fixed by the employer.—Are you speaking of Trade Boards?

Mr. Bell: No; I am speaking of what happened previous to Trade Boards coming into operation.

6288. *Chairman:* Is not the answer that if the basic minimum rate is fixed so high that it even exceeds the rate paid by agreement to the skilled worker, the effect must first be that the skilled worker will not be paid anything extra for his skill, but will probably be kept at the minimum rate to compensate the employer; secondly, it may be that the employer might reduce his average altogether?—One hopes, of course, that in normal times the minimum fixed by Trade Boards would have regard to all the conditions, and that there would not be such anomalies as *Mr. Bell* has in mind.

6289. We have been told by a good many witnesses that the effect of the rates which they consider too high has been that the skilled workman has suffered. He had to be kept down to the standard instead of having something above the old minimum?—In other words, the Trade Board rate has been the maximum and not the minimum.

6290. It has been both the maximum and the minimum.—Yes; that may have been due to the Board having fixed their rates too high.

Chairman: That is the point I think *Mr. Bell* was putting to you.

6291. *Mr. Bell:* Perhaps I might put it in another form. Suppose that the rate in London was 40s. and in Manchester 35s., that is what we might call the minimum?—The Trade Board rate?

6292. No. The Trade Board is being formed and they are considering the rate. Suppose they fixed a minimum rate of 40s., it means that the rate becomes 40s. in Manchester instead of 35s. But for the more skilled worker the rate in London is 50s. and in Manchester 40s. How are you going to bring the Manchester employer up to the 50s. for the more skilled worker unless the Trade Board is going to fix the rate?—I think in practice, an increase in the minimum does in fact affect the various grades of workers above the minimum. That is speaking generally.

6293. But unless you have a decision of a Trade Board you would have no guarantee of obtaining anything like a similar rate for similar work in the same industry?—I know we have met these arguments very often at Trade Board meetings. It has been suggested in all seriousness that, having fixed the minimum rates, the other rates do, in the main, adjust themselves and I think that is so. You cannot fix a minimum rate which is not based upon skill, but upon the requirements of the individual, and expect the man who is a skilled worker to work alongside that worker for whom the rate has been fixed at the same rate. It does not operate in practice.

6294. Does not the same thing operate in practice with regard to the skilled worker as operated in practice with regard to the less skilled worker, namely, that there is a great variation in the rates paid?—Generally speaking, I would say that the worker who is skilled can, in the main, command his proper value.

6295. *Mrs. Lyttelton:* He has got a strong weapon in his hands, even if he is not organised?—Yes, and he uses it very effectively—and quite rightly.

6296. *Mr. Bell:* Do you mean by reason of his skill?—Yes.

6297. But skilled workers in the country have been in receipt of very low wages very often?—Yes, and high wages too.

6298. Yes, but not because of their skill. I think you will agree that if a skilled worker has been able to command higher wages it has not been because of his skill, but because of his organisation?—I should hope it were both. I think skill has played its part. I think it must do.

6299. I agree, to some extent; but skill without the organisation has very often led to extremely low wages if you have got a number of skilled workers?—No one appreciates the value of organisation on the workers' side more than I do. I have to meet it every day of my life, and I realise the strength of it, and workers have in fact got many of their increases by reason of their organisation.

6300. *Mrs. Lyttelton:* I suppose skilled workers as a whole are more easily organised than unskilled workers?—Yes, I think that is so.

6301. *Chairman:* Now we come to the second part of your summary. In the first paragraph it is suggested that in the case of newly scheduled trades the principles of the Act of 1909 should apply, and only a general basic minimum rate for male and female workers and female learners (both time and piece workers) be fixed in the first instance. Is that the principle of the Act of 1909?—That is the line upon which they proceed under the Act.

6302. As a matter of fact, the Act did permit the fixing of different rates for different classes.—Yes, that is so; but that has never been used until comparatively recently.

6303. You say "in the first instance." How long do you think that restriction should apply to a Board?—I mention that in the next paragraph.

6304. I see in the next paragraph you say: "Should the power to fix rates for special classes of workers be retained in the Act, these powers should not be used in the case of newly scheduled trades for at least two years after the setting up of the Boards, and then not until the Boards are satisfied that the basic rates are being paid throughout the trade, and"

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only by complete agreement between the two sides of the Boards and without the votes of appointed members and under Special Order made by the Minister or authority concerned." Is the purpose of that in order that the basic rate may first be fixed by the Board?—Yes.

6305. And then that the special rates may be considered and dealt with by agreement?—Yes. We say that if the power is to be retained in the Act for this purpose it should be used in this way. There should be no question of the appointed members voting. In every case it should be a matter of agreement between the two sides.

6306. Do you mean a unanimous agreement?—I do.

6307. And if that happened you would make it enforceable by law?—Yes; I think there would be a case for it.

6308. *Mrs. Lyttelton*: Is the reason for the two years, that you feel that during that time there would be an opportunity for the skilled wages to adapt themselves to perhaps a higher basic minimum rate?—Yes, that is one reason. First and foremost in my mind is to get your trade accustomed to the machinery of the Trade Board. Make certain that the employers covered by the Board are paying the rate, and then if it is felt by agreement on the two sides that something could be done in respect of other classes of workers, and that in fact something should be done, then all right.

6309. Two years seems rather a long time?—I do not think it is in the light of my own experience on some of the Boards where we have attempted to fix special rates after 12 months. I think another 12 months would have been extremely useful.

6310. *Lord Weir*: Some of the old Boards took more than two years before they arrived at this practice of graduating wages?—Considerably more.

6311. They applied themselves, as you suggest, to the basic minimum rate for quite a long period?—Yes. I believe, speaking from memory, that the first rates for special classes of workers were fixed in 1919; whereas, in fact, some of the Boards had been operating from 1910.

6312. May I put it that you would like new Boards to have two years really in which to learn their business?—That is exactly the position. We attach a good deal of importance to that.

6313. *Chairman*: It would not make much difference to most of the existing Boards?—Perhaps not, except that they may be aiming at getting back to the basic minimum rate. I do not say they are; but they may be.

6314. Then your next point is: "The determinations of Trade Boards should be simplified, and instead of varying rates being fixed for workers entering the trade at different ages, simply basic minimum rates should be fixed on experience rather than age, and in yearly periods rather than half-yearly periods in the case of learners."—That really was put into practice by the Dressmaking Board yesterday. Under the old determinations you will notice that there are various columns setting out various rates for workers entering the trade at different ages.

6315. *Lord Weir*: You do not suggest any actual change in the powers of the Board, but you think by the two years' delay questions would often be handled better by the Board. Do you propose definitely that they must not base rates on age? It is left entirely now to the Board. They have full freedom to do it in any way they like?—I appreciate that. It is not only a criticism of the Acts that we are trying to give you, or suggestions on the Acts, but we really dealt with the machinery, feeling that the Committee would like to hear something of it. I am conscious that I am telling you something that the Board ought to have done, and in fact they have not done. I thought the Committee would like to have the information before them. Our view is that, first of all, there should be nothing but basic rates for the first two years, and secondly, that those basic rates should be of the most simple kind, having regard to

the type of employer who has to follow them in many cases. Instead of having three or four columns of rates for learners entering the trade at different ages, give them a straightforward schedule with headings for the first year, second year, third year, and fourth year. Make sure you have the right rates, and then there will be little trouble.

6316. *Chairman*: As regards the special rates, your Board have only one special rate above the minimum?—Yes.

6317. Do you think that an advantage?—I do not know that I should like to use that word; but one feels, of course, that having legislated for special classes of workers and having had two rates, it is a very drastic cut to remove them from the cover of all protection at one sweep.

6318. You think it an advantage to limit the number of special rates?—I do, leaving freedom to the employer to go above the rates which have been fixed for a higher degree of skill.

6319. Then you go on to say: "Schemes of apprenticeship and such other matters should not be undertaken in newly-scheduled trades for at least two years after the setting up of the Board, and then only by agreement." I would like to understand that. It has been suggested to us that apprenticeship is better than merely paying learners a fixed wage, as it enables the trader to obtain young people and to teach them their trade, say, for three or five years, or whatever it is, without feeling bound to pay them the full rate as learners. What do you say to that?—You will notice I do not say they should for all time keep away from schemes of apprenticeship. But I have in mind the Retail Bespoke Tailoring Trade Board, of which I am a member. In addition to their many and varying rates which they propose, and the number of notices which have been sent to employers all over the country, they have embarked upon a scheme of apprenticeship which involves an indenture which again is a pretty complicated document for the small country tailor to digest when he has got the other 14 Trade Board notices on his wall at the same time. All I say is that it would have been better for them to have held their hand until they had grown into the Trade Board movement. The amount of matter sent out from the Retail Bespoke Tailoring Board is beyond any ordinary man's capacity to digest. It is my job to do it; I spend my life on it, but I have not digested half or a quarter of it. It pours in like water—apprenticeship schemes and varying determinations; in fact, I begin to wonder how some of the members of that Board can possibly attend to their own business. Therefore, I say, keep off so much matter in the earlier days of the Board.

6320. *Mr. Bell*: Do you mind defining what you consider the difference between a learner and an apprentice?—An apprentice, as we understand the position, is the young person who works under an indenture. Different conditions of employment are laid down as prescribed in the indenture, and for a different period of years. A learner, of course, may be discharged, or may leave at any moment; there is nothing binding. I am speaking now of the thing as it operates under the Trade Board.

6321. *Sir Arthur Pease*: In an apprenticeship both the employer and the employee would be bound for three years and the employer could not dismiss the apprentice in less than three years?—That is so. Certain conditions would be laid down. I do not know whether the Committee have the indenture before them?

6322. *Chairman*: I have the document.—Perhaps you will appreciate the difficulty to the small country tailor in following it.

6323. *Mr. Bell*: But suppose your suggestion were adopted, what guarantee would you have that some of these apprentices or even some of the learners would get any wage at all?—The practice of the Boards that I know has been to fix a rate for apprentices and one for learners as well.

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6324. But you are asking that they should not?—I am asking that the scheme of apprenticeship should not be dealt with; that is the scheme of indenture—and that they should not touch these things until two years after the Board had been set up; in fact, that all they should do would be to fix learners' rates as apart from apprenticeship schemes.

6325. Have you had any experience of the payment of premiums by learners in this industry?—Yes; my parents paid one for me.

6326. *Lord Weir*: As a learner?—Do you mean as a learner or as an apprentice?

6327. *Mr. Bell*: As a learner.—I have not heard of premiums for learners.

6328. Suppose I had a girl whom I wanted to learn dressmaking in the town where I live, and I was told that the wage fixed by the Trade Board was 10s. a week for a girl of 14, but that they required a premium of £26 before they would take her on. That would mean no wages for a year. Have you no experience of thing of that sort?—I do not say I have never heard of such cases; but there is no case coming within my knowledge where such a condition has been imposed.

6329. *Sir Arthur Pease*: That would be an apprenticeship, would it not?—The case Mr. Bell quoted was the case of a learner who was told that she could have a job at 10s., or whatever it was, provided she paid that amount in the form of a premium.

6330. *Mr. Bell*: The result being that the learner had no wages for 12 months?—Quite. The Act does provide that premiums may be paid during the first month of employment, I think.

6331. *Chairman*: I am not quite sure whether I have got this yet. Do you think it desirable to encourage apprenticeship by encouraging Trade Boards to fix a lower payment for an apprentice than the payment prescribed for a learner who was not an apprentice?—I think in the main apprenticeship is a good thing.

6332. We were told by drapers that they had given up taking in learners because they could not afford to teach ignorant children their trade and to pay them a wage at the same time. We had a letter from one of the Education Officers in Liverpool. He said that he could not get places for any one of the children leaving the elementary schools in the drapery trade because of the high wages. What I suggest and what I should like to have an opinion upon is that it might be well for the Trade Board to say: "We want to encourage the teaching of trades, and therefore for an apprentice whom the master is bound to keep for a term of years we will let you pay a smaller sum in the earlier years than what you are bound to pay for a learner." What do you say to that?—I think there is a good deal to be said for it. The conditions under which the young people would be taught would be prescribed in the indenture, and the methods proposed would vary a little from those of an ordinary learner, because the learner might be put on odd work, whereas the apprentice would have to be put on the essential operations at once.

6333. And really be taught the trade?—Yes. Of course, experiences differ in this direction. In London, before the days of the war and during the war, I had the greatest difficulty in my business at that time in getting learners into the trade. We found the only means of getting them in the right quantity and of the right type was to increase their payment.

6334. Now, of course, things may have altered?—Yes; but the fact remains that taking my own experience in London, sections of the clothing trades were being starved for some years during the war because of the circumstances which existed and of the low rates of wages. In order to induce a better supply I and a number of other employers in London drew up a schedule of working conditions with an increase in their rates which was put before the girls about to leave school by the schoolmistress and the education authority. That was really the basis

of the set of working conditions now operating for the sewing trades in London, which were mainly designed to attract the proper quantity and the best type of young person into the trade. To-day, of course, you may get as many learners as you want, and perhaps at any price.

6335. Then you say in your statement: "If the determinations were simpler and the work of the Boards confined to the limits referred to above, the number of meetings involving employers travelling from all parts of the country would be very considerably reduced, thereby saving expense." That seems a conclusion from the previous recommendation?—Yes. There again some of the Boards have spent days on end which, if they had proceeded more slowly, would not have been necessary.

6336. Then you say: "Outside the fixing of basic minimum rates the greatest amount of freedom of contract should be allowed as between employers and workers, or employers and trade unions, as the case may be." And then your next paragraph is: "That both from the point of view of expense and smooth working, the smallest possible number of Boards should be set up in any industry which has various branches closely related to each other." I suppose that expresses your view?—Yes. We consider that a great deal of the confusion which has been caused has been due to the fact that certain Boards have not been working more closely together.

6337. Then you say: "The Acts should be so amended as to make it possible to include all the making-up branches of the clothing trades under one Board for the purpose of fixing basic minimum rates, and the same should apply in the case of the distributive trades." That, I think, you have already developed?—Yes.

6338. Then you say: "Separate committees might be formed within the Boards for the purpose of dealing with special matters affecting any particular section, and also for recommending the fixing of rates for special classes of workers, where any section was agreed that this was desirable?"—Yes.

6339. *Sir Arthur Pease*: If the section demanded it, the Board would be bound to agree to it?—The Board should have the co-ordinating authority in every case. Take the present Dressmaking Board. Matters affecting the retail branch of the Board are dealt with by a section of the Board; and the same thing applies to the wholesale branch. But there are points and stages where agreement is common, and then, of course, the two operate together.

6340. But, as a matter of fact, every section that wished to have a committee should be allowed to have one?—I am not prepared to say that. I think that the Board as a whole would want to have some voice as to the formation of these committees.

6341. *Chairman*: This paragraph would apply to piece rates, I suppose?—Yes, or to the fixing of special rates for special classes of workers. You might have a committee for a particular section of the clothing trade to deal with that.

6342. *Lord Weir*: I suppose this is all after the two years' apprenticeship of the Board?—Yes; after the two years' initial work.

6343. *Chairman*: Then you say: "Effective steps should be taken to see that all employers in any trade which has been scheduled and for which rates have been proposed should receive the appropriate Trade Board notices, and for this purpose the machinery of the Employment Exchanges and, if possible, the Home Office (Factory and Workshop Section) and Unemployment Insurance Department, should be used in compiling lists of employers." I think to a great extent that is done already, is it not?—I wondered if the Home Office were used in that connection at all.

6344. I am told they are. Then you say: "The present Acts should be so amended as to make it possible in certain cases to effect variations in the rates in from four to six weeks at the most from the date of proposal."—I think that suggestion explains itself.

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6345. Then you say: "It should be possible under the Acts to make alterations of a limited character to a notice of proposal at the fixing stage without the necessity of issuing a fresh proposal." How would you limit that? Would it be enough to say that the Minister should sanction such alterations?—I appreciate the difficulty. It is a question of what is a minor alteration.

6346. Then you draw attention to the recommendations of the Joint Committee with which you have already dealt?—Yes.

6347. Then you say: "Questions of scope should in all cases be referred to the appropriate Boards, and, where the views of Boards concerned do not coincide, co-ordinating machinery should be established." Do you mean there that a Board should have power to determine what came within its own scope?—Yes, I do. The trade should be the judge of what should come within the scope of the Board.

6348. Is not that going a little far? Would it not be the tendency of a Board to extend its jurisdiction as far as possible?—Not necessarily. There are cases, I think, where Boards would be glad to be rid of some of their responsibility in that way.

6349. Human nature differs. I do not know whether you are aware of a case where the Tailoring Board, I think it was, came to the conclusion that it extended to the making of waterproofs and mackintoshes, and it was contended that that was wholly outside the scope of the Trade Board on any legal construction?—That might show that there had not been proper consultation before the definition was drafted. I think the second part of my suggestion, to the effect that there should be co-ordinating machinery, would remove many difficulties.

6350. Do you think that where a real question of scope occurred it would be well to have an appeal to some tribunal?—Yes, I do. I make a suggestion that there should be a tribunal of that kind, and I have in mind in making it questions of scope amongst other things.

6351. Would the Industrial Court be a good tribunal?—I am inclined to think you ought to provide machinery appointed from the Trade Boards themselves as a whole.

6352. Do you mean some central body representing Trade Boards?—Yes.

6353. Then you say: "Legal advice should be available" and so on. That arises on the Report of the Committee, does it not?—Yes.

6354. The next paragraph is: "The enforcement of rates should be the subject of close co-operation between the Boards and the Minister or other authority responsible under the Acts, and the machinery referred to in paragraph 28 should be used to secure enforcement" ?—I mention the Home Office and the Unemployment Insurance Department.

6355. Then you say: "The powers of the Minister responsible for applying the Trade Boards Acts to suitable trades should be strictly limited by any amending Act, and the fullest measure of self-government be given to the Trade Boards." Is anything intended by this except what is to be found in the Report of the Committee?—I do not think so except that in a general way the less interference the Board have from the Minister or from any Government Department, the better they like it. The opinion is that they will function all the better without that interference. What we really want is to be left alone and to work out our own salvation.

6356. The next paragraph is: "Appointed members might be appointed in consultation with the two sides of the Board, or, alternatively, might consist of a Chairman with two Assessors, one nominated by each side of the Board; the Chairman being acceptable to both sides." I follow the suggestion about the Assessors, but is it desirable to have them nominated by each side of the Board? Would it not be better to have two independent Assessors, if possible, skilled persons selected either by the Chairman or by the Minister? You see, if they are nomin-

ated by the two sides of the Board, you simply add one to each side, and you get no further?—Perhaps I did not convey what I intended. I did not necessarily mean that they should be appointed by the Board. They might be people outside the Board entirely. I meant that the power of nomination should be in their hands.

6357. Would not the effect be simply to add one to each side? Each side would surely nominate someone representing its own views?—The advantage, if you had an Assessor of that kind would be, I think, that there would be an opportunity of ascertaining at different stages the views of the different sides and giving those views to the Chairman.

6358. Is there any difficulty in ascertaining the views of each side?—There is. The appointed members to-day are independent members, and there is no real connection with either side, which means that even side discussions with them are of a very formal character. Now by having what would be really representatives of the different sides sitting with the chairman, these particular persons would in fact act as mediums between the sides of the Board and the chairman. You would get to closer quarters; that was our view.

6359. *Mrs. Lyttelton*: You really want to appoint an advocate on each side?—The machinery of the Industrial Court is of that kind, is it not? You have there an independent chairman, and then you have—not assessors—but a trade union representative on one side very often and an employers' representative on the other.

6360. *Chairman*: They are not persons appointed by the persons engaged in litigation.—I appreciate that difference.

6361. We have been told that the appointed members can only give a vote in favour of or against a proposition which has been proposed. They cannot arbitrate?—They cannot, of course, propose rates. They may informally make suggestions, as they often do. I am one of those number who hope that as long as Trade Boards exist the less the appointed members have to do the better.

6362. I can see the advantage of your proposal if an umpire was going to make an award to have a technical man on each side, possibly people with different views, to say that the award was a practical award; but if he had only got to vote on a specific proposal I cannot see the advantage?—A good deal has been done by the appointed members to get to the position where, a vote is taken. For instance, you have two proposals submitted, one from the employers' side and one from the workers' side with a good deal of difference between them. The work of the appointed members is to bring the two sides together. Then they may get to a stage where a vote has to be taken, and that is where, of course, the appointed member throws his vote on one side or the other.

6363. I think you said that appointed members cannot propose rates?—Yes, I said that.

6364. I think that is a mistake. They can propose rates. Whether they will get them carried is another matter.—Is that so?

6365. No doubt an appointed member would not raise such a thing unless he knew that one side would accept it, because otherwise he could not carry it.—Is it a fact that a schedule of rates can be proposed by one of the appointed members?

6366. I think so. I can find nothing in the Act against it.—I should hope it would never be done.

6367. Then as to district committees, you have already given your views, and you do not think they work. You would prefer the principle of area rates in certain trades?—That is so.

6368. *Mr. MacCallum Scott*: I have just one point. I am very interested in your views about the national minimum wage, because some of the witnesses who have been here representing, I think, the distributive trades have strongly advocated that. Do you draw a distinction between what you call a real basi-

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minimum wage and a national minimum?—Yes, surely. First of all, on the question of the national minimum wage, we say in practice, that what was a minimum wage for one industry would not necessarily be a minimum wage for another.

6369. Why not?—It would be a minimum in name, but not in effect, really. Could you say, for instance, that the engineering industry ought to have the same minima as the dressmaking industry?

6370. Engineering is an industry in which there is effective bargaining between employers and employed. We are only referring here to those trades in which there is no effective machinery.—The national minimum wage, I take it, might even bring in industries where a pretty high state of organisation did exist.

6371. *Chairman*: It would not be a national wage unless it brought in all trades.—It would include such industries as engineering, in fact all industries.

6372. *Mr. MacCallum Scott*: Do you think it would lead to more political activity than the present state of affairs leads to, or is it not open to anyone at elections to advocate that a minimum wage should be put forward?—I think if you had it on the Statute Book and there was a rate fixed, it would be more effectively used.

6373. *Mr. Bell*: Is there any greater danger in that than going on a public platform during an election and advocating a minimum wage?—The difference I draw is the one I have just mentioned. If you had a wage fixed, it would be a question of getting it a bit higher or a bit lower. At present you can only say you will try to get a minimum wage, and that is as far as you can go.

6374. *Sir Arthur Pease*: These rates are compulsory under Act of Parliament. It might be possible to make the minimum wage compulsory and to use the machinery of the Trade Boards to fix the other rates in the trade without compulsion?—I have not given any consideration to that point of view.

6375. I mean using it in just the same way as ordinary trade unions and employers fix their wages, which are fixed by the trade on both sides. Or should the Council fix them? You see what I mean; make the minimum rate absolutely compulsory by Act of Parliament and yet leave other gradations to be arranged, more or less, by arrangement?—My own view, on a casual thought, is that that would not be desirable. Above the minimum, which we say should be determined by the industry concerned and by the people who are in that industry or associated with it, the greatest possible freedom should be left between employers and workers without statutory interference.

6376. It would not be statutory interference; it would simply be using the machinery of the Trade Board to bring the two parties together to discuss it.—It is really a Whitley Council, I think, with power to enforce their conclusions.

6377. The compulsory power would apply only to the minimum; but the other arrangements would be under the same arrangements as the Whitley Council, or as ordinary negotiations between trade unions and employers.—The Trade Board machinery would be used, really, to bring the two parties together.

6378. *Mr. MacCallum Scott*: Yes, and there should be statutory power with regard to the minimum only.—It is a very interesting point, and I would like to consider it. It seems to me that there is a great deal to be said for anything that would bring the two sides of industry together.

6379. *Lord Weir*: From the point of view of the statutory fixation of wages, assume that you have a male labourer over 21 years of age in a jute factory. Now the law to-day protects him, I think, against a lower wage than 42s. His brother is also a labourer in a pin, hook-and-eye factory, doing equivalent and similar work, yet the law protects him to the extent of 53s. Is that, in your opinion, a proper thing for

the law to do, seeing that the two brothers are doing work of exactly the same kind?—It really means that of the two pieces of machinery, one or the other has not done its work properly. If one rate is the correct minimum the other is not, unless the conditions vary much in the two industries.

6380. Then you would say that the lower rate is ample protection against sweating. In other words, what would be the objection to a national minimum rate which is in effect the lowest minimum rate for male adults fixed by any Trade Board to-day? If you simply passed that and said that was compulsory, would not that get you out all sweating?—Yes, I suppose it would; but it would not remove the difficulties that we see.

6381. It would remove the whole sweating trouble?—Yes; but it would not do away with the objections to the national minimum which I have previously mentioned.

6382. *Mr. MacCallum Scott*: Do you not think the present system whereby one fixes 42s. and the other 53s. is more likely to lead to political agitation to level them up?—I do not think so, because the matter is determined by the people in the industry at the moment, is it not? Whether it is by collective bargaining, or Trade Boards, or Industrial Councils, the rates and conditions are in fact dealt with by people who are in, or concerned with, the industry.

6383. *Chairman*: I am very much interested in the point which Sir Arthur Pease has put to you as to whether it would be possible for the Trade Boards to perform the functions of Whitley Councils. Suppose that were done, and the Trade Board fixed a basic rate for the lowest class of worker in each trade of 42s., and fixed a higher rate for skilled workers at 53s., and the lower rate was compulsory and the other not, do you think the higher rate would be observed in the trade?—I should think it would be open to doubt. In many quarters it would be observed, of course, but if the state of organisation were very low, I do not think you would get anything like universal observation of the rate.

6384. Would the fixing of such a rate tend to encourage the organisation of workers in order to enforce it?—Speaking from experience, I have been rather disappointed with the rate of progress of organisation both on the side of the employer and on the side of the worker, due I mean to the setting up of Trade Boards. I think the Whitley Committee had in mind, when they recommended the extension of Trade Boards that it would lead to an increase in organisation on both sides and ultimately to Whitley Councils. A certain amount has resulted but nothing like what one would expect. Many workers are still content to remain outside their organisation and to receive any benefits that their representatives can get for them. The same thing applies on the employers' side. They are quite content to get any benefit they can, and to let their colleagues do the work at the Trade Boards Office. To that extent, I am disappointed, and I was wondering whether the machinery suggested would lead to better organisation. If it would, there is something to be said for it.

6385. The real basis of the Whitley Council position is that the trades are organised?—Yes, that is so.

6386. *Sir Arthur Pease*: But you would agree that even in a highly organised trade the work really falls on a few shoulders, although the other firms are members of that organisation; that must be so?—Yes; that point of view I appreciate. But the point is that in a number of trades I have in mind they have kept outside the organisation altogether.

6387. *Mrs. Lyttelton*: They have not paid their subscriptions?—There might be cases of that kind also, but it has not led to an increase in organisation such as might have been expected.

6388. *Mr. Bell*: You have an objection to what you term statutory interference. In view of what you have just said, I want to ask you this question:

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Apart altogether from the Trade Board, or even with the Trade Board, suppose that the employers' organisation and the workpeople's organisation should agree that a certain rate is fair and should be paid, and some employers who are not members of the organisation do not pay that rate; in such a case, would it not be an advantage to have a statutory obligation, where employers' organisations and workpeople are agreed that a rate should be paid, that all employers in the industry should be compelled to pay it?—Yes. If the employers and the workers represent a substantial portion of the industry, there could be no objection to it; in fact, some employers say that others who do not pay the rate should be made to pay it, and I share that view.

6389. *Sir Arthur Pease*: There are conditions which vary so greatly in different parts of the country—in fact, there are different conditions in each workshop—that it would be quite impossible to draw up a detailed schedule. Something must be left to the district or to the individual firm?—Yes, added to which it must not be overlooked that the imposing of rates by statute, accompanied by the machinery of Trade Boards, involves a considerable expense on the business of an employer.

(Adjourned for a short time.)

Mrs. LEONORA COHEN, Miss ELEANOR STEWART, Mrs. C. A. LOCKE, Miss MARY QUAILE, Mrs. L. E. SIMM, called and examined.

The witnesses handed in the following statement as their evidence-in-chief:—

On behalf of the National Women's Advisory Committee of the National Federation of General Workers, a body comprising over one-and-a-half million trade unionists of the unskilled and semi-skilled class, including many thousands of women, we desire to submit a plea in support of the retention and extension of Trade Boards.

Experience shows that some such method for regulating wages and controlling conditions is absolutely necessary if a reasonable standard of living is to be secured and maintained for those engaged in occupations which are not strongly organised.

When the cost of living was much lower than it is at present, or is likely to be in the near future, the scandal of long hours and low wages in many occupations compelled some public action to be taken to provide a measure of protection and improvement.

That Trade Boards have been effective we will endeavour to show, but before doing so, we desire to meet the contention that the stress of competition compels the employers to secure cheap labour. While admitting that some economic forces cannot be controlled by domestic action, your Committee will bear in mind that the "cheap labour competition" argument is centuries old. If it had always been accepted the workers would be no better to-day than the workers were in the seventeenth and eighteenth century. This argument was used less than a century ago respecting child-life in the cotton-mills, and the force of Thomas Carlyle's reply to mill-owners, that "if you cannot run the cotton-trade without the aid of the devil, let the devil take the cotton-trade" is equally applicable to the similar contentions advanced to-day.

Many of the occupations in which exceptionally cheap labour is demanded are not subject to foreign competition, consequently the stress of competition is created by those who contend they suffer from it, but they ask others to bear the burden.

It would be idle to go into detail showing the weakness and evil of the "cheap labour competition" argument, for anyone with the least knowledge of industrial history knows that it has been applied to every trade, and if it had been accepted, the standard of human life for the manual workers would never have improved.

6390. *Chairman*: You do not object very strongly to the fixing of one basic rate?—I prefer a basic rate for each separate industry.

6391. And you would prefer not to have anything beyond that one basic minimum rate in an industry?—I have said that there might be cases where the fixing of higher rates would be justified, where you have a fairly high degree of organisation in a particular trade, and where you have complete agreement between both sides of the Board. But I want to get back to the two years' apprenticeship of the Boards suggested by Lord Weir, and let them develop on natural lines.

6392. When you say there might be justification for fixing higher rates, do you mean it might be said that it was the duty of the State to enforce the higher rate?—Yes; it might be felt that the degree of organisation was such that something should be done for the skilled worker. You have had certain views expressed here by Mr. Barnard of the Light Clothing Board, and Mr. Mounsey of the Hat, Cap and Millinery Board, and I want to make it clear to the Committee that in neither case did the views expressed by them represent those of the employers' side of the Boards.

We do not propose to submit many examples showing how the application of Trade Boards has materially improved conditions, for this is generally accepted. This application may have been irritating to many employers, but the great volume of human good resulting must be the paramount consideration. Any attempt to remove irritation will have our support provided it does not weaken the application of the principle.

In the Net industry, a recent inquiry showed that the rate paid for making billiard-table pockets worked out at 2d. per hour. A Trade Board rate was fixed at 7d. per hour—an immediate improvement for the worker.

The Tailoring trade is an outstanding example of the value of Trade Boards. The conditions in this trade were a scandal, but since 1909, when the first Trade Board was established, conditions have very greatly improved, and the trade stands upon a much higher level. In slack times it was customary to ask the girls to work for lower wages to enable employers to make "stock," but we record with satisfaction that since the Trade Board was established disputes on such questions have been almost eliminated.

We do not regard Trade Boards as something final, but rather as a step towards something better. Sir Montague Barlow, Parliamentary Secretary to the Minister of Labour, speaking at Bournemouth in July this year, said "He would ask the Grocery Trade to look upon the Trade Board position as a stage in the line of progress. So soon as the industry was duly organised on both sides he hoped it would be possible for them to pass out of a position of a Trade Board, with its powers of State regulation, to a purer and freer air of a voluntary Whitley Council.

One of the first Trade Boards set up, the *Cardboard Box Board*, has as one of its sections members of the Match Industry, who manufacture 90 per cent. of the match boxes used in the trade. This section was notorious for its sweated rates of wages and had no organisation amongst its workers, and has at least gone along the lines indicated by Sir Montague Barlow. The workers and the employers are organised 100 per cent. and have a "Match Joint Industrial Council," which has a wage agreement covering the whole industry—higher than the Trade Board rates—and has not been reduced. It was the earnest desire of the full Joint Industrial Council to send a request

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to the Minister of Labour to ask that the Box Makers Section be exempt from the Box Trade Board. The members of the Council were in agreement that the Minister of Labour should be asked to receive a deputation, where all the evidence was laid before him, pointing out that Clause 3 of the Trade Boards Acts, 1909 and 1918, contemplates the possibility of the application of the Trade Boards Acts becoming unnecessary, in consequence of alteration in the condition of employment in any trade.

The Match Industry at the present date shows an example of complete organisation on both sides, and is well known to have been one of our worst and often quoted sweated industries.

This instance shows that an industry, formerly requiring a Trade Board for the protection of the workers, has now reached the much higher stage of organisation fitting it for a Whitley Council.

Administration.

We would suggest that improvements in the administration of the Trade Boards Acts could be secured—

1. by the avoidance of delay in establishing new Trade Boards;
2. in the fixing of minimum rates after they have been agreed to by the Board;
3. by more efficient inspection.

Under the head of No. 1 we would instance the case of the Catering Trade and the Licooning Trade. After many months of enquiry and investigation these trades are not yet protected by a Trade Board. An instance of No. 2 may be shown by reference to the delays in the Waste Reclamation Trade Board, which was set up on August 27th, 1920. On January 3rd, 1921, the first proposals were issued, and two months were allowed for objections to be sent in. The Board then met to consider objections; the rates were fixed and sent to the Minister of Labour for confirmation. Owing to pressure from the employers, the rates were sent back for reconsideration by the Board. Ten full Board meetings have been held up to date, and in the meantime the unfortunate rag-pickers have been denied the protection which the Board should give. During the period of delays all wage negotiations were held up by employers on the ground that they would wait until the Trade Board came into operation. The method may have advantages for employers; it is certainly detrimental to the interests of the workers, and appears to be caused by delay on the part of the Minister of Labour.

Inspection.

We would strongly urge an increase in the number of Inspectors engaged under the Trade Boards Acts. Trade Union representatives, in the course of their work, often find that workers have suffered in this regard, and that unscrupulous employers have for a considerable period been able to evade the operations of the Acts. We do not urge this for more prosecutions, because we believe the worker suffers most when a prosecution occurs, being often victimised and unable to obtain employment, and generally known as a "marked" person. With a closer and more complete system of inspection much evil could be prevented, and thus fewer prosecutions would be necessary.

We find that occasionally an inspector may visit a firm and report that the wages paid are not at the right figure. Long before another visit of inspection is paid, the workers may have been dismissed on the grounds of slackness or depression in trade, and the money of which they were defrauded, for perhaps several weeks, is not paid up. An instance of this kind may be quoted in the case of Hilda Crastoy, 3 Bradshaw Street, Withington, who appeared before a Rota Committee to claim unemployment benefit, and there gave the particulars relating to her position. This girl, aged 18 years, was dependent on her own earnings, having no parents,

and residing with an aunt. She had worked at a fashionable milliners as an improver, receiving 7s. 6d. per week. A Trade Board inspector, on visiting this firm, stated that the wage should be 22s. 6d. per week. Subsequently, the girl was discharged, and the statement made that—"They could not afford to pay more owing to the slack season." In this particular case it happened that a trade union representative who understood the responsibilities and operations of a Trade Board Act sat on the Rota Committee of the Local Employment Exchange. The full facts were reported to the Minister of Labour, proceedings were taken to claim the money due to this discharged worker, and, as a result, she was fully paid up. There must, however, be numerous similar cases unrecorded, and where a worker has to suffer in silence and quite unaided.

It is also necessary to have an adequate staff of inspectors to investigate cases for permits of exemption for exceptional persons, who by reason of some slight physical defect, may work for less than the full minimum Trade Board rate.

We strongly urge that, in order to fulfil the objects for which Trade Boards were established, a closer system of inspection is necessary. This can only be obtained by increasing the number of inspectors and thus making more frequent visits of inspection possible.

Conclusion.

Our Committee is definitely in favour of the retention of the Trade Board system, and we trust our suggestions for improving administration may be accepted, namely:—

1. A general speeding up of operations.
2. Increased inspectorate.
3. An extension of Trade Boards where necessary.
4. That Appointed Members should have some knowledge of industrial conditions.

6393. *Chairman (to Mrs. Cohen)*: You represent the National Women's Advisory Committee of the National Federation of General Workers?—(Mrs. Cohen): Yes.

6394. And that body comprises, I understand, over 1½ million trade unionists?—That is so.

6395. Both skilled and unskilled?—Yes.

6396. How many women does it include?—I could not give you the exact number, but we have a very large women's membership.

6397. Your Committee are in favour of the retention of Trade Boards?—Yes.

6398. We will print your statement as embodying the evidence you wish first to give.—Thank you.

6399. You think that the Boards must be retained if a reasonable standard of living is to be secured for unorganised occupations?—Yes.

6400. And you point to a state of things existing before the Act of 1909 was passed?—Yes.

6401. When there was undoubtedly a system of very low wages paid, especially in women's occupations?—That is so, and our delegation to-day is composed of workers, and the workers who have had factory experience previous to being in the trade union movement.

6402. Would you wish to elaborate that in any way?—Yes. Our delegation is actually composed of workers who have worked in various occupations, and they have had considerable experience previous to coming into the trade union movement, and in representing the Federation of General Workers, which consists of semi-skilled and unskilled workers, we feel that although we are representing what is known as the Cinderellas of industry, there is a certain amount of skill attached to every operation which is performed in a factory. I would like to quote a personal experience previous to the setting up of the first Trade Board in 1909. I worked as a tailoress in a large clothing factory, and it was impossible there to earn a living wage, and consequently I left that industry to take up another, and I went into what would be known as a skilled trade, the millinery trade. I mention this fact because we are not conversant with any of the evidence which has been submitted by the employers' side, and all that

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we know is from statements that have been made in the Press from time to time, and we feel that those statements are not correct. Speaking for Leeds as a large industrial city, I want to say that the tailoring trade, from being a low-down sweated industry, is now on a par with any well-organised industry in the country. I take it that really the commencement of the uplifting of the industry was when the first Trade Board was first set up. The first rate that was fixed, if my memory serves me rightly, or rather the first proposal was 3½d. per hour, and the employers protested against this, as at that time it was considered a very high rate. The consequence of the mass meetings that were held, and the protests that were made from time to time in the industry was that it was finally fixed at 3½d., and I may say that that was an advance for the majority of workers, other than those who were organised in the industry. I have been associated with the tailoring industry, being a native of Leeds, and I think it is one of the best examples that we have to offer. It is now a very well organised industry.

6403. The present rate is 8½d., is it not?—Yes. Previous to the setting up of Trade Boards the women were not paid for waiting time, and I can remember when workers used to go, week in and week out, and never get a single day's work.

6404. I said 8½d.; that is for cutters and so on; but for other workers it is 8½d., is it not?—The tailoring trade have an agreement of 8½d.

6405. But the Trade Board rate is 8½d.?—Yes, the Trade Board rate is 8½d. In the tailoring trade they have always had an agreement with the trade since the industry became well organised, higher than the Trade Board rate.

6406. You say the industry is now well organised?—Very well organised.

6407. On behalf of the workers as well as on behalf of the employers?—Yes.

6408. Do the majority of your workers belong to some organisation?—Well, yes. Of course, there is always a section that cannot be organised. Perhaps I had better not say too much about that, because those workers enjoy the rates that have been fixed by the Trade Board. They have been protected against themselves; they have taken no means to protect themselves, but the Trade Board has had the effect of protecting them.

6409. Then what you said about the trade being organised applies rather to the big cities like Leeds, than to the smaller districts, the less populated districts?—The outlying districts surrounding Leeds are pretty well organised.

6410. But probably not the country districts in other parts of the country.—Well, there are certainly isolated cases that we hear of from time to time, where they have not been organised, but if they are approached the time now has come when they seem as though they respond to any overtures to come into an organisation.

6411. And is the growth of the organisation one of the results of the formation of the Trade Board?—Yes, I think I would be quite justified in giving credit to the Trade Board as being a means of giving a fillip to organisation, both on the side of employers and on the side of employees.

6412. Lord Weir: You do not think that the fact that the Trade Board does the work for them causes them not to join the Unions—I mean, they get all the benefits without joining?—Well, they certainly have derived benefits, as I said in my previous remarks, but still you cannot get away from the fact that the strength of the various organisations in industries where the Trade Board is set up has increased.

6413. Has it developed the strength of the organisations?—Yes, but I might say in the beginning when a Trade Board is set up it may be the cause of workers saying to themselves: "Well, I can get the rate without being under the organisation, and consequently"—shall I put it as the workers themselves put it—"we will throw out of the Union." Perhaps that will be the best way of putting it. But there are other things which the Trade Union can do for them,

and they find them out in time, and they very often come back to us. Then another thing in the tailoring industry is this—I am speaking of the tailoring industry because I have worked in it, and I feel that it is one of the best pieces of evidence that can be given.

6414. Chairman: You have worked in the wholesale tailoring industry?—Yes, wholesale. We have very little bespoke tailoring. A factory, of course, is acknowledged as being wholesale. There used to be endless disputes in the trade, and now those are almost conspicuous by their absence. When the slack period was on employers would ask the workers to take a reduced rate, to make either sample ranges or stock, so that if the workers did that they would be able to get orders; and when the trade got busy they were never able to regain their old position without a fight, or a dispute; but this refers more especially to women, and not so much to men. It was always the women's rates that were reduced first. These are absolute facts, and I think it has been a means of putting the trade on a basis, and the employers know that there is a certain minimum under which other manufacturers cannot go.

6415. You say in the statement under the heading of "Tailoring," that you rather look upon the Trade Boards as a step towards something else; do you mean towards better organisation of the trades?—Well, I will lead up to that. I have already stated that I have not been able to get any information as to what has been taking place on this Committee except through the Press, and I am very pleased to know, through the Press, that Mr. Little gave evidence in favour of Trade Boards. I know Mr. Little pretty well through sitting on various committees with him, and I know personally that he thinks that the trade has been uplifted by the Trade Board. The evidence that we submit to-day is not intended in any way to overlap that which may be given by other trade unions; we intend that it is to be submitted in the way of practical knowledge and experience, having worked in the factories and being members of Trade Boards. The delegation to-day are members of several Trade Boards of which we have knowledge, and other speakers will deal with the points of which they have special knowledge. In the evidence you will notice that we refer to the Trade Boards as being a means to an end, and we also quote Sir Montague Barlow's statement to the Grocery Conference at Bournemouth, in which he says that Trade Boards are a means to an end.

6416. That is what I wanted you to develop. He has said, I think, that he hoped that in time the trade would pass out of the position of being a Trade Board trade; it would become a fully organised trade?—"Into the freer and purer air." I think he puts it, "of a Whitley Council." Well, I agree with Sir Montague Barlow. I think that is possible and now, speaking as a Trade Union official and a member of the Joint Industrial Council for the Match industry, we feel that that is an illustration of a stage that we can reach. We made application some little while ago to ask for the box-making section to be exempted from the Trade Board. In quoting matches, one quotes one of the very lowest paid industries; I think that was acknowledged to be a really sweated industry. On the Match Industrial Council we have our holiday scheme; the workers are entitled to a week's holiday with pay, and the statutory holidays in addition, and we have also an unemployment scheme. I think it is, if not the first, certainly the second, as far as my knowledge goes, that has a scheme for unemployment.

6417. You are speaking of the Union?—No; of the Whitley Council for the match industry.

6418. But has the Whitley Council itself an unemployment scheme?—Yes, it covers the whole of the trade. The trade is organised 100 per cent. on the employees' and on the employers' sides, and I am bound to say that on that Council, having been a member from the setting up of the Council, we

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have worked in perfect harmony. It is not the experience of all the Councils, but on this one especially we have worked in perfect harmony with the employers, and it was the expressed wish of the employers' and the workers' sides that we should ask that we should be permitted to have our section of box-makers withdrawn from the Trade Board, trying to prove that they were fully protected under a Whitley Council.

6419. *Lord Weir*: And you were successful in that?—Well, I think perhaps there has been some delay, being a Government Department; we have not yet got our reply.

6420. You mean that the match-box making section is under the Trade Board?—The section is under the Trade Board, yes, and as a Council we feel that it is unfair that one body, a Whitley Council, which is a voluntary Council, should be overlapped, as it were, by a Trade Board, or that a Trade Board should be overlapped by a Council.

6421. *Chairman*: There has been some opposition from the Trade Board itself, has there not, from the Paper Box Trade Board, to the match-box makers being withdrawn?—If there has, I am not aware of that, because I am not a member of the Box-making Board. I did not know that, because we thought that if we proved that we were fully organised, that would be, in itself, sufficient evidence to have exemption from the Board.

6422. It is one of the grounds which are set out in the Act?—Yes. That is referred to in the evidence.

6423. *Lord Weir*: And you believe that, given adequate organisation, you can make better progress and have a better atmosphere by negotiation with the employers on a voluntary body, such as a Whitley Council, than on a Trade Board?—Yes. Well, of course, the Whitley Council itself really ought to prove that workers are well organised, and it is safe.

6424. *Chairman*: Do you know anything about the jute workers?—No, but I dare say there are members of the deputation who do know about the jute workers.

Chairman: I understand that the jute workers have made a somewhat similar application.

6425. *Lord Weir*: Can Miss Stewart tell us about that?—(Miss Stewart) I am afraid, with regard to what has transpired in the Jute Trade Board, I am not acquainted with the details, because I am not a member of the Board, and as a result I am not prepared to make any statement with which I am not thoroughly acquainted.

6426. *Chairman*: Perhaps I was mistaken in saying the jute workers. I should have said the employers in the jute trade—I am afraid I could believe that very much more easily than that the workers' trade union would ask it; I know some of the jute employers!

6427. *Mr. Bell*: With regard to the application to have a Whitley Council in preference to a Trade Board, of course match-making at present is an industry which is centred—localised?—(Mrs. Cohen) Yes.

6428. Supposing you had a match-making firm started in a place like Brighton, employing a number of girls for whom, perhaps, there is no other employment, and a Whitley Council was in being, and there was no organisation in Brighton; what means would you adopt to obtain the rate that applied in the well-organised centres?—Well, as soon as we knew that a factory was set up in Brighton—our organisation is far-reaching—we should at once set about and concentrate on that factory.

6429. But suppose you did not organise them, and you were helpless through the lack of organisation, how would you obtain the rate agreed upon between yourselves and the employers without the Trade Board?—I think if there was only one factory, and the whole of the employers and the employees were organised throughout the industry, with the exception of that one factory, I should stand a very good chance of organising those workers.

6430. *Mrs. Lyttelton*: May I ask, is your view on the general question that wherever possible it is best to do without the Trade Board, whenever you can get the workers sufficiently organised; or do you think that in any case there should always be a Trade Board, if the industry has ever been under it, even if it becomes well organised? Do you want to work towards doing away with the Trade Board in a well-organised trade which already has it, or do you feel that in any case, however well you organised, you would like the Trade Board to remain?—I should like to be absolutely certain in my own mind that a trade was sufficiently well organised. In the absence of that I think it is absolutely essential to have a Trade Board.

6431. Quite; but if you were satisfied, and in fact perfectly certain in your own mind that the trade, as a trade, was sufficiently well organised to look after itself from the employees' point of view, would you then rather that the trade was under the Trade Board or not?—No, I should prefer that it was under a Whitley Council, if it was well organised; but I should want to be quite sure in my own mind before I let something real slip away. A bird in the hand is worth two in the bush. I would have to be certain in my own mind before I let the Trade Board slip away, because I think that the Trade Board is set up in the first place for the protection of the workers and those who are not able to look after themselves.

6432. *Chairman*: What is your next point; you have some suggestion about administration, I think?—Well, I think first, Mr. Chairman, I should like to mention delays, and as a member of the Waste Reclamation Trade Board, a Board which was set up 15 months ago, I should like to say that that Board has not yet got a fixed rate. Proposals have been put up, lots of proposals have been issued, and there has been considerable delay, and this is no doubt due to the fact that the employers have become very well organised as a result of the setting up of the Trade Board. Previous to the Board being set up we had organisation in various rag shops, but the applications for advances of wages were turned down by the employers on the ground that the Trade Board was being set up for the industry, and that they would wait till the findings of that Board were issued. Consequently the workers were compelled to wait for the Trade Board to be set up, and the trade then got slack. There has been a slackness in trade; I think it is getting a little better now—indeed I am sure it is—but the delay has caused a lot of hardship. The point that I shall make now will, to some extent, answer the question of Mr. Bell. Where the workers are organised, and when proposals were put forward by the Board, advantage was taken of these proposals to reduce the workers' wages, and we had a strike in Bradford at a small rag shop, where the workers absolutely refused to work for the Trade Board rate. They came out on strike because the Board had been used in that instance to reduce the wages that had been got by trade union agreement.

6433. Are they pretty well organised now?—Yes, they are coming into the organisation, but it is a slow process. All the rag-pickers that are organised are really very staunch to the Unions; there is no doubt about that.

6434. *Sir Arthur Pease*: The Trade Board rate is only a minimum rate, it is not a maximum rate?—Exactly; but employers, you see, took advantage of this, and even in their trade journal this strike was reported, but it was not reported as it actually took place. It was even said that it was Messrs. Burrows of Bradford. I had to refer to the Ministry of Labour conciliation officer to get a settlement of this case, simply because we could not come to terms. We got the workers back eventually on the old rates. The strike was against the proposed Trade Board rates. This is before they were fixed, so that what

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would be a minimum rate and an advancement for workers in an obscure part of the country would be a reduction for organised workers.

6435. *Chairman*: Yes, it would be below the rate they were getting, but, as Sir Arthur Pease points out, the employer is not bound to reduce his rates to the Trade Board rates?—Quite; we understand that; so that in the setting up of a Trade Board, as I have instanced in the case of the Tailoring Board, at the beginning there was a lot of trouble. With the Waste Reclamation Trade Board there is also a lot of trouble. We have had some heartburnings on the Waste Reclamation Board. I have heard it said, the Appointed Members have said it was enough to turn their hair white, but there is not an Appointed Member with white hair; but the Chairman has absolutely lost his hair; he has not any. I am not going to say that it was really due to the heartburnings that took place on the Trade Board, but it has been a very difficult Board. My experience of a new Board is that there is a difficult period; but in time we get over that. I have had experience of two new Boards.

6436. What Boards are you on?—I am on the Laundry Trade Board and the Waste Reclamation Trade Board, and the Sugar and Confectionery.

6437. And the Tailoring?—No, I am not on the Tailoring Board.

6438. Only those three?—Those three, that is all.

6439. *Sir Arthur Pease*: You said they broke an agreement; was it an agreement for a specified period with these firms in Bradford?—No, it was the rates that had been got by the organisation.

6440. Did they just reduce the wages or did they give a notice that they were going to reduce?—No, they reduced them. They put up the proposed rates schedule on the wall and said those were the rates that were going to operate.

6441. The workers were legally entitled to the old rates?—Quite.

6442. *Mr. MacCallum Scott*: Did they put the reduced rates in force before they were legally enacted, while they were merely a proposal?—Yes, proposed rates.

6443. They put them in force while they were merely a proposal?—Yes, but I should like to say I was called over to this strike, and I met the Secretary of the Association with the Branch Secretary of the Union, and the curious point of this was that the Association itself had been opposed to the reduction of the rates; but I think that they reduced this one firm first, because the Secretary of the Association, Mr. Turner, told us quite definitely that all the other firms in Bradford would now reduce them.

6444. *Lord Weir*: Would you put it as a general tendency that on the publication of a new minimum rate it tends to bring down the rates all round?—Well, I would not like to go so far as to say all round, because it would depend on the strength of the Unions.

6445. That is, in default of good organisation it would tend to bring them down?—It might.

6446. You have the experience of those three trades?—For instance, if the rates were reduced, if it were got by a Trade Union agreement, naturally the workers would report to the Secretary at once, and we would be there, and we would try by negotiation to get a settlement, and try and prove to an employer who had had no experience of Trade Boards, who perhaps might be under the impression that because it was a legal minimum that therefore it was a maximum rate, that that was not the case.

6447. I just wondered if your Leeds experience was typical of the experience of those three trades, or if it was a kind of isolated case?—Well, I think it would be just an isolated case. I would not like to say, it would not be fair to the employers, and I like to be fair to the employers—

6448. I was rather dealing with the effect of the publication of rates.—I was really speaking of an isolated case.

6449. *Chairman*: Then perhaps we need not dwell on that.—I like to be fair.

6450. *Mr. Bell*: What is your experience. Has the Trade Board rate generally meant a reduction or an advance?—The Trade Board rate has perhaps lifted up unorganised workers, but in the majority of cases the employers have still paid under the agreements with the Trade Unions, which has always been considerably higher than the Trade Board rate.

6451. In your experience as a Trade Union official you will have known instances where agreements between the two Associations have sometimes meant a reduction to one section of the workpeople, although meaning an advance to the industry as a whole?—Yes, unfortunately that is so, but we have always been able to adjust the position, provided the strength of the organisation was sufficient. I do not know of any instances where we have been really let down, and in all the instances I have had come to my knowledge, it is very often on the part of the employer, who really does not quite understand the Trade Board.

6452. In your experience, would you say that the tendency on the part of employers is to regard the minimum fixed by a Trade Board as a standard, rather than a minimum?—Yes, failing organisation.

6453. The tendency of the employer is to regard it as a standard?—I do not know a single instance where an employer pays a higher rate if the workers are unorganised—not one.

6454. *Lord Weir*: That applies to female labour in particular?—Yes, quite. I should like to say a little more, if I am not dwelling too long at this point, about the new Boards. We generally have a difficulty on a new Board. In the first place the 1909 Act was set up for sweated industries, and there is always a tendency on the employers' side to feel that he is brought into something against his will. There is always a minority, of course, who think that it will be a good thing in the end, because the employer knows there will be a minimum rate under which his competitors cannot work, and the friction that takes place between the workers' representatives and the employers is generally on account of this atmosphere which is created in the beginning; but I venture to suggest that in time that all wears down, because there is perfect harmony on some of the Boards. I know members of Boards who speak most highly of the Appointed Members, and the working of the Board as a whole. I would specially like to mention that, because in every instance there has been such a strong campaign against the cumbersome Boards, trade union officials on the Boards with no knowledge of industry—as though we had never done a day's work in our lives, whereas the majority of us have absolutely come up from the very dregs, shall I say, of industry.

6455. *Chairman*: It has not been suggested that the trade union members have not any knowledge of industry; I think we were told that some of them have not a knowledge of the industry to which the Trade Board relates.—But I would like to point out that at our branch meetings we meet workers, we sit and talk to them, and we get to know every detail from those workers; it is the actual truth that they can talk to us and they are terrified of speaking to the employers. I have heard employers say that the workers' representatives are afraid to speak because the trade union officials will not allow them; but that is not the case. They elect the trade union officials to put the case for them, but in the meetings they tell us everything that there is to tell about the industry.

6456. In the side meetings, meetings of the sides?—Yes, and I venture to suggest that there is not a worker who would not give us the fullest details of the industry. Then we are continually negotiating

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with them, and often where the employer recognises the trade union official, we go into the works and we see the various operations.

6457. *Chairman*: What is the next point you would like to deal with?—(*Miss Stewart*): Might I ask here whether we shall be able to come back to the first point, or are we dealing with the first point entirely?

6458. *Chairman*: I think we should like to hear Miss Stewart after Mrs. Cohen has finished on any point which has been heard.—(*Mrs. Cohen*): Through the Press—and I am forced to refer to the Press because we have watched the Press very closely—I have seen the hostile evidence that is submitted by the employers, who say that the unemployment is due to the Trade Boards. I should like to say that, as far as we are concerned as an organisation, we feel that that is absolutely untrue, and we still are not convinced that to return to the old sweated wage rates in industry would cure the evil of unemployment.

6459. I do not think anybody who came before us suggested that; but you would like to deal with the real point, I expect. It was put to us by certain trades, I think the Drapery Trade was one, that if the Trade Board rates are too high it might result in the workers being discharged, and consequently in there being unemployment. What do you say to that?—I do not think so, because we know as an organisation that with regard to all the Trade Board rates that have ever been fixed, there is generally a half-penny an hour, or a farthing, or even sometimes a penny, difference in the various rates that are fixed, and I have never yet had any experience of a high rate being fixed for any branch of industry. I have heard it referred to on the Waste Reclamation Trade Board that the rates we were fixing for the men, 48s. and 53s., were higher than the rates that were paid in certain steel works. In relation to that point the employers did not say that the rates that were operating now which were lower were due to an agreement which had been fixed in the industry on the selling price of the steel bars, and even on the munition rates that were fixed the workers in that industry were having almost £1 a week higher than any other rate that was fixed.

Mr. Bell: But supposing you had a small dressmaker, say, in a small town, who was employing three assistants, and by the operation of the Trade Board rate she was compelled to pay to her assistants, say, 10s. a week more than she had been paying, and then she said: "Well, I cannot afford to pay the 10s. more, so I will discharge the three—"

Chairman: Or one of them.

6460. *Mr. Bell*: Or one of them; would you then contend that the unemployment either of the one or the three was not due to the application of the Trade Board rate?—No, I should not think it was the Trade Board rate at all, because I do not think any industry that cannot pay a living wage ought to be allowed to go on, and if the dressmaker was a second-rate dressmaker in her own work—because it all depends on the head dressmaker—if she was not sufficiently good to encourage a good class of customer, I do not see why workers should be penalised on that account.

6461. *Lord Weir*: Do you disagree that it does take place to a considerable extent—the point which Mr. Bell puts to you?—That might be so, but you cannot consider a small dressmaker employing three persons as against a huge industry employing thousands of workers.

6462. *Chairman*: The point Mr. Bell was putting to you was not the interests of the small dressmaker, but the position of her workers who might be discharged. That is what I think Mr. Bell would like to deal with?—Well, if the workers are competent workers, surely they are entitled to a living wage. We must come back to that.

6463. *Mr. Bell*: Yes; we are not arguing that. The nature of the reply which I rather expected from you would have been some argument to show that it

was not due to the Trade Board rates, but perhaps it was some other reason that had brought about the unemployment of these workpeople?—I think it would illustrate the point if I referred to the case of Hilda Cratley, of 8, Bradshaw Street, Withington, which is on the evidence. This girl was employed at the rate of 7s. 6d. per week, although the Trade Board rate was 22s. 6d.

6464. With your experience, would you be prepared to say that there had been any more unemployment in trades covered by a Trade Board than in trades not covered by a Trade Board?—I should say no, because the unemployment is higher in Yorkshire, where I come from, in the skilled trades—the engineering trade and the textile trades, which are not covered by a Trade Board at all. (*Mrs. Locke*): Might I just enlarge on that point with regard to one particular Board, and that is the Laundry Trade Board. I, as a representative sitting on various Rota Committees in the North of England, find that amongst the hundreds and hundreds of girls who come before the Rota Committees we never have any laundry workers. That is one instance of where the girls have not been unemployed through the Trade Board rate coming into operation.

6465. *Mrs. Lyttelton*: You would be prepared to say, I suppose, that even if it were true that the Trade Board rate meant that the workers would lose work, if the rate was not being paid it would be better that the employment should cease, rather than that they should go on at a rate which was unfair?—(*Mrs. Cohen*): I do. I do not think that the State ought to allow workers to be exploited. As a matter of fact, that is what the original Act was intended to do.

6466. *Chairman*: If I may say so, that does not really meet the point which was made. As I said, I do not think anybody who came before us has been an advocate of sweating wages being allowed. Everybody has assumed that the State ought to, and would, take steps for preventing sweating; but what was said was this: that some Boards—I do not say those to which you belong, but some Boards—have fixed the minimum wage so high, so much above the sweating limit, that the small employer has felt unable to keep on the whole of his staff, and has reduced it in some cases by 50 per cent., and we had a number of figures given to us, especially in the dress-making trade in the South of England, where that had been done. Of course, you would hardly deny that that is possible, but I gather that you say that that is not your experience?—It is not my experience. My experience is this, that when a new rate is fixed by a Board, before ever the rate comes into operation the employers declare that unemployment is created, that their industry is going to be ruined. In every instance they have stated that. The Waste Reclamation Board, the Board of the "Royal Riggers," as we call them in Yorkshire, who have made huge fortunes out of rags, have declared that the trade is going to be ruined, and the Trade Board rate is not yet in operation. That is more my experience.

6467. *Lord Weir*: The reference which the Chairman has made to the dressmaking trade deals, of course, with the bespoke trade rather than the wholesale trade of which you have experience.—Perhaps I think more of the workers in a mass than I do of just an isolated case, such as Mr. Bell has referred to. I think of the machinery which is beneficial to thousands of workers—surely we ought to think for the majority, not for the minority?

6468. *Mr. Bell*: I am not arguing that point at all, but in your experience have you come across cases where even the Trade Union, or a member of the Trade Union, has insisted that a certain wage should be paid, and as a result ultimately that worker has been discharged and has become unemployed, and perhaps someone else has been taken on in place of her, but the result has been that that particular person has become unemployed altogether apart from Trade Boards; that has sometimes happened?—Yes.

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6469. Well, now, if the same thing takes place under the Trade Boards, would you not be prepared to say that it was more the resentment of the employer at having to pay the increased rate than the action of the Trade Board in fixing the rate?—That might be so, because I have already said that the employers in a lot of cases are annoyed at a Trade Board being set up, and they might try that in a case where there is just a small number of workers; but I do not deal with firms where they have just two or three workers, so that my evidence on that point would not be considered satisfactory really as against the large factories that we deal with. I would not like to say anything that would prejudice the case for the people who are actually dealing with the small workers, or the small number of workers.

6470. Apart from the abnormal period through which we have been passing, the abnormal unemployment, would you say that there had been any more unemployment since the operation of the Trade Boards than there was before?—No, I would not like to say that at all, because I have just said that unemployment is worse in Yorkshire in the skilled industries than it is in the unskilled industries.

6471. *Sir Arthur Pease*: I suppose these industries which you represent particularly are dependent really much more on the home trade than the other industries which are dependent on foreign trade; is not that so? The Tailoring Trade, and so on, are dependent on the home industry far more than the weaving and yarns, and so on?—Yes.

6472. The other trades would be more affected by the trade of the rest of the world?—Yes, I think that the trades we represent are more affected by the home industry.

6473. *Lord Weir*: Some of them might be called domestic.—Except the matches, of course. The match industry—the boxmaking, of course, is in a section—is affected with the foreign competition: I should not say to a very large extent, but still there is foreign competition in the match industry.

6474. *Sir Arthur Pease*: And in the Wholesale Tailoring Trade, I suppose?—Well, yes, but not much. I do not think there is anything to be feared in the tailoring, because, after all, Yorkshire is the home of the wholesale clothing trade.

6475. *Lord Weir*: There is one Board to which home competition only would apply, a purely domestic industry—the laundry business. The others are affected, to a certain extent?—Yes.

Sir ARTHUR PEASE here took the Chair.

6476. *Sir Arthur Pease*: Miss Eleanor Stewart, you represent the Workers' Union in Glasgow?—(*Miss Stewart*): Yes. I think that anything I may have to add to what Mrs. Cohen has said will be rather from the general point of view I take in appealing for the retention of Trade Boards. Prior to the Trade Boards being in existence at all we could only hope through the organisation of workers to raise wages in any way, and every time we went to a particular employer, particularly when we paid a second visit, he always referred us to his competitor across the street. The Trade Board, in my opinion, rather takes that argument from the individual or better employer.

6477. Which Trade Board are you speaking of?—I am not speaking for any particular Trade Board; I am speaking really generally for women in various trades.

6478. What is your industry?—Myself, personally, do you mean?

6479. Yes.—I am in the sewing trade; I am a blouse maker in Glasgow; but I am speaking generally of the position when we started to organise women here and there who were a bit further advanced than their fellow workers. I say that if we went to one employer and asked for a better wage that employer could always plead the competition. The Trade Board, in my opinion, forces a bad employer by law to pay a minimum rate, and it is then left

to our organisation to negotiate anything higher than the stipulated minimum rate enforced by law. We are arguing for the retention of Trade Boards in order to protect that position, because it is well enough known that generally speaking, particularly in the women's trades, they were not organised 100 per cent., and it does seem to me that if the Government take away the Trade Boards then we must go back to where we were prior to the introduction of Trade Boards, and that you will always find employers right throughout the country—and I can speak for Scotland—who will take advantage of the Trade Board being taken away, and will pay his workers as little in the form of wages as he possibly can. That, I feel, is the strongest argument I can put forward for the retention of Trade Boards—that it would be a retrograde step, and that, meanwhile, it is advisable to retain the present system of Trade Boards to fix the minimum rate in each industry, at any rate, and anything higher that has to be fixed to leave to organised employers and organised workers to negotiate.

6480. If you organised one man's workmen on one side of the street, do you not organise the workers of the man on the other side of the street, and approach them both together?—We try to organise both, but we may fail in the one case, and we may succeed in the other. We go to the one which we manage to secure and ask him to consider better wages and working conditions inside his shop. We usually succeed in our first visit, but if you make repeated visits across the street—I am using that term, but of course he may be miles away and not actually across the street—he argues what the other man is paying; whereas under the Trade Board you say to him, the minimum rate by the law of the land is so much. We know what every other man should be paying by the law of the land.

6481. I also gather from what you say that you are very strongly in favour of these being minimum rates and not maximum or standard rates?—Yes.

6482. That there ought to be a margin in between for people who want to pay more than that?—Yes.

6483. Some of the Trade Boards, we have been informed, are rather making their standard rates.—That is the tendency, of course.

6484. But you are in favour of having them as minimum rates?—Yes, and leave the rest as a matter for negotiation as organisation develops among the employers as well as the employed.

6485. *Mr. Bell*: But have not the Trade Boards fixed, in many instances, not what you would regard as standard rates, but as minimum rates for different classes of work?—Yes.

6486. So that all they have fixed are minimum rates covering different classes of work?—Yes, that is what, I understand, the Trade Boards up till now have done; they have fixed a minimum rate for certain ages and grades of work, under which rates no employer is supposed to pay.

6487. *Sir Arthur Pease*: I have just one question to ask you with regard to ages and grades of work; we have had it put very strongly that the wages ought to be graded according to experience, not according to age?—Well, in some trades they are according to experience; that you have to be so long in the trade, and after, say, 6 months, 12 months, 18 months and so on, you get a certain rate; that is how it has been fixed.

6488. It has been put to us strongly that supposing a young man or young woman does not begin to learn the trade till a comparatively late age, they cannot get employment at all unless the rate is treated according to experience instead of according to age?—Usually what is done in that case, and I think is settled too in some of the Trade Boards, is that assuming a girl of 18 or 19 or 20 or 21 years of age comes and asks for a job in a shop where wages are regulated by a Trade Board, for a little time that girl has to come in at a lesser rate than the minimum rate for her age, and then after she has been there so long she gets the minimum rate.

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6489. And you agree with that?—I agree with that.
6490. *Mr. Bell*: Would not that be a breach of the rate fixed by the Trade Board?—Not if that clause is in which stipulates that the girl of 19 or 20 without experience is to be treated specially. A clause is inserted in the agreement by the Trade Board that she is to be there 9, or 12, or 18 months before she gets to the minimum rate for her age. Some of the Boards have that in; I think I am correct in saying that that is so.

6491. *Mr. MacCollum Scott*: The Trade Board can provide for that?—Some Trade Boards provide for that.

6492. What is your idea as to what should be the basis of a minimum wage; what should be considered in fixing it?—I would take into consideration what we always endeavour to consider in any wages negotiations. We should take out what is the minimum that will enable a man or a woman to live on in decency so that she can carry her human machine along life and to fix the rates on that. Otherwise I might say that my personal opinion is that if we do not give each human being for his or her labour sufficient to carry themselves along, then we have to do something as a country in another way to carry that particular machine along.

6493. Your view is that in fixing a minimum wage one should have in view the maintenance of a certain standard of living?—Yes.

6494. Would not that be more or less the same in most trades?—Yes, I think I would agree to that, with one proviso, that in some industries it depends on the nature of the work; you may require to put in extras to provide for various things which might be very detrimental to the health of that person.

6495. It has been suggested to us to-day, not suggested as a national minimum, but that certain trades should be grouped together for the purpose of avoiding the multiplicity of Boards, and that being grouped together they should then fix one basic minimum for all these trades, and then everything above that, should be a matter of negotiation?—I think I may say on that point that it has been the experience of many Boards, after they have got their own minimum fixed, with their other conditions, that they have seen that it is necessary to consider various Boards and the adjacent trades with separate Boards and to get some means of bringing them together in order to prevent overlapping. If something can be done in the way of forming a Committee and simply by negotiation joining the whole of them into one with sections off, I think it would be a good thing.

6496. *Sir Arthur Pease*: You could not do that except at the highest minimum wage there is. You could not put one at 1s., one at 1s. 3d., and one at 1s. 6d. without statutory power; you could not join together without taking the 1s. 6d. rate.—I do not know that you could argue that that must be done. I am thinking of a Board which has another four so close to it that they should be together. Each of these Boards already have fixed their own minima. My idea would be, if we felt it was going to be better working with the four of us together, that we should have one Board with sections; each section to negotiate its own job, but jointly, and find out jointly whether they all agreed. I do feel at the moment on general principles that something of that kind is required to be done to make the Boards more useful and to save a lot of trouble.

Sir Arthur Pease: That is just the evidence we had from an employer this morning.

6497. *Mr. Bell*: We are not dealing just now with things as we would like them to be; we have to deal with things as they are. Supposing you have three Trade Boards and you have fixed a minimum, say, for women or for girls.—Yes.

6498. One Board has fixed a rate, let us say, as the Chairman illustrated, of 1s. 6d.; another Board has fixed 1s. 3d., and another Board has fixed 1s. Now, suppose that you bring those three Boards together with the idea of avoiding that variation in the rates that have been fixed, how are you going to level

them?—You mean whether we are going to bring the 1s. 6d. down to 1s. 3d., or the 1s. up to 1s. 3d. I think with a proposition before you like that, that the Board wants to meet as a whole and exchange opinions, and see whether the 1s. 6d. people would be prepared in the interests of the industry to come down to 1s. 4d. and to work it in that way. That is only my opinion, and I may be wrong. I think that a Trade Board Committee might be worked in that way, and as the result of the people representing the 1s., 1s. 3d. and 1s. 6d. rates meeting together they can come to some joint agreement, taking into consideration the job of each and discussing the whole thing inside out. I think that has been done very often by an ordinary trade union agreement.

6499. *Sir Arthur Pease*: I think we fully understand your views on that point, and I think we might go on to the next one.—I think the next thing I have to suggest is this: We are dealing with the question of woman labour, and I think our evidence takes the form in the first place of asking for the retention of the Boards, and, on the other hand, there are certain suggested improvements. I think before I leave the question of the retention of the Boards I do want to put it very strongly, as my opinion, that Trade Boards have assisted employers as well as assisting employees, as well as raising the standard of the work. I think that the Trade Board has assisted the employer with whom the workers want to negotiate, namely, the good employer; and that the man who is always out to exploit workers and does not think of their welfare, a Trade Board is very essential to keep that man in line. I would like to put that as my view very strongly, feeling that if we were to lose that, that is what would happen—that these other men who do not care for anybody but themselves, who are the get-rich-quick people, it does not matter how, will do just as they like. The abolition of the Trade Boards certainly plays into their hands.

With regard to improvements, I should like to plead for an increase in the number of inspectors, as I feel that up to now we have had too few inspectors under the Trade Boards, and that if we had inspectors going into various factories they could do a great deal in the way of convincing employers who are rather against Trade Boards—in my opinion because they do not understand why they were constituted. There may be rates being paid which are not the minimum rates, and the inspector can get that put right quite quickly; it is put right whenever you tell the employer that it is the law of the land.

6500. I gather from you that you think there is a good deal of ignorance amongst the employers as to the rates now, and you think there should be more inspection so as to instruct employers as to what are their obligations. That is what you really mean?—Yes, I do feel that inspectors could be used along those lines, because in my experience as a Trade Union official I have found employers, and when I told them this was the law of the land they said it was not so, and they were only convinced after I had gone and made a charge against them that they were paying less than the minimum rate. Then they were convinced that there was something in the Trade Boards Notice which they had hanging inside their factory. If we had more inspectors we should get closer working, and the employer who does not understand anything that the Trade Board has within its rules would be informed. Our inspectors could certainly do a great deal to educate the employer as to his responsibilities.

6501. *Mr. Bell*: How do you get the information that the employee was getting less than the rate?—One gets that in various ways as a trade union official. We have put it in evidence that the bulk of ours get work at the Employment Exchanges, and we discovered in many cases if we enquired into the girls' wages and what they were working at, and so on, that very often somebody who knows a little about the trade unions and Trade Boards meets a girl and

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says, "What is your wage?" and she replies, "Oh, I have got so much." Then the other girl says, "Well, you come along and see Miss Stewart, and she will see that you get more, because you ought to get more." There are many avenues through which we get this information.

6502. I think you are well aware that to increase the number of inspectors, so as to make the work of inspection as efficient as you would like it to be, would be a very costly business for the country?—Yes.

6503. Have you any other way to suggest rather than an increase in the number of inspectors, in order to make more efficient the carrying out of the rate fixed by the Trade Board?—Well, at the moment I want to say frankly that I do not see any other way unless you have organisation.

6504. *Mr. MacCallum Scott:* Inspectors of other Departments?—Organisation; I mean trade union organisation.

6505. It has been suggested that the inspectors of other departments should be used, the Home Office inspectors, and so on?—You mean the factory inspectors?

6506. Yes.—Very often I use them. I have used them for that, I may say, in Glasgow. I go up and endeavour to give everybody as much work as is possible, and where I fail I endeavour to attach everybody whom I think may succeed, and I may say I have used the factory inspectors in Glasgow.

6507. *Mrs. Lyttelton:* For helping in organisation?—No, but in reporting as to rates—reporting places which I have not organised but where it has been reported to me and where I know as a fact that the employer is not paying the minimum rate. I write my information to the factory inspector in Glasgow and ask her to do what she can along certain lines, and in many cases I have seen good results.

6508. Although the factory inspectors do not deal directly with rates of pay?—Yes.

6509. *Dame Adelaide Anderson:* Is it that the factory inspector is asked to report it to the Ministry of Labour?—I never worry how she does it as long as I get the results. I usually use every channel possible, because everyone in that particular job has an avenue through which he can touch someone else.

6510. Of course all the Government Inspectors are asked to pass on information, and I suppose that will be the way it is done?—Frankly I do not know what their instructions are or the conditions of their job; but so far as I am concerned I simply write to them a note and tell them what is being done, and ask whether they can assist in any way.

Sir Arthur Pease: Does that answer your question, Mr. Bell?

Witness: My point with regard to the cost of inspectors is this. It does seem to me that if we are willing to bear the cost of a Trade Board, and we have come to certain findings, it will pay the country in the end to bear the cost of the extra inspectors.

6511. *Mr. Bell:* But supposing in an industry the workpeople themselves thought they could manage things better than the State, and that they were prepared to appoint and pay somebody to look after this work, and the workpeople's representative was given the authority to see that the people she represented were paid at the legal rate when it was fixed by the Trade Board, and she had the power to prosecute the employer, do you think the workpeople would be prepared to pay for that work being done?—I believe they would, and of course at the moment they do that through their Trade Union organisation, because the Trade Union has the power to prosecute an employer who is not paying the rate; is not that so?

6512. No, I do not think they would claim that right?—You report them, and you are really at the bottom supporting the whole case.

6513. *Sir Arthur Pease:* The workman can be the nominal prosecutor supported by the Trade Union.

The Trade Union as a corporate body cannot prosecute?—You do it on behalf of the worker.

6514. You can support the worker in prosecuting?—Yes.

6515. *Mr. Bell:* Of course the worker has an opportunity of suing the employer so as to make him pay the rate?—Yes.

6516. But, of course, as a Trade Union official you know what that means; you have a very great difficulty in getting the workpeople to do it, because they know that ultimately discharge will follow: because it is only the bad employers, after all, who have to be compelled; the good employers are quite willing to pay the rate?—That is so; and, of course, there may be some better suggestion made; but at the moment I feel that as things are we should increase our inspectors just because of the case of the girl who does it and is spotted out and is not long in that employment—to put it shortly.

6517. *Sir Arthur Pease:* May I sum up what you mean. You think it important to increase the inspectors for two reasons, one of which is to see that the employer performs his duty, and the other is to take steps to find out what wages are actually paid with a view to instituting prosecutions if necessary?—Yes.

6518. *Mr. Bell:* Without increasing the number of inspectors—because I think all of us want to economise as much as we can—do you think it would have any effect with the employers, if it were found they were paying less than the rate, if the penalty was made so high that they would not risk being caught?—Well, one feels inclined in the first flush to say yes, it should be made higher than the 40s.; but at the same time one does remember that during the war, when a man had to pay very much higher than the 40s. for each day that he did not pay the award, a great many employers risked their hand on the job, thinking they would get off where the workers were not organised—that they would never be found out. I think it was something like £5 a day under the Munitions of War Act for every day you did not pay the Award, and I know in Glasgow we have a very large firm where there are proceedings going on in the Law Courts in which the firm was prepared to risk the fine, which I think was £5 a day, and there are something like 3,000 women workers. In the first flush one would say "Yes," but when you see what employers will risk on a question of wages I do not think it would help very much.

6519. Supposing you went so far, say, as the Income Tax authorities do—that you meted them of 3 years back pay and penalty in addition: do you think that would be a deterrent?—I think that would certainly help. If it were said that where they were found out they had to pay every penny right back to the day the girl was employed, and a heavy penalty as well, certainly you would find employers to-day who would look to their laurels.

Sir Arthur Pease: You do not mean that the penalty would go back for 3 years, do you Mr. Bell?

Mr. Bell: No, the award—any arrears of payments should go back for 3 years.

6520. *Sir Arthur Pease:* I understood the Witness to say that the penalty was to be included at so much per day?—No. Then the last point I should like to deal with is with regard to the Appointed Members. I feel that it would considerably help the work of Trade Boards if the men and women who were put on by the Ministry as Appointed Members were men and women who had knowledge of industrial affairs; by that I mean men and women who know factory life. There are certain people now on who do not know factory life, and I feel that a person who knows factory life and understands the many difficulties in that life can more effectively give a proper view of the many speeches that arise before Trade Boards; whereas persons who have no practical experience—they may have it in theory, but I think it is true to say that one finds theory is very nice but it is not so helpful as knowing the practical work.

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6521. But how would you get out of the difficulty of getting people who were not connected with the trade either as employees or employers?—I feel that we could get out of the difficulty, and I would suggest that it would be possible from the employers and the employed to draw up some panel of men for the consideration of the Ministry of Labour, and the Ministry of Labour could see that these people on that panel had some knowledge of practical affairs.

6522. *Mr. Bell*: Why is this practical knowledge so necessary in dealing with the fixing of rates; you are not dealing so much with conditions of trade as fixing rates. Why do you attach so much importance to practical experience?—I think that persons who are chosen as Appointed Members who really do not know much about the life of the worker cannot possibly sit on a Board in deciding any particular question unless they have in their minds a knowledge of the worker's life and the work in the factory to give a sound and considered verdict. All they can do is in a sort of so-far theory side just say, "Oh, yes, that is all right; that is what they should get." I think if you have a practical person the work of the Board will be considerably assisted.

6523. We have been told by witnesses who have appeared before us before that these neutral members of the Board, if I may so call them, have leaned too much to the workers' side, and have been too easily influenced by the arguments of the workers' representatives.—Well, I am afraid that this deputation's argument will be the other way. In coming into contact with all my colleagues who are on Trade Boards, they say that in the end the Appointed Members vote with the employers. That is what I have discovered to be the general opinion.

6524. *Sir Arthur Pease*: I think we gather that you are not quite satisfied with the Appointed Members?—With all due respect, we really are not, and we think that that might be something to be considered by this Committee, as to how we might improve the people who are appointed as Appointed Members.

6525. I must ask you one question arising out of Mr. Bell's question: do you want the Umpire to be associated with that particular trade, the Chairman or the Appointed Members, or only with trade generally?—Trade generally. I do not mean that they should be in every definite trade on the Board; I do not mean that at all. I mean they should have a knowledge of industrial affairs; that is how I use the term. Otherwise I should say they should have a knowledge of the trade of which they are Appointed Members or Chairman.

6526. *(To Miss Quaille)*: Whom do you represent?—*(Miss Quaille)*: I have been a Trade Union official for eleven years, or nearly twelve. I am on the Sugar Confectionery Trade Board and the Toy Trade Board; but before becoming a Trade Union official I was employed in the catering trade, so that I have some knowledge of that particular trade. I am not going to make a long statement, because I can see that you are getting rather uneasy, and I would be much more pleased if you would put up points for me to answer.

6527. We do not want to hear you, but if you can say you agree with what has been said before, that would be sufficient, and then we should like you to address yourself to any particular points which you wish to bring out. If there is anything you disagree with in the previous evidence, perhaps you would mention that?—The Committee know that I do not quite agree with the position of the match industry, because I cannot agree that even a Trade Board would not be necessary in that industry to protect the workers in that particular trade. I am bound to say that, because I think, after all, we are here to argue in favour of Trade Boards. I wish to make that point. I may say in the Sugar Confectionery Trade Board it is very remarkable that the older Trade Boards are in favour of the retention of the Boards. I think your experience will be the same. The Sugar Confectionery Trade

Board as a Board has passed a resolution that they are distinctly in favour of the retention of the Trade Board. Well, that was one of the first Trade Boards that was scheduled, and one of the trades where sweated wages were really being paid.

6528. You mean by the unanimous resolution of both sides?—Yes, and on that particular Trade Board there is a splendid working feeling, very often to the detriment of the Ministry of Labour. We have opinions very often on both sides of the Board which disagree with the Ministry, but it is on account of the difference between our knowledge of the industry and the legal point of view.

6529. *Mr. Bell*: Your knowledge and the Ministry's lack of knowledge?—I would rather say their legal point of view. On the Toy Trade Board you get a new industry entirely, where a new Trade Board has been set up practically only since last October. The first rates were fixed in June this year, and there is a reduction already before the Ministry for signature. That has been a most difficult Trade Board, and in that particular trade we have had statements that employers have been sent out of the trade because of the Trade Board; but, if I may say so, I do not believe those statements, because I do not think it is quite fair even for this Inquiry to be taking place at a time like this, when there is so much unemployment and so many other causes that one might say were affecting trade generally. In this particular trade this was really in the majority of cases a war-time trade, a trade which sprang up during the war. Many of the employers were only employers of mushroom growth, and when the industry became clear to some extent, when foreign competition came about, naturally these people who had only very little experience of the trade began to feel the difficulties, and I think that that really could not be a case that could be taken as having any weight on your judgment at all. The older employers in the trade are very often the better employers.

6530. *Dame Adelaide Anderson*: Are the older employers the most numerous?—No, they are not; they are the minority.

6531. The majority sprang up during the war or since?—During or since the war, yes.

6532. *Sir Arthur Pease*: You would agree, would not you, that if any industry cannot pay a living wage to the workers it would be better that the industry should cease to exist?—Oh, yes. I think that anybody with Trade Union experience feels that you are bound to take up that point of view—to de-casualise the workers. We feel it is better in the interests of the community itself; it is not wise to have a trade over-stocked with people at low rates; it is better to have the number of people required in the trade at better rates. I think that covers the point which was made with regard to the dressmaking trade. We do feel, and I think my Committee agree, that the Trade Boards really are now beginning to touch the very employers whom the Trade Boards were set up for; and we are compelling by means of the Trade Board organisation, and by organisation in the trade, the payment of proper rates. Smaller employers are bound to suffer from organisation in the trade, in this particular way. On the question of delays, I would like to say that in the catering trade you have an example where very low wages are being paid, and where no Trade Board has yet been set up, and agitation has been going on for some years asking for a Trade Board in this direction, and it is very necessary both on the hotel side and on the café side. There are hotels in London, even in a place like London, employing men at 15s. a week, and they have plastered up all round the hotel, "No tips." Of course, they are only money wages; some food must be included.

6533. Do they have lodgings?—No, not in all cases; a great many of them sleep out, though in some cases they sleep in. But where it applies to restaurants and cafés they all sleep out.

6534. Does the 15s. you mentioned as a very low wage apply to a man who has to sleep out and only gets his food indoors?—Yes, that is so.

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6535. *Mr. Bell*: I think you are referring chiefly to women and girls?—The average wagee, I should say, for women and girls would be something like 8s. a week.

6536. *Sir Arthur Pease*: And their food?—And their food.

6537. When you are giving individual instances like this, I think you should be very clear to state what the exact conditions are.—I should say some food. They do not always get the quantity or quality of food one would expect them to get in a place like that. The quality as a rule is very different from the quality which is served to the customers, and, of course, even the workers like good food.

6538. Your point there is that you think it very important to have a Catering Trade Board established as soon as possible?—I do; I think it is very important, particularly from the women's point of view.

6539. *Mr. Bell*: I see you are a representative on the Sugar Confectionery and Food Preserving Trade Board?—Yes.

6540. I suppose you will be aware that in some cafés and restaurants they make chocolates and very often other kinds of sugar confectionery: does that bring them under your Board?—No.

6541. Do you think it ought to?—I may say I have already been on a deputation to the Minister of Labour on the question of the scope of the Sugar Confectionery Trade Board. It is felt that all food trades should be covered by one Board, and then sectionalised, as has been suggested, because the lines of definition and scope are so limited. Sugar confectionery must be made in a factory to come under the Trade Boards Act.

6542. So that if they are not in a factory they can compete with the factories and pay less wages?—That is so.

6543. *Sir Arthur Pease*: The making of cocoa and chocolate is included under the Sugar Confectionery Trade Board.—It is under the Sugar Confectionery Trade Board, but it all depends where it is made. That is how the definition is drawn up.

6544. I did not think that was so?—There is room for many more trades on the Trade Board.

6545. By all the Provision Trades, do you mean grocery businesses, and butchers, and everything; when you say food, do you mean all those should be in one group?—Yes, in one group.

6546. All food trades?—Yes, and then they should be covered by sections. We have some things inside the scope and some things outside the scope of the Board. We had a letter only the other day asking if cocoa beans that had to be washed and sorted on delivery came under the scope. Well, the answer was "Yes, if they are being made in the warehouse or factory of the chocolate and cocoa manufacturer; but if it is being done on the dock-side it is outside the scope." That is my point in regard to scope; the operation must be done on the premises of the manufacturer.

6547. If you are doing that in the docks I do not quite see how you are covered by inspection?—You do not come under the scope.

6548. Are there any other points?—I do not think so. If you wish to ask me any questions, I shall be glad to answer them. Of course we are here to say how much we are in favour of Trade Boards, because we believe they have helped the unorganised worker to an extent, and when you are helping the unorganised worker you cannot help also helping the organised worker. I think everyone will agree to that.

6549. *Mr. Bell*: Nothing has been said, as far as my recollection goes, as to any differentiation in wages. I think you come from Manchester. Would you be in favour of a lower rate being fixed for Manchester than for London?—No.

6550. Would you be in favour of a general rate being fixed for the same class of work all through the country, whether London, Manchester, or a country district?—Yes, because I recognise that it is a national minimum that we are fixing, and we can

only keep to it as a national minimum. Then all the other work has to be done afterwards.

6551. You are aware of the argument that the cost of living is much higher in London than in country districts?—Yes. I am also aware that the minimum rate of wages is not a living rate. You cannot fix a minimum rate from the point of view of the cost of living. I know it has been done, but I disagree with it.

6552. If you were basing the minimum rate on what you considered a reasonable standard of life for the worker, the reasonable standard might be lower in a country district than in London?—Well, experience does not always teach you that. For instance, I have gone into towns on the North Wales Coast where the cost of living has been higher than in Manchester; but still, the employer would argue that villages ought to be on a lower rate than large towns.

6553. You are perhaps referring to holiday times?—No.

6554. *Dame Adelaide Anderson*: Right through the locality—not in hotels or special places?—No, just on the actual cost of stuff being bought on the market.

6555. *Sir Arthur Pease*: That applies to places with seasonal trades—at seaside places, very often, their charges are higher to visitors than to people who are in the district?—I was not thinking of the seaside part; I was thinking of Flintshire, which nobody who had ever been there would think was a holiday place.

6556. *Mrs. Lyttelton*: It is the difficulty of transport and the poor agricultural country, and so on?—Yes, and their not being in touch with towns, which might help to make competition.

6557. *Dame Adelaide Anderson*: I should like to know what you really mean by the minimum wage; it is having regard to the state of the trade rather than the needs of the worker?—I do not think the needs of the workers have ever come under consideration; I think it is only the state of the trade that has been considered first. That is my experience of Trade Boards.

6558. Then in the Sugar Confectionery and Food Preserving Trade have the rates risen very much; I mean is the minimum rate really decidedly higher than it was before?—The rate has just been reduced, on November 24, to women of 18, to 7½d. per hour. It started at something like 3½d. or 3d.

6559. The first minimum fixed was 3½d. or 3d.?

6560. What sort of wage was it before?—I really could not tell you that; I have not the information.

6561. *Sir Arthur Pease*: What was the maximum rate? You say it has just been reduced?—It was 8½d.; it has just been reduced 1d. all round for men and women.

6562. For a week of how many hours?—48.
6563. That is 4s. a week reduction?—Yes. It was 44s. a week, which, after all, was better than our experience. I know in Manchester there were several firms we visited before the Act came into operation, and we found people working for 7s. or 8s. a week or less; but I could not tell you whether that was general.

6564. *Mr. Bell*: The 7½d. per hour now gives 30s. a week for a 48-hour week?—Yes.

6565. *Dame Adelaide Anderson*: And that is not a living wage?—No, I should not think so.

6566. In any part of the country?—I should not think so. We have always our own ideas, and principles, to think of. We have to do the very best for our own people, and judge as to whether what we consider would be a living wage would be giving them something better than they have ever been used to. I do not think the question of a living wage has ever been discussed.

6567. *Mr. Bell*: Living in Manchester, supposing you were under the necessity of securing board and lodgings, what would they charge you?—I do not think you would get it under £1 a week.

6568. Then you would have your own clothes to find in addition?—Yes, and tram fares.

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6569. You would be lucky to get it for £1?—But I do not want to put it too high. You would not get it under £1. But still, I have not much experience of that. I do not think anybody could take anybody in at less than £1 a week.

6570. *Sir Arthur Pease* (to *Mrs. Locke*): You represent the Laundry Trade?—(*Mrs. Locke*): Yes, and I am also on the Toy Trade Board.

6571. Are you a Trade Union official?—Yes, I am a Trade Union official. I feel that the previous speakers have so impressed upon you the great need which there is for retention of the Trade Boards that I shall only add very little in that respect. I shall be as brief as possible. I should just like to state that previous to the Laundry Trade Board being brought into operation, as we went round the country we ascertained that the approximate rate which was being paid for laundry workers was something like 14s. a week—that was the average wage. In many factories, the laundries, which we visited we found that that was the rate that was being paid, and was being paid up till the first minimum rate came into operation under the Trade Board.

6572. At what date?—November, 1919. At that particular time, I think, the cost of living was something like 125 per cent. above pre-war rates, so that you will quite understand, as far as the laundry workers are concerned, without any further evidence, that the Trade Board certainly has been the means of lifting these girls up and putting them on to a higher standard of living than was possible under the conditions previous to their coming into the Trade Board. Then with regard to the Toy Trade Board, I should support Miss Quaile in what she says, because I have visited factories. I will not say that the average wage paid previous to the Trade Board rate was from 9s. to 12s. per week, but I visited factories where they were paying the low rate of 8s., 9s., 10s., 11s. or 12s. per week, and I should imagine that the average rate that was being paid for toy workers would not work out at more than 12s. or 14s. a week previous to the first rate being fixed. The first rate was fixed, if I remember rightly, last June at 34s. a week. You will agree with me that there again the Trade Board certainly lifted women of 18 years up to a much higher standard than they could possibly have arrived at under the ordinary conditions previous to their coming under the Trade Boards Acts. In the Rope, Twine and Net Trade Board I will give one illustration which was given in our written evidence, and that is the case of one of the workers on the workers' side of the Rope, Twine and Net Trade Board. At the second meeting of the Board, I think it was, when we were dealing with the first proposals, this worker brought for our enlightenment and the enlightenment of the Chairman and the Appointed Members a billiard pocket net, and this billiard pocket net she pointed out they could make in, I think she said, 1½ hours at the very quickest they could work at. She was an out-worker, and she got 3d. for the hour and a half, which worked out at 2d. per hour. The very first rate that we fixed on the Rope, Twine and Net Trade Board, or rather the very first rate that was fixed on the Rope, Twine and Net Trade Board for out-workers, lifted those concerned from 2d. an hour up to 7d. an hour. Again, I am sure you will agree that the Trade Boards Acts certainly enabled those girls to get on to a much higher standard than they could previously have done without the Acts. I do not want to repeat what has been said, but we feel that it would be a retrograde step; we women of the National Federation of General Workers certainly feel that it would be a retrograde step if the Boards were abolished, because unscrupulous manufacturers would certainly take advantage of the position, and they would immediately reduce women down to the rates they were being paid previous to the Acts being put into operation. On the other hand, conscientious employers who would willingly pay the wage, through the unscrupulous employers pulling the rates down, which would create more competition, would not be able to sell their goods,

and they would be compelled in the end, in spite of themselves, to reduce the rates of the women workers, the result of which would be that many of these women workers would then have to come under the already overburdened Boards of Guardians for a supplementary rate to the inadequate wages to help them to live, and we feel sure that we do not want any more of that than we have got at the present time.

6573. Are you representing fishing net making as well as other branches?—Fishing nets come in the net trade.

6574. Of which you are a representative on the Board?—No, I am really representing rope, but it comes under the Rope, Twine and Net Trade Board; it is all one Board.

6575. We had considerable evidence of a definite character that a considerable quantity of nets was now coming from other countries which would have been made here except for the Trade Board, and not from countries which the exchange affected; which means, of course, a loss of employment in this country. Have you had the point brought to your notice?—That has not been brought to our notice before the Rope, Twine and Net Trade Board. We have not had anything mentioned with regard to foreign competition—not a very great deal, at any rate.

6576. It is the most definite information, I think, that we have had in all the evidence of large contracts going abroad for nets to foreign countries, and it is almost the only trade where the effect could be traced at all, or could be supposed to be traced, to the Trade Boards. That is why I mention it.—You will agree that that has nothing whatever to do with unemployment caused by the Trade Boards coming into operation—

6577. Well, the employers said it had.—I cannot agree.

6578. *Dame Adelaide Anderson*: As regards the Toy trade, I think the previous witness spoke of its having increased during the war and since the war. Is it now in the same condition; is it flourishing; is there good employment in the Toy trade?—Well, I cannot personally say that there is. The new trades that have sprung up, the mushroom growths to which Miss Quaile referred—a tremendous number of those have closed down, but the old works are going on.

6579. The pre-war firms?—The pre-war firms are quite all right.

6580. They are employing the same number of workers?—I understand so. Of course, we do not get to know these figures definitely. (*Miss Quaile*): We might say there is one firm in Scotland paying 1s. an hour in the Toy trade. They have a special class of trade which their competitors have never been able to capture. (*Mrs. Locke*): I would like to say here that we women were very disappointed at a certain action of the Minister of Labour. We went on a deputation last year to the Minister with regard to the cessation of the Temporary Wages Agreements, and to try and get the Trade Boards applied to the women who were under those temporary wages rates. We were not definitely promised by Dr. Macnamara, but it was suggested by him that the women who became unprotected through the cessation of those rates would be brought under Trade Boards; that a tremendous number of Trade Boards would be formed, and we feel—well, that the Minister of Labour has not quite done what we expected he would do, and many of these girls to-day are left unprotected. They are still not under Trade Boards, and there is a great need for the Trade Boards that were promised to be established.

6581. *Sir Arthur Pease*: Are you alleging that there are really a lot of them being sweated to-day—who have what you would call exceptionally low rates?—Exceptionally low rates. Take the Sack and Bag trade, for instance. I understand there is a firm—I could not give the name, but one of my colleagues has given it in her evidence—which is paying 18s

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[Continued.]

a week, though I should imagine that previously they would have been getting the stabilised rate.

6582. 18s. for women?—18s. for 18 years of age, which is much too small. I know you will agree with that. I should like just to have a word or two on the speeding up, which has been mentioned. I did not intend mentioning it, but I should like to say that with regard to hanging on after the rates are once fixed by a Board, we are held up sometimes, as was the case in the Toy trade, by the Minister. We were held up for some months previous to getting the rate brought into operation after it had been decided by the Board that it should be the rate. The Minister held the thing up for quite a number of months, and we feel we ought to protest against that, and see if something cannot be done to make the rates, once they are fixed by the Board, come into operation as soon as ever it is possible. The same thing appears on the Rope, Twine and Net Trade Board; when the 10½d. rate was to come into operation the thing was held up for months, and then sent back to the Board, and then back to the Minister, and it was not ultimately fixed, if I remember rightly, until someone in the House of Commons took the case up, and then the rate was fixed. Then, particularly with the toy girls, these girls were being paid at these sweated rates all the time these negotiations were going on, and it was a great hardship to the girls, and we feel we want more speeding up in the case of the rates brought into operation after they have been fixed by the Board.

6583. And also you want any modifications which may be made in the rates speeded up too?—Yes, we want the whole thing speeded up. Then in the case of overlapping, which has been mentioned, on the Rope, Twine and Net Trade Board we overlap with the Jute Trade Board, the Flax and Hemp Trade Board, and some other Trade Board, and we find it exceedingly difficult at times for our Board to be fair to the others, and, as Miss Stewart said, we feel that one Board to cover the whole of the kindred industries would solve that problem. Someone mentioned co-ordination committees. Well, on the Rope, Twine and Net Trade Board we have a co-ordination committee which has been in existence for, I should think, as long as the Board has been in operation, and I do not think that that co-ordination committee has ever once been called together. So I feel we want something that is going to be more helpful.

6584. You want a grouping of trades?—Yes.

6585. What group would you put the Laundry Trade in?—By itself; the domestic laundries and all kinds of laundries by themselves. Then on the question of inspectorate, I should also like to endorse what Miss Stewart said, that there is an absolute need for more inspectors. At the present moment we have 33 inspectors for the whole of the Trade Boards, and there are 60 odd Boards, I understand. You will agree with me that 33 inspectors are of very little use. I have a report of the inspector under the Laundry Trade Board for the year ending November 24, 1920, and in that year the inspector or inspectors—I do not know which—paid 2,766 visits. Now, then, if other Trade Boards are similar, and an inspector has to visit that number of times, or anything like that number of times, you will agree with me that it is a physical impossibility for 33 inspectors to do that, because, as I work it out, if one inspector could be supplied to one Board then she or he, as the case may be, would have to visit 9 cases each day to make up that 2,766 cases. On the other hand, as there are only 33 inspectors and nearly double the number of Boards, that inspector would have to serve two Boards, and each would have to put in 18 visits a day to make up that 2,766. So that you quite see that there is great need for the inspectorate to be increased, because so many girls are being done out of their money, perhaps in some cases unintentionally, and sometimes the employers are doing it on purpose.

Then there is the question of scope. That, again, I thought was not to come in, but seeing that it has been mentioned I should like to say that we

feel that there are many questions which ought to come under the question of scope. For instance, last May we went on a deputation from the Laundry Trade Board to the Minister of Labour and asked the Ministry of Labour to bring all these different laundries—hotel laundries and institution—under the scope of the Trade Board, but although we got the promise of the Department to go into the whole matter and, if possible, to bring these different institution laundries and hotel laundries under the scope of the Trade Board, up to the present time there has not been anything done at all. On the question of scope we want something done, and done speedily, because that is only one point out of dozens that could be made which we could have got had we known that we were going to deal with the question of scope. Then on the question of differential rates, we as a Committee belonging to the National Federation of General Workers are entirely opposed to having any differential rates. Take the laundry trade, for instance; we have been compelled to fix rates for Orkney, Shetland and for Cornwall much against our will, but, of course, that was carried in spite of anything that we had to say to the contrary, and we feel that it is not at all good for the trade. We ought to have a national minimum rate for the whole of one particular trade.

6586. On that point of a minimum rate, that is put in for the protection of the worker. If you put the minimum rate low enough to be merely a sustenance wage, or whatever you like to term it, in a country district where the worker lives at home and has not to travel any distance to her work, then you are putting it too low for the London worker who has to live a longer distance from her home and has to pay tram fares and train fares, and so on. If you put it low enough for one, it is no protection at all to the other, is it?—That is a difficulty which we are up against on every Board. We try to fix the rate, if we possibly can, so that it is high enough from the worker's point of view to cover the person who has the highest costs, and in the case of rural workers we find that there are so many other things that are more expensive to rural workers than they are to the town workers that usually the rate which is fixed has to cover the whole lot.

6587. But if you take the general rate of wages which are not under Trade Boards at all, you would not contend, would you, that the general rate of wages was not higher in London than in the country districts?—In trade union agreements, if that is what you are referring to, the higher rates are got in industrial centres because of the higher state of organisation. In the country districts organisation is not quite so high as it is in the industrial districts, as a rule.

6588. But where there is trade union organisation, if you like, the rates in one part of the country are quite different from the rates in other parts?—Yes, but rates which are fixed by trade union agreement are not always the barest level upon which one can live. They ought not to be: if they are, the minimum rate of a Trade Board is a rate which is fixed on the lowest standard.

6589. Looking at it really from the sustenance point of view, you must allow, I think, that it is more expensive to live in London than it is to live in a country district?—From some points of view, but from others it is not.

6590. Mr. Bell: Would you agree that it is also more expensive to manufacture in London than in the country?—Of course, on that point I cannot possibly answer. I do not know anything at all about the cost of manufacture.

6591. You perhaps know nothing about living in London beyond an occasional visit?—Yes, I do. I know a lot about living in London.

6592. But just forming an opinion from what you know of the cost of things in London—rent, rates, and so on—would you be of the opinion that it is more expensive to manufacture in London and that

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the employer has more expense against him than the employer in a country district?—I cannot possibly answer that question. I do not pretend that I can.

6593. *Sir Arthur Pease*: Have you any other points?—As a worker who has been in London a tremendous lot during the last few years, and had to live in London sometimes a week at a stretch, I have found that many things are even cheaper in London than they are in the country districts.

6594. *Dame Adelaide Anderson*: Food?—Yes, food, particularly, is much cheaper than it is in many country districts, and clothing is much cheaper. It is much cheaper in London than it is in Newcastle.

6595. How about lodging?—I have had no experience of lodging.

6596. *Sir Arthur Pease*: I should hardly call Newcastle "country."—I am not calling Newcastle the country, but I was just comparing the prices between Newcastle and London.

6597. *Mr. Bell*: As against that, would you believe me if I told you that at the time when tomatoes in London were 1s. and up to 1s. 4d. a lb. I bought them in Bedfordshire for 4d. a lb. straight out of the green house?—I quite believe you, if you come from Bedford.

6598. That is a country district.—But I have found that when tomatoes have been 6d. a lb. in London they have been 1s. a lb. in Newcastle or in the surrounding districts.

6599. *Sir Arthur Pease*: Have you anything else that you wish to say?—I do not think that there is anything else, unless you would like to ask me anything.

6600. *Dame Adelaide Anderson*: I would like to understand your point with regard to what should be the test of a minimum wage. I mean, the Trade Boards are to fix a minimum wage; what is your view of the principles which apply in arriving at the minimum? Is it the cost of living to the worker, or is it what the trade can bear?—Naturally, as a trade union official and on the workers' side of the Trade Boards, I certainly—this is my own personal view—feel that the rate of living is the most important thing to base the rate upon—the standard of life for the worker.

6601. And at the same time you think it should be a fixed national minimum?—Yes, by all means with Trade Boards—not differential rates. I am opposed

(The Witnesses withdrew.)

(Adjourned to to-morrow morning at 11 o'clock.)

FIFTEENTH DAY.

Thursday, 15th December, 1921.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE, G.C.M.G. (Chairman).

THE RIGHT HON. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

MR. J. BELL, M.P.

THE HON. MRS. ALFRED LYTTELTON, D.B.E.

SIR ARTHUR F. PEASE, BART.

MR. A. PUGH.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (Secretary).

Mr. S. W. PASOALL, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

When the Sugar Confectionery and Food Preserving Trade Board was first proposed, a deputation saw Mr., now Lord, Buxton, to protest against the board being described as sweated. That was the main objection, and it was met by Lord Buxton promising that in the House of Commons he would avoid the obnoxious word.

to them personally, and I think my Committee is opposed to them, too.

6602. So that in some places the minimum might be really a standard; it might be more than was absolutely necessary?—It might be in the case of unorganized workers in all trades, but in the case of organized workers we certainly always have above the Trade Board rates, and we have no difficulty in getting it.

Dame Adelaide Anderson: The object of my question is to clear the ground, as you understand.

6603. *Mr. Bell*: Supposing you were fixing a minimum, as you say, on the cost of living?—On the standard of life for the worker.

6604. The same standard of life then would apply to women, no matter in which industry they worked, so that you would ultimately arrive, would you not, at exactly the same minimum for women and girls—and men too, for that matter—no matter in which industry they were engaged? Would not that take you to a national minimum rate?—Yes, if you could get that national minimum high enough, but only on those conditions.

6605. You would say that it was high enough if it were fixed on a reasonable standard of life?—Yes, a reasonable standard of life; and I contend that at the present moment these Trade Board rates, good as they are and with all the good that they have done, are not sufficiently high to allow anyone to live at a high standard at all, or at anything like the standard at which they ought to live at the present time and with the present cost of living.

6606. *Sir Arthur Pease*: We are much obliged to you.—(Mrs. Simm): On behalf of my Committee I should like to thank you for the very kind hearing you have given us. I hope that we have not been very boring. It must be rather a trying subject, and we sympathize with the job which the Committee has. As soon as we heard that there was to be an enquiry we felt that we should like to come and put forward our plea, at any rate for the unorganized women workers especially, and to the best of our ability, with our limitations, we have done so this afternoon, and thank you very much for your kindly hearing.

Sir Arthur Pease: I wish to thank you for the assistance which you have given to the Committee in considering this very difficult problem.

In our case there was the fullest possible consultation with the trade—at all events, the Employers' section, which is all I am entitled to speak for—before setting up a Trade Board. The lack of this consultation before setting up Trade Boards under the new Act has been a fruitful source of trouble.

The Sugar Confectionery Trade Board started with a minimum wage of 3d. for women and 6d. for men, and the report of the Board of Trade Inquiry into

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[Continued.]

Earnings and Hours of Labour, published in 1909, shows that about one-third of the women employed in factories and workshops received less than 10s. a week. In our trade it was slightly better.

Some employers, of course, thought the heavens were going to fall, but they have found it possible to pay the higher wages since fixed and to pay their own way.

The total advance was from 3d. to 8½d. and from 6d. to 1s. 2½d. Unlike under some newer Boards wages were not fixed too high to begin with. They were increased as the war went on and the cost of living went up. Now, last month, they have been reduced by 1d. an hour both for men and women.

We had the advantage of a Trade Board being established at a time when prices were going up and rates of wages were bound to follow them. I believe that part of the recent outcry against Trade Boards has arisen from their being set up at a time when prices were beginning to fall and trade was becoming stagnant.

The Food Manufacturers' Federation as a whole undoubtedly favours the Trade Board system with certain reservations. As to that, I understand, all the employers affected by the older Boards are agreed. It has reduced sweating to a minimum—it would have completely destroyed it had it been possible to secure rates being paid by all the small manufacturers—it has not only benefited the workers in this respect, but also the manufacturers by removing one source of unfair competition and by improving factory management rendered necessary by the obligation to pay increased wages. It has led to better relations between employers and employees, and induced both sides to become more thoroughly organised.

The Board has undoubtedly had a steady influence and has added an element of certainty by the prevention of unfair competition by employers paying an unduly low rate of wages.

One witness stated that he had no experience of Trade Boards, perhaps that is true of more than one, and he added that he was under the beneficent sway of the Trade Unions.

Before the Trade Boards Act was passed, Sir Charles Dilke recognised as an objection to any large scheme of conciliation, as it was then called, for all traders that it would interfere with the activities of the great Trade Unions whose power he did so much to foster.

Our Board has always recognised the intention of the older Act and has acted accordingly, that the wages it fixes should be minimum, not standard rates. That being so, the Trade Unions concerned were not satisfied and brought pressure to bear on the larger firms who in their opinion could afford to—and many of them did—pay more. This led to the formation of an Interim Industrial Reconstruction Committee, to all intents and purposes a Whitley Council.

Government Departments, indeed, "recognise" officially the Trade Board rather than the I.L.R.C., but that is of no importance in our case where the sides are much the same. In any case I regard this official recognition of Trade Boards as a farce as they meet so infrequently, and in this respect the Act of 1918 is of no value.

Speaking for myself, and for those who voluntarily support the I.L.R.C., I prefer the I.L.R.C. system to the Trade Board system inasmuch as the parties meet with less formality, without the presence of appointed Members, and with powers of acting experimentally and promptly. Elasticity of method and promptness of action are most vital in industrial affairs.

But in our trade there is still need for both bodies as only legal compulsion will meet the case of the majority of small firms, especially those who do not belong to the Federation, much less to its Industrial Section which runs the I.L.R.C. and the time may not be ripe for the I.L.R.C. with fewer than 100 members, important though they be, to have compulsory powers.

I may add that there is a desire felt by many Joint Industrial Councils that for their most successful work they must have, under proper safeguards, compulsory powers.

When Appointed Members are appointed, the trade should be first consulted. This is done in regard to Government nominees on other bodies.

I personally do not attach much importance to the request that the Trade Boards should be transferred from the Ministry of Labour to the Board of Trade, for I assume that the same officials would do the work though under different chiefs, and wages are primarily a labour and not a trade matter.

But the opinion is universal that the Ministry of Labour arrogates too much to itself in regard to scope, of which the Board is the better judge.

There is one obvious remedy. The difficulties as to scope arise largely from definitions, none of which is thoroughly satisfactory. The proper course is not to include this or that, but to have a general broad definition and to provide by exclusion, i.e., in our case the manufacture of food generally except, say, sugar refining, flour milling, &c. In the main, large Boards are preferable to small ones. They tend to prevent varying rates in the same factory, which is always a cause of friction. There are a great number of enquiries concerning the scope and interpretation of the Trade Board orders. As a result of the report of the Committee set up last year by the Minister, a more satisfactory method of dealing with this has now been adopted. The opinion of those engaged in the trade is always of more value than a legal opinion on a question of fact or trade custom. It is in these instances also that the opinion of the representatives on the workpeople's side is invaluable.

Where there is overlapping of Trade Boards, the Trade Boards themselves should be invited to confer in order to de-limit boundaries. Reference should only be made to the Ministry of Labour in the event of failure to agree.

I referred to the superiority of the I.L.R.C. in prompt action. The Trade Board takes about four months before a variation becomes operative. This is unnecessarily long, though when the original Act was passed it was advisable to make haste slowly. In this respect the employers are at an infinitely greater advantage when rates are going down than are workpeople when rates are going up. In any case an agreed reduction upon which both sides are at one should come into force forthwith.

Another point, minor but not unimportant, is that when a Board has fixed new rates, say on December 1, they should become effective automatically on January 1, unless in the meantime the Minister had objected to ratify the change. This would remove uncertainty, which causes unrest, and would involve no change in the Act, but merely in proceedings under it.

There is one objection raised to Trade Boards wherein we have had some experience, namely, the presence of Trade Union officials. The proportion of these should not be excessive, but some are necessary for the majority of the workers, whose work and outlook are limited, is apt to be inarticulate and at a disadvantage compared with the employers.

Our Board is one of five which has established District Trade Committees, so that no rates of wages can become operative in any area covered by the District Trade Committee until the District Trade Committee have either recommended such rates or have been afforded an opportunity to make recommendations to the Trade Board on the proposed rates and such recommendations have been considered by the Trade Board. Moreover, a District Trade Committee once established cannot be dissolved until the Board itself is dissolved.

In the past it has frequently occurred that the members of the District Trade Committee have been called long distances, involving a night's absence from home, to attend meetings, the duration of which have not exceeded 30 minutes and in some cases five minutes. Many feel that the expense involved in such meetings is not justifiable, and they therefore desire that the Trade Boards Acts should be amended so as to allow them discretionary powers in referring Notices of Proposals to the District Trade Committees.

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[Continued.]

The only practical advantage of these District Trade Committees is that they bring local employers and workers together, and they act to some extent as a safety valve.

I am going to make certain suggestions:—

1. That Trade Boards should be applied to trades—
 - (a) coming under the 1909 Act definition;
 - (b) where both employers and workpeople by a majority agree in their readiness to have a Trade Board. They should always first be given the opportunity of forming a Joint Industrial Council if they are sufficiently organised. That procedure should include something more like the old statutory enquiry rather than the provisional order of the 1918 Act.

2. I would differentiate between a minimum rate and skilled rates. The minimum rate for the lowest paid class of labour should be the only one fixed by the present method of voting, and should be the only one with which inspectors should concern themselves. Skilled rates should be fixed only by joint agreement between both sides, the Appointed Members not voting, but should be compulsory and enforceable through the Courts. This would simplify and lighten the work of inspection to a very great degree.

3. I think legal advice should be at the service of the Trade Board at the earliest stage of proposal. Very frequently what the Trade Board requires to do can be done in a different form of words, and legal advice at the beginning would often obviate a great deal of delay and friction later on.

4. In any purely technical matter or one where a custom of the trade is involved, the Trade Board decision should be final.

5. I would prefer that the appeal which now lies with the Minister of Labour should be with some non-political authority. I would like to emphasise the importance of a Trade Board being granted the right of voting by sides if it desires it.

Finally, I would emphasise very strongly the desire that the Trade Board should be more self-governing, and the procedure as free as possible. It was, I believe, very largely owing to it being left to the earlier Boards to make their own decisions and be masters of their own house, that the success of the 1909 Act was due. One of the respects in which the 1918 Act should be altered by the restoration of the 1909 Act practices should be in the substitution of greater powers for the Trade Board itself and the removal, as far as possible, of Governmental control.

May I say that I am expressing my own views in this evidence and not necessarily those of any of the Boards which are connected with the Consultative Committee. I only am responsible for any evidence I may give here.

Note.—It is to be noted that the Irish Board automatically fixes its rates lower than those fixed by the Board in Great Britain.

APPENDIX.

Memorandum re Trade Boards Employers' (Consultative) Council.

That Mr. Sydney W. Pascall, the Chairman of the Council, who has been requested by the Food Manufacturers' Federation to give evidence before the Committee of Enquiry on behalf of that Federation, be authorised to communicate to the Committee of Enquiry the following statement as being facts within his personal knowledge, namely:—

- (a) That he is Chairman of the Trade Boards (Employers') Consultative Council which has existed since 1919 in order to afford a common centre for the interchange of views between the Employers' Sides of Trade Boards on subjects of general interest to these Employers' Sides.

- (b) That the Consultative Council on 15th October issued a Questionnaire, relative to the working and effects of the Trade

Boards Acts, to the Employers' Sides of 42 Trade Boards operating in Great Britain, or in England and Wales, or in Scotland only, but excluding the Trade Boards operating in Ireland only. That replies to that Questionnaire were received from the Employers' Sides of 34 of these 42 Trade Boards, and that these replies have been submitted to and considered at a Special Meeting of the Employers' Sides of the 34 Trade Boards referred to.

- (c) That it was decided at that Special Meeting that the Consultative Council should advise the Employers' Sides of each of the 34 Trade Boards to give evidence on their own behalf direct before the Committee of Enquiry.

- (d) That it was further decided at that Special Meeting that no evidence should be submitted to the Minister of Labour's Committee of Enquiry by or on behalf of the Consultative Council, but that he (Mr. Pascall) he authorised to communicate the following statement to the Committee of Enquiry as being within his personal knowledge, a summary approved by the Special Meeting as representing the general impressions which emerge from a consideration of the replies of the 34 Employers' Sides to the Questionnaire:—

1. Dealing with the main question of the principles of a Trade Board system, it would appear that the preponderating opinion favours the continuance of some system which will provide for the regulation of wages enforceable by Statute on all employers in the trade concerned. It is generally recognised in the replies that the rates of wages fixed under the existing Trade Board system are "standard" rather than "minimum" rates, and a considerable body of opinion favours the view that the wage fixed should in future be confined to a purely minimum rate for the trade concerned. Very few replies have suggested how the word minimum should be defined, but, so far as dealt with, the suggestion is that it should be a rate which would be relative to the lowest class of labour in the least well-equipped factory in the trade concerned.

2. With regard to the administrative machinery, there is general dissatisfaction with its present condition. The preponderating view is that the administration of Trade Boards was more satisfactory when under the Board of Trade, and that the administration should be re-transferred from the Ministry of Labour back to the Board of Trade.

3. There is also a general consensus of opinion that the rates fixed by the Board should take effect with much less delay and that where a rate has actually been agreed by the two Sides of the Board it should take effect immediately without having to wait for the sanction of the Minister of Labour. It is upon this point that the replies approach nearest to unanimity.

4. There is also a widely expressed opinion that the Boards should be more self-governing, for example, in settling the definition of the jurisdiction of the Board and what falls under that definition, and also in instituting and carrying through prosecutions for non-payment of the rates. It is fairly common ground that the present system of inspection and prosecutions by the Ministry of Labour is inefficient.

5. With regard to the composition of the Boards, there is a fairly widespread expression of view that the Workers'

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Sides comprise too many Trade Union leaders, and that only a certain proportion of these leaders should be allowed to sit on the Board, and that the remainder of the Workers' Side should be workers actually at the trade.

6. With regard to the Appointed Members, it is generally recognised in the replies that a Chairman is necessary, and in that connection some replies suggest that he should be a whole-time official. With regard to the other Appointed Members, opinion is divided as to whether or not these are necessary, and there is some dissatisfaction with the present method of their selection and a certain degree of opinion that the Board should be consulted in the appointment of these Members, and should have the right of veto.

7. On the question of voting, there is a strong body of opinion, to which only a few replies dissent, that there should be a right of side-voting on the requisition of either side of the Board, and also that the Appointed Members when they vote should vote individually and that their individual votes should be recorded.

8. On the subject of District Committees, the replies show that few of these have ever existed, and it would appear that the difficulties of creating and working them account for their playing so small a part in the Trade Board system.

9. Several replies refer to the difficulties attending the fact that businesses are sometimes governed by more than one Trade Board involving different rates for the same operation or worker, and there is a suggestion put forward that this difficulty should be met by confining the fixing of rates to one minimum rate only per class of worker, irrespective of the process in which that worker may be engaged.

(e) That Mr. Pascall shall make it clear to the Committee of Inquiry that any statements made by him other than the foregoing are to be regarded as his own personal views.

6607. *Chairman*: You are an original member of the Sugar Confectionery and Food Preserving Trade Board, which was established in 1914 under the Act of 1909?—Yes.

6608. You were from the first a member of the Scope or Administrative Committee, and of the London District Trade Committee of that Board?—Yes.

6609. You were Chairman of the Employers' Side of the Committee appointed by the Minister of Labour last year; and you are still Chairman of the Trade Boards Employers' (Consultative) Council?—Yes.

6610. You are also Chairman of the Interim Industrial Reconstruction Committee, covering four of the trades within the scope of the Board, and you represented the Food Trades on the Committee of the National Industrial Conference?—That is so.

6611. So that you have had considerable experience of matters connected with Trade Boards?—Yes.

6612. I think when the Sugar Confectionery and Food Preserving Trade Board was first proposed a deputation saw Mr. Buxton, who was then at the Board of Trade, to protest against the trades being described as sweated, and I think it was partly in consideration of that representation that the word "sweated" does not appear in the Statute?—Yes.

6613. In the case of the Confectionery Trades there was consultation with the trade—at all events with the employers' section—before the Board was set up?—That is so.

6614. Your Board started with a minimum wage of 3d. per hour for women and 6d. per hour for men?—Yes.

6615. I think that before the Board started the wages in some cases were very low?—In a certain fringe of the industry.

6616. The wages have from time to time advanced from the 3d. and 6d. per hour until they are now 8½d. per hour for women and 1s. 2½d. per hour for men?—That is so.

6617. They have lately been reduced by an Order of the Board by 1d. per hour?—Yes.

6618. You say, very truly, that your Board was established at a time when prices were rising, and the rates of wages were bound to follow.—Quite so.

6619. You trace part of the recent outcry against Trade Boards to the fact that they were set up when prices were beginning to fall, and trade was becoming stagnant?—That is so.

6620. I think you have come here to represent the Food Manufacturers' Federation, which is an organisation of manufacturers of food with practical experience of Trade Boards?—Yes.

6621. What is the view of that Federation as to the Trade Board system?—The Food Manufacturers' Federation as a whole undoubtedly favours the Trade Board system, with certain reservations. They desire to see certain amendments.

6622. Your experience is mainly, or perhaps wholly, of Boards established under the Act of 1909?—Our Board was set up under the Act of 1909, yes.

6623. The operations of that Board have been of benefit to the workers?—Unquestionably, and to the trade as a whole.

6624. And, I suppose, to the employers, by removing unfair competition?—Removing unfair competition, and removing an element of uncertainty.

6625. And it also led to better relations between the employers and the employed?—I think in the main, yes, though the relations were usually very fair previously to that.

6626. In fixing the wages, has the Board with which you are connected endeavoured to fix a minimum wage?—Solely.

6627. How have you been in the habit of ascertaining a minimum wage—by what standard?—The method is, of course, largely, that the employers put forward the state of the trade, and the workpeople's representatives put forward the cost of living, and, of course, their view of the state of the trade, and by argument and persuasion we eventually arrive at what seems to be a fair figure, having regard to those two main factors something that is fair, or as fair as possible, to the workmen or the workwomen, without bearing too heavily upon the smaller country trader who, after all, is the man who is least able to pay the higher rate of wage.

6628. You endeavour to fix the rate which that man can pay?—Yes.

6629. And I suppose that in the more favoured districts higher wages are in fact paid than those minimum wages fixed by the Board?—In the more favoured districts the Interim Industrial Reconstruction Committee comes into play. The trade unions, of course, were not content with the lower rate of wage which was possibly suitable to the country district or the smaller town, where the cost of living was low and the cost of labour also was low in competing industries, and they desired that the other factories which perhaps could afford it should pay a higher rate of wage.

6630. The Interim Industrial Reconstruction Committee is in fact, I suppose, in the nature of a Whitley Council?—It is a sort of Whitley Council—a half-fledged Whitley Council. We cannot have a full Whitley Council, because the labour section is not completely organised.

6631. How was the Committee formed?—It was formed from the employers' federation and from all the trade unions that we could get together. They have not got the trade fully organised. We only recognise trade unions in the matter, and the people who are not organised benefit, of course, by the work of the trade unions and the Interim Industrial Reconstruction Committee generally.

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6632. Are some of the members of the Trade Board also members of that Committee?—Yes, they are very largely the same. I am a member of both, and several of us are members of both; Mr. Seeborn Rowntree is a member of both, and quite a number of others; and the same applies to the labour side.

6633. Do you find that the two can work side by side?—Not very easily. There are always difficulties; but it is the line of least resistance. We had either to have this Joint Committee or to have individual arrangements between each individual firm and the trade union, and that, of course, was very inconvenient, because it led to all sorts of difficulties and misunderstandings up and down the country.

In London, perhaps, we should have statements made as to what was happening in York, and in York they would be faced with something which was happening in Bristol, and so on, so that it became much more convenient that we should get together on a Joint Committee with the trade union members and make our arrangements jointly.

6634. Has the organisation grown since that Committee was set up?—I think so; not so much as perhaps it ought to have, but it has grown.

6635. Is there any union of workers in your trade, or are there other unions which take them in?—There is no union of workers in our trade. That is one of our difficulties. I am always telling my trade union friends that it would be very much simpler if we could meet with a union which was concerned solely with our trade, but unfortunately the members of our trade belong to different unskilled labourers' unions, the Workers' Union, and so on.

6636. *Lord Weir*: Would you agree that an efficient Trade Board is a satisfactory instrument for fixing minimum rates, and that a Whitley Council is a more satisfactory instrument for the regulation of wages over the minimum?—Yes, I think that would be entirely my view.

6637. *Chairman*: I suppose the Reconstruction Committee acts rather more quickly than the Trade Board?—That is one of its great advantages—that we can act very promptly, and are not hampered by any Act of Parliament. We make our own rules and alter our own rules by joint consent.

6638. And your decisions take effect more quickly than the decisions of the Trade Board?—Yes.

6639. *Lord Weir*: Is that particularly advantageous at present, when economic adjustment has to be made rapidly?—I think it applies both when wages are going down and when wages are going up. Perhaps it is a little more acutely felt now, because when wages are going down, if there is a legal obligation to pay a wage, you cannot, of course, have any voluntary arrangement to pay a lower rate for any particular purpose, whereas when wages are going up you can always have a voluntary arrangement to pay higher than the legal rate for a particular purpose.

6640. *Mr. Bell*: Can you give us any reason why you say an Industrial Council is better than the Trade Board for the regulation of wages?—I prefer the system. One thing is that we have the matter in our own hands; we do not have to depend upon the votes of outside Appointed Members, against whom, as a whole, I have no complaint whatever, but it is better, I think, that the matter should be in the hands of the people who are actually concerned with the trade itself.

6641. You are aware that the great difference is, of course, that with a Trade Board the rate becomes compulsory, and under the Whitley Council it is voluntary?—Yes.

6642. Taking your own trade, and the statement which you have just made that the workpeople are not efficiently organised—perhaps in some places like York, or Bournville, or Bristol they may be, but in other parts of the country not—supposing you had a Whitley Council and you came to the decision that the rate of wages should be so much, what guarantee would you have that the unorganised workpeople would be paid that rate of wages?—None at all.

6643. Would it not lead to unfair competition unless it were paid?—I think it would.

6644. Would you agree, then, that a compulsory rate is preferable to a voluntary one?—We want compulsory powers in many of the Whitley Councils. That is one of the things for which some of the Whitley Councils are most anxious. We have an Association of Whitley Councils, and we have passed a resolution on several occasions that Whitley Councils which desire the power should be enabled, under certain proper safeguards, to obtain compulsory powers for the enforcement of a rate.

6645. Are decisions of Whitley Councils generally unanimous, or are they decided by a majority?—All our decisions in our own particular case have been without a vote. Sometimes I have been the chairman, sometimes Mr. Bevin has been the chairman; we take year about: the employers take the chair one year, and the trade unions the next year.

6646. Do the Whitley Councils that you know of desire to have their rates made compulsory, even when they are not carried by general agreement?—I think a majority of the Whitley Councils want compulsory powers, but some are very averse to having them. There is a difference of opinion, but there is a general feeling that where they do want them they should be permitted to have them, under proper safeguards.

6647. Even although the rate has been carried by a majority vote?—I think so, provided there were a sufficient majority.

6648. *Lord Weir*: That difference of opinion is naturally associated with the degree of organisation, that is to say, where you have an unorganised trade the view would be that the agreed rate should be compulsory, but where you have a well-organised trade it does not matter so much?—No; I think that is probably correct.

6649. *Chairman*: You say something about Appointed Members. You think that in their appointment the trade should be consulted?—Yes.

6650. How many members are there on your Board?—We have three Appointed Members and 44 unrepresentative members, half each side.

6651. What do you say as between having three Appointed Members and having only an Appointed Chairman? Which do you think is the better system? We have had a suggestion that the Chairman only should be appointed, but that there should be some power, either for him or for the Board, to call in assessors with special experience when it is desired, those assessors, of course, not having a vote as the additional Appointed Members now have. Have you considered that?—It is really very difficult to say. One's opinion on a point like that would be so much coloured by one's own experience. If we had absolutely the right man as Chairman every time I think perhaps it would act well. On the other hand, if either side felt sometimes that the Chairman was leaning a little bit too much to the other side, it would be quite useful to have others who might perhaps redress the balance. I will not say that they actually do it, but one has that feeling sometimes.

6652. *Mr. Bell*: Supposing that, in the first place, with your Trade Board, the representatives of the employers and of the employed were first called together without the presence of the Appointed Members, but with a Chairman who was neutral?—Without a vote?

6653. Yes, without a vote—and that the Appointed Members were only drawn in in case of disagreement between the two sides, do you not think that there is a possibility that in many cases there would be agreement between the representatives of employers and employed?—I think if you were to do that it would be a terrible disadvantage to have the Appointed Members coming in later on, because they would have the disadvantage of having to exercise their powers without having listened to the discussion.

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6654. You would have to start all over again, naturally?—Would not that be rather a cumbersome proceeding, and rather a costly one?

6655. It might be, but are you not of opinion that in the first place it would be an advantage to give the representatives of the two sides an opportunity of coming to an agreement?—It is infinitely better if it can be done. Wherever it can be done without the intervention of an outside body, I think it is very much better.

6656. *Sir Arthur Pease*: That is what is done chiefly in the organised trades, is it not?—Yes, that is what is done in our Whitley Council—in our own Interim Industrial Reconstruction Committee.

6657. The two sides first try to come to an agreement, and the *Umpire* or outside Chairman is only called in after they have disagreed?—Yes. Both sides take it in turns, as I explained just now, to provide the Chairman. We never have had to call in an outside *Umpire*; we have preferred to come to an agreement. We should call in help from outside in cases when we really could not come to an agreement.

6658. Do you not think that the discussions are much freer and more open when you have not a man sitting there who is ultimately going to decide in case of disagreement?—I think they are much more genuine. I think you are much more likely to express the real feeling which you have, rather than perhaps to put forward a case which you think would impress the Chairman or the Appointed Members. All the while at the Trade Board you are trying to impress the Chairman or the Appointed Members. That is the object, I will not say of every speaker, but of the leading speakers on both sides, anyhow; because sometimes other speakers are not quite so careful. At a Whitley Council anything that you say, if it is not absolutely sound from the trade point of view, is seen through at once; everybody there has experience in the trade, or has close connection with it.

6659. What you said just now you thought was cumbersome was really the practice in both the Whitley Councils and in the organised trades as a rule?—I think in most Whitley Councils they do not have any outside Chairman. On most Whitley Councils the chair is taken alternately by one member from the employers' side and one member from the trade union side.

6660. Then he has not a casting vote?—I think a good deal there depends upon the organisation of the side. Generally speaking, Whitley Councils, I think, vote by sides; that is to say the employers' vote counts as one, and the workpeople's vote counts as one, but of course Whitley Councils vary tremendously in their organisation. Some Whitley Councils have nothing whatever to do with wage settlements except as a final Court of Appeal. In the Potteries they have their Conciliation Board, and the Whitley Council only comes in when the Conciliation Board cannot agree. It is a sort of Court of Appeal. In other cases practically the whole of the time of the Whitley Council is taken up with wage settlements, and it does hardly anything else, so that there is very considerable variation in practice, but I think, generally speaking, it is all done on Whitley Councils by the representatives of the trade themselves, and not by calling in outside help unless they refer it to conciliation or arbitration.

6661. May I put it in this way, that although it is more cumbersome not to have your independent Chairman or Appointed Member present, there are very great advantages in having full and free mutual discussion beforehand, without him?—Certainly. I did not say that it was more cumbersome to have the discussion without a neutral Chairman; my point was that if you first of all had your discussion with a neutral Chairman, and then you set about having another discussion with the Appointed Members, it was rather cumbersome—if you are going to have any outsider in at all. I think you might do it by way of discussion, and I infinitely prefer that the first

discussion should be without anybody at all, whether Appointed Member or neutral Chairman, or anybody of that kind, but simply amongst the members of the trade themselves. I do not think they want any outsider; but if you are going to have discussion with an outsider of any kind, whether an Appointed Member or a neutral Chairman, I think that might be one discussion, and not two. That was what I used the word cumbersome about.

6662. *Mr. Bell*: You are aware that in the well organised trades, although they may discuss the matter without either a neutral Chairman or anybody else in the beginning, they may ultimately have to resort either to arbitration, or to the presence of a neutral Chairman who is endeavouring to bring about agreement?—Yes.

6663. Would the method which I suggested under the Trade Board be more cumbersome than that, which applies to well organised industry?—Yes, it seems to me that the method which you suggest would really be three steps, whereas in well organised trades you have two; the first step being you outsider at all, and the second step being an outsider present. In the case of the Trade Board I suggest that if you are to have two steps, the first should be no outsider present at all.

6664. The cumbersomeness of the method would only apply failing agreement. Had you not better have a cumbersome method than a dispute, if you can possibly avoid the dispute?—Certainly. Anything is better than a dispute.

6665. And if you have no provision, failing agreement, for anything else but a dispute?—I think I should agree with what was said; the only thing is that I do not see the necessity for having a neutral Chairman present at the first meeting. I think you had infinitely better have the first meeting without anybody present other than the parties to the discussion, and the second meeting to be whichever you prefer; either a neutral Chairman or the Appointed Members.

6666. Going back to the Trade Board, in your experience is there an impression on both sides, employers and workpeople, that after all the position is in the hands of the Appointed Members?—Yes, I think so.

6667. Is there a tendency then, on the part of both sides, perhaps to state an extreme case?—I think that would be human nature, would it not?

6668. I am trying to get at the facts?—I should imagine that that probably would be the tendency.

6669. So that the very presence of the Appointed Members would tend, in those circumstances, rather to bringing about a disagreement than agreement in the discussion itself, both sides having started off from an extreme position?—I think you are probably correct. I think, generally speaking, the average employer would rather come and put his cards on the table, and state as near a figure as he can to what he really thinks he can afford to give, rather than to start off with some extravagant figure first; and I think many of us have felt that about Trade Board discussions—that they have become too much a sort of Dutch auction, each side stating a very high, or (in the other case) a very low figure to start with, and then by a gradual process of bargaining coming together to arrive at a final figure.

6670. *Lord Weir*: Do you think that that feeling existed under the 1909 Act, before the war?—Yes.

6671. The same thing happened?—Yes.

6672. There was really no difference in the spirit of the meetings?—Not in the method of arriving at the figure.

6673. Some people have formed the impression that those early Trade Boards caused infinitely less grumbling and trouble than the new Boards?—We had a certain number of employers, even under that early Act, who thought that the end of the world had come so far as they were concerned. Of course, some people still dislike them in our trade, and in every trade, but it was only when they got experience that they came to see that after all they were

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more of benefit than they were of harm. I think if we had had them established on a falling market, we should probably have had a great deal more outcry than we had, and a great deal more difficulty than we had.

6674. You have indicated here that these early Boards were evidently less adventurous; they took more care; they seem to have spent more time and exercised more caution, and to have gone more slowly than the new Boards. I think you say that, do you not?—I think they did, on the whole. Of course it is quite true that we were going into an entirely new field, and people are always more cautious when they are going into a new field; and I daresay the Appointed Members—of course we only had Mr. Aves then and his assistants; we had one Chairman for the whole of the Boards, and that was a great advantage—

6675. Do you think, for instance, that that caused any general co-ordination policy on the part of the Boards?—Unquestionably.

6676. So that if you take, for example, the question of minimum rate, which was, after all, the one thing in front of the early Boards, once you had the same interpretation and the same guiding meaning of "minimum," then you were apt to have fewer inconsistencies in those circumstances. Do you agree?—Yes, I should agree with that. I should think that was so. There is no question about it that the fact that we had the one Chairman and the one Secretary—Mr. Aves as Chairman and Mr. Reid as Secretary—in those days, was a very great factor in the success of the early Trade Boards. The other factor was that they were very largely self-governing, and when they came to a decision they could be pretty certain that that would be carried out. At the present time, of course, we have no such certainty; a great deal depends upon the Minister of Labour.

6677. *Chairman:* But it then depended upon the President of the Board of Trade?—It did. I do not know why it was, but when our decision was come to the Board of Trade sanction was more or less a formal affair. We did not get comparatively small technical questions raised, and our Orders referred back; our Order, once settled, was practically always issued.

6678. That may have been owing to the fact that, as Lord Weir has pointed out, you were rather more careful in coming to your decision?—I think that was partly it. It was also partly owing to the fact that we had then a Chairman who was in very close touch; and I think it was partly owing to the fact that either owing to the structure of the 1909 Act being different from that of the 1918 Act, or for some other reason, the President of the Board of Trade was able to leave more to the decision of the Trade Board than the Minister is able to leave now, under the 1918 Act. I believe that under the 1918 Act more direct responsibility is thrown on the Ministry, and less on the Trade Board.

6679. I am not quite sure in what respect that is so?—In the case of our earlier decisions, we understood that if we came to a decision it was a decision of the Trade Board, and it was the responsibility of the Trade Board, and if it were overthrown in the Courts, the Trade Board suffered in prestige and reputation. I understand that under the 1918 Act the decisions are the decisions of the Ministry of Labour, or certain of them are, and if they are thrown over the discredit rests on the Ministry, and not on the Board.

6680. I do not know where you find that. That may be the feeling, but as a matter of fact both Acts go upon the principle that the decision is the decision of the Board, subject to confirmation by the Minister.—That is very strongly the feeling of the Boards, and that really caused the setting up of that Committee to which I referred, upon which we did quite a lot of work and made a Report to the Minister. Some time ago there was a very considerable feeling of unrest among the Trade Boards, and we made representations to the Minister.

6681. That is the Committee upon which Mr. Wolfe was sitting?—Yes. That Committee was set up over

which Mr. Wolfe presided, and the Committee held that feeling very strongly.

6682. That leads to the next point, about scope. Questions of scope have been known to arise?—Yes.

6683. And now they are referred to the Minister, who, I think, certainly since that Committee reported, follows the practice of consulting the Trade Board?—Yes.

6684. Is that a satisfactory system now?—In my opinion it is much more satisfactory. I cannot suggest any further improvement at present. That deals with certain questions of scope. Of course, when two Trade Boards come into conflict it is more difficult.

6685. Even then the Minister can decide after consulting both Trade Boards?—Yes.

6686. But that decision is not binding at law, is it?—No.

6687. Should it not be made binding at law?—I think it should, if possible. I have not really considered what it would involve.

6688. It is the Minister who, after consulting those who are interested, fixes the area of the trade to begin with?—Yes.

6689. Therefore he does seem to be the proper person to decide whether a particular case comes within that area or not, subject, of course, to consulting those who best know the trade, like the members of the Board; but when that decision has been come to, is it not desirable that it should be a binding decision?—I think there ought to be some appeal. It is rather a big power to put into the hands of a permanent official.

6690. Would that appeal be to the Industrial Court, or to some other tribunal?—Either to the Industrial Court or to a body made up from members of the Trade Board themselves. There might be a panel of employers, a panel of trade unionists, and a panel of Appointed Members.

6691. Members of the Trade Boards, did you say?—Members of the Trade Boards themselves.

6692. *Lord Weir:* Rather than a judicial tribunal or a legal tribunal?—Yes, I think so. By a judicial tribunal you mean a court of law, I take it? I want the tribunal to be judicial rather than political.

6693. *Chairman:* Sometimes a tribunal is both legal and judicial?—I think in all appeals we are anxious that, if possible, they should be determined on their merits—that the appeal should be judicial rather than that any question, however vital, of political import should come in; and I use the word "political" not in any offensive sense; I mean the affairs of the country.

6694. I am sure you are quite right there; but between the Industrial Court and the joint council of Trade Boards which you suggest, you think, on the whole, the Trade Boards council would be the better appeal tribunal?—I think so. I have not sufficient experience for my opinion on this point to be of much value.

6695. There is one advantage in having a Court, and a small Court: that you get decisions on the same lines?—Yes.

6696. That is true, is it not?—Every time. It is certainly true.

6697. When a decision is given and published, other people follow it without going back again to the tribunal?—Yes.

6698. *Sir Arthur Pease:* You mentioned the question of the Chairman. I think you said that you had no objection to the Chairman, and several other witnesses said the same, "but—" Is not the real fact that you are not satisfied as to the Chairman of these Boards as a rule being strong enough and sufficiently practical?—You see, I am only on one Trade Board, so I can hardly say "the Chairmen as a rule." If I answered that question I should simply have to give my experience regarding our own Trade Board. On our own Trade Board we have had two Chairmen, and our first Chairman, Mr. Aves, was an exceptional man; he had the confidence of both sides, and was responsible for the success of the Trade Board movement in its early days more than any other single individual.

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[Continued.]

6699. I thought you were discussing the matter generally, as representing more than one Trade Board?—No, I am only representing the Food Manufacturers' Federation. I have connections with other Trade Boards, but I am simply the Chairman of the Employers' Consultative Committee; and I am handing in a certain document which expresses a sort of general census which we have taken, but I am not authorised to give evidence for any other Trade Boards, simply because I have not the proper experience. It is very much better with regard to the individual Trade Boards to have evidence from the Trade Boards themselves. Of course I can give my own opinion as to the general feeling among employers, as far as I know it, but that is hearsay to some extent, is it not?

6700. I asked you the question because I thought it would be invidious as to one Trade Board. I do not think I should have asked it otherwise.—I see. I think the difficulty would be met if we could have the power of objection. I have heard two precisely opposite opinions expressed by leading members of different Trade Boards about the same man. One man says how extremely he leans to the labour side, and the other man says what a fine, fair chairman he is, so that it is difficult to know what the truth was in that case; but if we have the right of objection then if we do not object we have the satisfaction of having had the right and not having exercised it, which removes an element of criticism and grumbling, does it not? I think if you gave us the right of objecting to any particular individual who might be nominated, even if we did not have the right of nominating jointly the Appointed Members, that would remove a considerable grievance.

6701. I thought that before you rather went further, and indicated that you would wish to have the right of suggesting names?—That would be the ideal, of course, but it might be rather difficult. If we had the right to object, it would, in my opinion, be sufficient.

6702. *Chairman:* Perhaps we had better conclude your views before we come to the memorandum which you hand in?—Certainly.

6703. You refer to the time taken in varying rates. I think we are fully informed as to that point. You say that a new rate fixed, say, on December 1st, should come into operation, say, on January 1st, "unless in the meantime the Minister had objected to ratify the change"; that is, you would have the date upon which the rate shall come into operation fixed at the moment when the rate is fixed?—Yes.

6704. And not at the moment when the Minister confirms it?—That is so.

6705. Subject to objection by the Minister in the meantime?—Yes. I think in that regard there is a difference to be made between the first fixing of a rate and the subsequent variation of it. The first fixing of a rate is a matter which requires much more care than the variation of it afterwards.

6706. When you expressed that opinion as to "new rates," you meant variation of rates?—Yes, I should say variation of rates.

6707. Then you refer to the presence of trade union officials; you say that there should be some, but there should be a limit to the number?—Yes, I think so. We find it, very frequently, a great advantage to have people who have actual experience of working in the trade on the labour side. They are not usually people who are able to put their case adequately, and if the trade union side consisted solely of them I am afraid that the employers would have a great advantage in putting their case; but it is an advantage to us to have a certain proportion, and a very fair proportion, of the Board consisting of people who actually have experience of working in the trade. Many of our employers have that experience, and I think the same is useful on the workpeople's side.

6708. You yourself are no longer actively engaged in the trade?—Yes, I am. I spend most of my time in it. Of course, that is where I earn my living.

6709. I rather gathered from the fact that you had so many activities in connection with the Trade Board that you might have to give your whole time to it?—I am afraid I have things outside as well.

6710. Then as regards District Committees, your experience is much the same as that of other persons, that they have not, on the whole, acted well?—They have been useless as far as we are concerned. The only possible advantage is that, as I say, they act as a safety valve. I think people in Manchester and Newcastle, and so on, are apt to feel that we up in London fix everything for them, and that we "put it over them," and that if they have the chance of expressing their opinion to some extent, it removes that feeling; but apart from that I do not think they are of the slightest use whatever in our trade. Of course our trade is purely manufacturing, and in that respect it differs from the distributive trades. There seems to be, from my experience, a remarkable difference between the manufacturing trades and the distributive trades.

6711. In what respect?—Most manufacturing trades are national in their competition; distributive trades are mostly local in their competition. It is an advantage to us to know that our competitor in Edinburgh is not paying a lower rate of wages than we are paying in London, whereas if we were distributing locally, and we had not to face any competition from so great a distance as Edinburgh, it would not matter to us; we should be much more concerned with our neighbour in the next street, and would not worry a bit about how much Edinburgh was paying.

6712. Have you considered the question of distinguishing between town and country?—We have on our Board, and we have a very strong feeling against it. We feel that competition is national, and that you must have a national rate. We feel that it would be extremely difficult to find any determination—any standard—upon which to base a fair rate—to decide where to draw the line. Some factory might be just outside the urban boundary, another one might be just inside, and they would have two varying rates. On the other hand, if you were to take such a thing as the local cost of living, you would be faced by such anomalies as that Norwich would have to pay a higher rate than Manchester, and so on. Those are the difficulties that we do meet with in our consideration of the question; so that the employers as a whole have very definitely formed the opinion that the rate must be a national one, and not a local one.

Lord Weir: Is that opinion and that feeling not affected fundamentally by your first interpretation of the minimum rate, that it is only a standard rate in the cheapest area and for the least efficient conditions?

Mr. MacCallum Scott: He does not say "in the cheapest area."

6713. *Lord Weir:* I am trying to use Mr. Pascall's own words.—I do not know. You are asking me now as to what motive the members of the Trade Board have, are you not?

6714. I am putting it in this way: that you have referred to minimum wages being fixed too high in certain Trade Boards?—Yes.

6715. Then you said that on your Trade Board you started with a more or less definite interpretation of "minimum." Would you please repeat your first definition of "minimum"?—I really forget what I said. I put it down in writing. If you want me to repeat it exactly I will.

6716. In effect I think it was "the least skilful worker in the cheapest area."

Mr. MacCallum Scott: Is not that in Section (d), Sub-section 1, of your memorandum?

6717. *Lord Weir:* No, it was a reply that the Witness gave.—It is quoted, and I think it is in Section (d), Sub-section 1: "The suggestion is that it should be a rate which would be relative to the lowest class of labour in the least well-equipped factory in the trade concerned." That is not in my evidence, as a matter of fact.

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[Continued.]

6718. You qualify that also by bringing in the area with the cheapest cost of living?—Yes.

6719. Then you said that it is a minimum for all places, but in that place it operates as a standard, and therefore you do not require to consider areas or area committees or variations, because you have already done so by making that the standard?—Yes, the minimum fixed, bearing in mind the cheapest area, and apart from the really obsolete factory, or the factory that you cannot consider; I mean you cannot consider people who really are out of date, and who could only be kept alive by scandalously underpaying labour; but bearing in mind the reasonably equipped factories and the cheapest living, we fix our minimum, and that minimum is the standard in that area, and other areas, of course, want higher rates than that, and then our other Council comes into operation.

6720. Quite so; that is where your complementary voluntary machine comes into operation?—That is so.

6721. *Chairman*: As Lord Weir points out, if you proceed upon that basis the distinction of areas becomes hardly necessary?—It certainly does not in our trade.

6722. *Lord Weir*: When you talk about low efficiency, does not that also affect your differentiation between the distributive trades and the manufacturing trades; that is to say, you would have no mercy towards a factory of low efficiency, but a grocer's shop of low efficiency in a rural district is rather a different thing?—Yes, it very often is. I have only general knowledge of these matters, but you get some quite small shops which are almost private cottages, and they do a very small trade in some remote village, and you might have great difficulties arising if you attempted to fix either a rate sufficiently low to take them in, or a rate which would be of any use at all in the big towns, without injuring them very considerably.

6723. Or a small country dressmaker's shop?—I should imagine that it might apply even more forcibly there, but there I am only speaking of what I have heard from other employers.

6724. *Chairman*: Now we come to your suggestions with which you conclude your memorandum. The first is "That Trade Boards should be applied to trades (a) coming under the 1909 Act definition; (b) where both employers and workpeople by a majority agree in their readiness to have a Trade Board." I do not quite understand the second condition. Where a trade is not organised, how can you get the opinion of a majority?—Under the 1909 Act it was necessary to have a Statutory Inquiry—I think that is the correct term. Under the 1918 Act all that is necessary is a Provisional Order placed before Parliament, and it has very often happened in the latter case that the Trade Board has been almost in existence before many employers, and possibly many of the workpeople too, have realised anything about it; but under the 1909 Act the Inquiry seems to have had to be very thorough and very complete, and the whole trade seems to have had an opportunity of knowing about the proposed establishment of the Trade Board before it was set up, and it is that, very largely, which I am aiming at: that the Inquiry shall be thorough. If the Inquiry were thorough, and there were very strong objection on both sides or either side, probably the Trade Board would not be carried through.

6725. Do you mean that no Trade Board should be set up except after a public inquiry?—I think I should go so far as that. I have not put it forward in my evidence.

6726. *Lord Weir*: Do you base that on a belief that there are certain trades upon which a Board has been established unjustifiably?—I do not quite follow the question.

6727. Do you believe that a Trade Board has been established for certain trades to-day where it is not justified?—I do not know, but I do know that certain trades have had their Trade Boards set up without being properly consulted, and that is as far as I go.

6728. *Chairman*: You know that there was no compulsory inquiry under the Act of 1909. It was only when a petition was presented to Parliament against a Provisional Order that the ordinary Parliamentary Inquiry was held.—Yes. That seems to have provided a very much greater safeguard and very much greater publicity for the setting up of Trade Boards than is the case now, under the present method. I do not know that that was really quite satisfactory. We did not have one in our trade; we simply had an interview with Mr. Buxton, and it was perfectly satisfactory. We were quite willing to go on under the undertaking which he gave us.

6729. There is a new provision for an inquiry in the Act of 1918 which did not appear in the earlier Act, that is that if objection is made to the Minister before he makes a Special Order bringing a trade under the Act, then he is bound to hold a public inquiry.—Yes, I am quite aware of that, but the difficulty there is that the Provisional Order very often becomes effective before the people who should make this objection realise what has happened.

6730. There is provision in the Act, is there not, for giving notice to everyone before the Order is made?—But it is an extraordinarily difficult matter to them. When you come to consider, for instance, some of these Distributive Trade Boards, you find that there are no means existing for notifying the hundreds of thousands of employees except by publication in the Press.

6731. I see the difficulty, but I think as a matter of fact notice is given widely in the Press, and also to any associations which have anything to do with the trade. I dare say that notice does not reach the individual grocer, and so on.—I am not criticising the officials at all; I am perfectly sure that they have done their best, but with all their skill and all their ability they have been unable to reach quite a large proportion of the trades concerned in many cases, and that has caused very great trouble.

6732. Would you not add another condition to the formation of a Trade Board: that the trade should be one where the organisation is insufficient?—Yes, I think either where the organisation is sufficient or where it can be made sufficient pretty easily the trade ought to have an opportunity of setting up its own Joint Industrial Council.

6733. Then you go on to another important question: the distinction between the minimum rate and a skilled rate. You say that the minimum rate fixed by the Board should be the rate for the lowest paid class of labour in the trade?—Yes.

6734. And the skilled rate should be fixed by agreement?—Yes.

6735. Of course, where there is an Industrial Committee the skilled rate will be fixed by that Committee, I suppose; or do you suggest that it should be fixed by the Trade Board, but by agreement and not by the vote of the Appointed Members?—I think that is a question for the trade concerned. There are only two trades which have an Industrial Committee, and it is quite possible that if those two trades were offered a Trade Board with the scheme I suggest, plus the compulsory power, they might accept that and put the two into one, because there are some of these Industrial Committees which I speak of which are very anxious to have the compulsory power.

6736. When you say "by agreement," do you mean by agreement of all the representative members of the Board?—Yes, the representative members of the Board without the Appointed Members.

6737. Do you think they should all agree, or would you have side voting?—I would leave that to the trade.

6738. What do you mean by the trade?—To the trade to determine. In our Whitley Councils, in some trades they find that they can work perfectly well by leaving their members free to exercise their personal votes. In other cases they vote by side voting, each side voting as a unit.

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6739. When you say that you would leave it to the trade, do you mean that you would leave it to the Trade Board?—Yes.

6740. That is, to each side of the Trade Board to come to a decision?—Yes.

6741. *Mr. Bell:* In actual practice in a Trade Board meeting, if what you suggest were adopted, would not the position very largely be that the Trade Board itself would not know that there was any difference of opinion on either side. Would they not settle their differences apart from each other, and then say what they had agreed upon, even though it might have been by a majority vote?—That is the favourable position of the trade union side, but it is not the position of the employers' side. Unfortunately, sometimes on the employers' side they have representatives who, for various reasons, are not in sympathy with their fellow employers, and who do not regard their position as that of a trustee, but vote according to their individual opinion, which I gather from your suggestion is not your view of what they should do; and that really upsets the fairness of the thing altogether. For example, there might be some big employer—I am not suggesting that there is in any case—to whose interest it was that he should vote for the higher rate, even if it meant very considerable difficulty and suffering to his competitors, and he might do so. Then, of course, there is the question of co-operative representatives, who are sometimes on the employers' side of Trade Boards, but who, of course, are allied to the Labour Party—there is no secret about it—and it is very natural that they should vote with the Labour Party. They would be rather curious people if they did not, and they would at the same time be able to do that with a clear conscience, and yet not be able to upset the fairness and equilibrium of the Trade Board if we had side voting. That is the chief reason.

6742. *Sir Arthur Pease:* The minimum rates do not really affect the co-operative societies, because they are already paying higher rates as a rule?—I should imagine they are.

6743. *Mr. Bell:* I gather that it is your opinion, then, that owing to, shall I say, the peculiar position of the employers' side of some of the Trade Boards it is almost impossible to get agreement, even on the employers' side?—It might be impossible to get a unanimous vote, but you could easily get a majority vote. I take it that on the trade union side there would probably be a difference of opinion, and perhaps a majority vote.

6744. Supposing you get the majority vote in a meeting of employers, would the minority then elaim the right to exercise their individual freedom when they got back to the Trade Board?—I think so.

6745. Taking your paragraph No. 2, there is one thing which I should like you to clear up. You say that the inspectors should only concern themselves with the minimum rate, not with the rate fixed for skilled workers, and then you go on to say that the skilled rate should be compulsory. How are you going to make it compulsory if the inspectors have nothing to do with it?—You could make it recoverable through process of law in the Courts, and it will be just the same then as the Whitley Council rates, the only difference being that you would have the advantage that you would be able to enforce it. The worker could make a complaint or a fellow employer could make a complaint as to the rate not being paid. I would have it legally enforceable, but the point is that the inspection is a very difficult business, and a very costly business, and what you really want to do as far as your inspection is concerned, it seems to me, is to see that there is no sweating. That is the first business, at all events. If you said to your inspector, "Go and see that 1s. per hour is being paid," it would be pretty easy to ascertain; but if you say to your inspector, "Go and see that this elaborate piecework system is being complied with," the inspector needs a very great deal of training and skill and knowledge of the trade before he can really ascertain whether that is

being complied with. I was very much impressed with that in the Committee which we had. Inspectors came up, and some of the most skilled men gave us evidence as to the difficulty which they had in really getting to understand the complicated rates which were fixed by many of the Trade Boards—perfectly understood by the employers and workpeople in all the factories, apparently, but very difficult to an outsider. You only have to look through the whole schedules of rates which are fixed by some of the Tailoring Boards to realise the difficulties and complications. It does seem to me that if the inspector went round to see that sweating was abolished, and that practically the minimum standard of living was paid, then you could leave it to the trade unions, to rival employers, and to the workpeople themselves to see that the skilled rates were enforced, and they should be able to be enforced through the Courts of Law.

6746. *Chairman:* That would just put the skilled rate in the position in which a rate under the Act of 1909 was, which had not been made obligatory?—I think it would.

6747. There was a distinction, which is now abolished, under which a rate might or might not be made obligatory by the Minister. If it were obligatory, then it was a crime and an offence against the law not to pay it. If it were not, it still had a limited operation, and it might be recovered in the civil Courts?—Yes.

6748. *Lord Weir:* Could you suggest to us any form of words which would constitute a better guide to this term "minimum rate"? You speak of a minimum rate for the lowest paid class of labour. Could you carry that further? You point to us a picture of these fundamental anti-sweating regulations; you also agree that much of the trouble has been due to varied interpretations of that word. Could you help us in any way towards an interpretation or a definition?—I am afraid I do not quite follow the question. I have not objected to the words "minimum rate," and I have not suggested that the trouble has arisen from our difficulty of interpreting the minimum. I think we have all pretty well roughly arrived at an idea of what the minimum is.

6749. I thought you had clearly indicated that some of the Boards had set up too high minimum rates, and from the fact that they have scheduled them too high it must be assumed that they must have given another meaning to "minimum"?—I would suggest that possibly in those cases what has happened has been that the Appointed Members have been rather trying to take two steps in one.

6750. You create a standard?—Yes.

6751. Can you suggest any definition of "minimum" which would prevent them doing that?—I think you would get at that better by care in getting your Appointed Members.

6752. That is, getting more capable Boards?—I think so. I think it is a matter of give and take in the early days. Probably it is wiser, and it causes infinitely less trouble, if you fix your rate a little low to start with. Perhaps it sounds an unpopular thing to say, but you can more carefully proceed from the low upwards than you can from the too high downwards. If you get up too high you create all the trouble, the difficulty, and the outcry that we have been having lately, whereas if you proceed from the low upwards you gradually accustom people to the increased burden which they have to bear. When we first set up our Trade Board, people had been paying, I gather, something like 9s. per week in certain isolated instances, and they had to start away with paying 13s. per week. To people like that it was a pretty considerable addition. They ought never to have been paying 9s. per week, but they had done it, and it was only fair to give them a chance to increase gradually so that they could show whether they could pay their way under the new conditions. If they could not by the time the new conditions had a fair chance, then we had not any further sympathy with them, and we proceeded

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to go higher, but I think the slower approach to the minimum rate is better than the too rapid approach. That is what I meant by my answer.

6753. *Chairman*: Is it not desirable, if it is possible, to get Trade Boards to act on the same principles one with another? I have often wondered whether that end could be attained by giving either side on a Trade Board some right of appeal to some other co-ordinating tribunal, either the Industrial Court or some Joint Committee of Trade Boards?—Yes, I think that would probably be a great help.

6754. Would not that tend in time to put all these rates on the same principles?—I think it would certainly tend to get the same principles applied, and it would remove a great many possible grievances which obtain, particularly in the newer and inexperienced trades. I think very often some of these higher rates which have been fixed too high have been fixed apparently through the inexperience of the employers. They hardly know what is being done. Perhaps they themselves pay these rates, and they do not realise that there are other employers in the trade who really have been paying much lower rates.

6755. *Mr. Bell*: I take it that you agree that it is desirable that a minimum rate should be fixed to cover all classes of work, but you prefer that those minima should be agreed between the two sides rather than be fixed by the Trade Board as at present constituted?—I think a little difficulty will arise there in certain trades. As a general proposition I would agree to it, yes, but in our trade, for instance, we do not fix rates for certain operations, we fix a minimum in our Interim Industrial Committee which would apply to certain factories.

6756. You speak of a minimum for the lowest-paid class of labour, and then you speak of skilled rates?—Yes.

6757. If the rate were fixed, that would naturally become the minimum?—Yes.

6758. At the beginning of your evidence you stated that you approved of the Trade Boards because of the elimination of unfair competition by the payment of lower rates, say, in one district as compared with another?—Yes.

6759. That unfair competition would continue, would it not, unless you dealt with more than the wages for the lower class of labour—not to the same extent, but it would continue?—I do not think it would have much effect in our trade, as a matter of fact. You are asking me now on a question of fact, are you not, not on a question of opinion?

6760. Yes.—If I do not think in our trade it would make much difference as a question of fact, because in the skilled operations the skilled men never have any difficulty about getting their rates. They are able to command their rates.

6761. *Mr. MacCallum Scott*: Have you any general idea as to the basis for a minimum wage? What are your chief factors which should be taken into account in fixing it? Is one of the chief factors the cost of living?—The cost of living, and the ability of a reasonably equipped factory to pay.

6762. The evidence has been very conflicting, but it has been suggested by some witnesses that it would be desirable to have a national minimum wage for all trades.—I should be very strongly opposed to that. I think it would be most fatal. You would either get a wage which was so miserably low that it would not be of any use to anybody, or you would get one which was so high that it would cause great hardship. The second point is, it at once introduces the whole question of fixing wages into the political arena, and that I think would be unfortunate.

6763. *Mr. Bell*: You say that the cost of living should be taken into account. Supposing that the cost of living in London is much higher than in some parts of the country, would you have different rates?—Not in national trades.

6764. Would you agree that where the cost of living is lowest as a general thing the cost of production to the employers is also lowest?—Not necessarily.

6765. But as a general principle?—No, not by any means necessarily. There are so many other factors

to be taken into account. I am speaking of our trade now; I cannot tell you of any other trades. If you take one particular pool of labour, you get much better efficiency than in another. It is perfectly wonderful how the efficiency in different parts of the country varies. Then you have such questions as the ease of supply of material and the ease of transport to a customer, and all sorts of factors which would come into it—the easy supply of power and the cheap supply of power, for instance. There are many factors which would enter into the matter, and which have to be taken into consideration before you can answer that question; but generally speaking, I think if you take the country where the cost of living is cheaper, labour is very often less efficient, and therefore you get a less output.

6766. Would you go so far as to say that the lower efficiency of labour in those districts is due to some extent to the low wages which they receive?—That would be a very interesting speculation if I could follow that.

6767. *Chairman*: Let me take your other suggestions rather quickly. First you think that there should be legal advice at the service of the Trade Board?—Yes.

6768. That goes rather on the lines of the recommendation of Mr. Wolfe's Committee?—Yes. I do not know that I do not go further than that. I think probably I should. It is a very tremendous advantage, because very often we want to express something in our Order, and we do it, whereas if we had a lawyer to express it for us he could express the same thing in a way which would be legal, but we express it in a way which is not legal.

6769. I suppose the secretary of the Board gives some assistance?—Yes. The secretary is most valuable, and it is a matter which we regard as very important that we should have the same secretary to all the Boards, with his assistants, as we have suggested in our report.

6770. *Sir Arthur Pease*: The fact is that after you have drafted your Order those who have been in negotiation or have taken part in the decision really want a fresh mind to go through it, to see that it actually expresses to the outsider what you mean? Is not that it?—It is more a question, I think, of a legal mind to see that it is in keeping with the Act of Parliament and with the law generally. We know what we want, but we are not lawyers, and we cannot express it in legal language which will run the gauntlet of an action in the Courts, whereas if we had had the advantage of a lawyer sitting opposite to us we should be able to say, "Now we want to say this," and he would say to us, "You cannot say that, it is not legal"; but we would say to him, "You see what we want to get at; can you express that in legal phraseology and legal form?" and he would say to us, "I can get it pretty near to what you want," and he would then put it down. The difficulty is that sometimes some of these matters are matters of the most careful adjustment between the two sides; it is a sort of bargain, and perhaps the legal adviser of the Ministry will cut out something which is an essential part of that bargain, and destroy the whole equilibrium of the bargain, whereas if we had known beforehand how far we could go, or how we could interpret the thing and how we could put it, we could arrive practically at the same bargain in legal terms.

6771. You would like that advice before the Order is made by the Board?—We should like the advice at the time of making the proposal, if possible.

6772. Then you say: "In any purely technical matter, or one where a custom of the trade is involved, the Trade Board decision should be final." What kind of question have you in mind there?—I would suggest any question of scope which is purely a question of technique.

6773. We have rather dealt with scope, have we not?—Yes.

6774. Then with regard to your paragraph No. 5, I think we have also dealt with that in the course of the discussion?—Yes.

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6775. The two points are that the appeal which now lies to the Minister of Labour, should be to some non-political authority, and that side voting should be allowed; and finally, you have a general recommendation that Trade Boards should be more self-governing, and the procedure should be freer than at present?—Yes, quite.

6776. Although you have been expressing your own views, you also hand in a memorandum by the Trade Boards Employers' (Consultative) Council?—Yes.

6777. That expresses their views, and that shall be printed as an appendix to your evidence.—If you please.

6778. *Sir Arthur Pease*: With regard to the trade union representatives, I would like to get your point clear, if I may. You do not at all object to a trade union representative who really represent that trade and is acquainted with it, but what you do object to is a trade unionist who does not understand the trade being put upon the Board?—No, I have not any objection to a trade unionist who does not understand the trade being put on the Board so long as other people are put on as well. I do not think that my friend Mr. Bevin knows very much about making chocolate, but he is one of the best labour negotiators that I have ever met to work with. He never surrenders a point, but he is like an able lawyer—he not only knows his own case, but he knows yours, and you can talk to him in a way in which you cannot talk to a man who has not the advantage of his wide experience, however skilled as a cocoa maker he may be.

6779. *Chairman*: But you would not have the Board entirely composed of Bevin?—No, certainly not. One is quite enough.

6780. *Sir Arthur Pease*: I asked that question, because that is a point which has been made by several other witnesses.—I think the point about which we are very anxious is that we do want to have a certain number, perhaps half and half.

6781. They did not object to the trade union leader who had been brought up in the trade, but they did object to the trade union leader who had

been brought in without any intimate knowledge of the details of that particular trade.—I would rather have an able trade union leader who had no knowledge of the trade conditions than a less able one, however great his knowledge of the trade was; but on one Trade Board I was told that there were only three persons out of thirty who had had any previous experience of the trade. I do not know that it is a fact; I am simply repeating what I have heard. Of course, that is too small a proportion. If there are twenty-seven out of thirty who are just skilled advocates, it seems rather a waste of material; but in our case it is rather the other way round; I think we have only three or four trade union officials, and all the rest are people who have had experience, so that we have not any grievance, and we should not have any grievance if there were rather more, in our opinion.

6782. *Mr. Bell*: Supposing it were the fact that out of thirty there were only three who understood what they were talking about, would not that be a very inefficient representation, and prejudicial to the workers' interests?—I should think so.

6783. So that from the employers' point of view they would have no real reason for objecting to the workers being inefficiently represented?—I think they would, because I take it that it is very bad for the workers if they get a wrong rate fixed. If they get a rate fixed too high, so that it causes great unemployment in the trade, I think that is just as bad for the workers as it is for the employers.

6784. Perhaps you misunderstood my question. I agree that it would be bad for the workers, but would it not be good for the employers?—No, because I think it is to the employers' advantage to have the workers' side well balanced, and I believe it is to the workers' advantage to have the employers' side well balanced.

Mr. Bell: I am pleased to hear you express that opinion.

Chairman: We are much obliged to you for your evidence.

(The Witness withdrew.)

Mr. EDMUND HENRY MATTHEW and Mr. THOMAS MARSON TILL, called and examined.

The Witnesses handed in the following statement as their evidence-in-chief:—

EVIDENCE to be given on behalf of the BRITISH BRUSH MANUFACTURERS' Association by EDMUND HENRY MATTHEW, Director of The Briton Brush Co., Ltd., President of the Association, and THOMAS MARSON TILL, Chartered Accountant, Secretary of the Association.

The employers in the brush and broom industry are in favour of the Trade Board principle of settlement of wages, and consider the presence of Appointed Members on fixing the lowest minimum rate for unskilled workers is desirable. While the employers consider that the Trade Board should have the power to fix rates for skilled labour, owing to the want of knowledge of the Appointed Members of the various degrees of skill required for different operations, they should not be able to give their casting votes on the question of skilled rates in the case of dispute.

Our Trade Board also objects to certain of the powers retained by the Minister of Labour (referred to lower down) and considers that more freedom should be given to Trade Boards.

Administrative machinery of the Trade Board System.—The employers in the brush and broom industry consider that the work of establishing and administering Trade Boards should be transferred from the Ministry of Labour to the Board of Trade.

All questions of scope should be decided by the Trade Board, instead of as at the present time by the Minister of Labour.

The Brush and Broom Trade Board is strongly in favour of all the recommendations contained in the Report to the Minister of Labour of the Committee

appointed to make recommendations with respect to the work of Trade Boards and the administration of the Trade Boards Acts dated the 4th March, 1921, being adopted by the Ministry of Labour, which includes the establishment of an inspectorate at the offices of the Trade Boards. This Board is very disappointed that the Minister treated this Report with such scant consideration.

The Board appreciates the need for the number of inspectors to be limited owing to economy in the public services, but considers that the Minister should, if desired by a Trade Board, authorise a person nominated by the Trade Board to make the necessary inspection if no inspector is available.

The result of all inspections should be reported to the Board, and the request of the Board that a prosecution should be initiated should be complied with, unless the Minister's legal adviser recommends to the contrary.

The Board should determine the length of notice required in respect of any particular proposal, but no notice should exceed 21 days. The Minister's confirmation should not be withheld unless within 14 days in his opinion any objection is sufficiently serious to refer it to a body composed of a Chairman, two employers and two workers from another Trade Board to hear evidence and report.

Amendments in the present Trade Board system are also required with regard to Trade Board machinery, which will yield a quicker response in the alteration of wages to follow changing conditions in the industry, *e.g.*, the impossibility of issuing a new proposal until a previous proposal has not only been confirmed but the rates contained therein become effective.

Personnel of Boards.—The employers, apart from desiring a speeding up of the present system of filling vacancies, see no reason to complain of the method of appointment of employers' representatives, understanding that the Minister appoints those who are recommended to him by the employers' associations, and if he does not agree with those recommendations, refers the matter back to the employers' associations for further nomination.

They do, however, consider that it should be a rule that all representatives, with the exception of the Secretary of each side, should be persons at present or recently working in the Trade.

The employers are of opinion that the principle of Appointed Members should be retained. Appointed Members, especially the Chairmen, should not be whole time officials, but they should be persons of a judicial frame of mind with a knowledge of industrial conditions in their widest sense, and not engaged in industry. Obviously they should not be actively associated with any political party.

The employers in this industry consider that a joint request from both sides of a Board for the removal of an Appointed Member should be complied with, as he would be useless if he does not possess the confidence of either side. For the same reason a request repeated on more than two occasions from either side, should have the same effect with reasonable safeguards against the work of the Board being held up by repeated objections.

It is most important that Appointed Members should be compelled, as a part of their duty, in the event of equal voting, to give a casting vote, and not, as has occurred, to allow a motion to go by default rather than commit themselves to an expression of opinion.

While conciliation should play a great part in their duties, Appointed Members should be compelled, if conciliation is impossible, to give a decision.

It is desired to emphasise very strongly the unsatisfactory method by which the definition of a Trade Board's duties is arrived at. The result in our trade has been that certain operations if performed in a brush factory are governed by the rates fixed by the Brush and Broom Trade Board, but if performed outside a brush factory, they are free from any such restrictions, and consequently certain brush manufacturers are thereby considerably prejudiced.

It is strongly recommended that as all operations in the brush and broom trade in this country have to be paid for at the rates laid down by the Trade Board, that no brushes should be imported from other countries unless similar equal rates are being paid for their manufacture.

6785. *Chairman (to Mr. Matthew):* You are Director of the Briton Brush Co., Ltd., and President of the British Brush Manufacturers' Association?—*(Mr. Matthew):* Yes.

6786. *(To Mr. Till):* And you are Secretary of the Association?—*(Mr. Till):* Yes.

6787. What is the view of the employers of the Brush and Broom Industry as to the Trade Board system; are they in favour of the Trade Board principle on the whole?—*(Mr. Matthew):* We are in favour of it on the whole, subject to the reservations given in the evidence which we have submitted.

6788. We will take your statement, and make it part of your evidence, and ask you a few questions about it. You first say that the employers consider that Trade Boards should have power to fix rates for skilled labour; that means, of course, rates above the minimum for the lowest class of labour?—Yes.

6789. But you think that in those cases the Appointed Members who have not the technical knowledge as to the amount of skill required for each process should not have a casting vote?—That is so.

6790. So that the rates for skilled labour would be fixed by agreement of the two sides?—Yes.

6791. Leaving the minimum rate for the lowest class of labour to be fixed as at present by the vote of the whole Board, including the Appointed Members?—That is so.

6792. You say something about the transference of the work connected with Trade Boards from the Ministry of Labour to the Board of Trade. Have you anything more to say on that?—Our reason for that is that we have not a very high opinion of the efficiency of the Ministry of Labour. We were very disappointed with the way they treated the report which was made by the Committee at the end of last year, and further we have the feeling that the Ministry of Labour is, from its name, ostensibly set up—I do not say actually, but ostensibly—to consider one side or one class of the population of this country only, and that it approaches matters with a bias in favour of that side, and we consider that the Board of Trade would bring a more impartial feeling to bear.

6793. Have you any experience of the Board of Trade?—Not personally, because our Trade Board was only established in the last two years; but we are confirmed in our opinion by those employers who served on Trade Boards under the Board of Trade, who say they were far better satisfied than they are at the present time.

6794. I do not think we need discuss that further. Questions of scope, you say, should be decided by the Trade Board. Would you leave a Trade Board entirely free to say that any class of labour came within its jurisdiction?—Yes.

6795. Is not there some risk that the Trade Board might be tempted to enlarge the jurisdiction too much and extend its rules to workers and employers who were not strictly within the definition of the Board?—I take it that the Trade Board would merely express its opinion or give its decision as to whether certain processes were comprised in the definition of the Trade Board. If those processes were not comprised in the definition the Trade Board could not compel the employer or the worker to take notice of its decisions.

6796. Then you would leave the expression of opinion of the Trade Board as an expression of its opinion only, and not make it legally binding?—Well, I mean that the Trade Board could not include a trade which was outside the scope of its definition, and if inadvertently it did so, obviously that trade would not be included merely because the Board said it should be.

6797. Your Board is in favour of the recommendation of the Committee recently appointed by the Ministry of Labour as to administration?—Yes.

6798. Then as to inspection, you think that the Minister might authorise a person appointed by a Trade Board to make the necessary inspections?—The reason for that is that on several occasions, in discussing the matter of inspection, it has been pointed out to us that the Minister has not sufficient inspectors to make the necessary enquiries, and we appreciate that, owing to the need for economy in the public service, he cannot put on an unlimited number of inspectors. Therefore, when a request for inspection has been made there has been considerable delay before the request has been complied with, and we think when the Minister says the inspectors are so booked up for the next month or two that they cannot make enquiries, he should be empowered to give a person nominated by the Board his authority to go and make those enquiries.

6799. By whom would he be paid?—He would be paid by the Ministry.

6800. He would be appointed simply for the purpose of that one inspection—*ad hoc*?—Yes, *ad hoc*.

6801. It might be rather an expensive system, might it not, if it were widely used?—The Minister would have the option of declining to make the appointment if he thought the Board's requests were unreasonable.

6802. *Sir Arthur Pease:* What sort of person could you get to do that inspection?—We could probably find someone on the Trade Board or someone whom the Trade Board knew who was considered a fair and competent person to do the work.

6803. It would be hardly fair to send another employer into the office to examine the other man's books, would it?—No, we certainly should not send another employer. We might send, for example, the

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Assistant Secretary of our Trade Association, who is not engaged in the trade in any way.

6804. If that were done it would not mean additional expense?—No, beyond, probably, out-of-pocket expenses.

6805. *Lord Weir*: Probably the cheapest thing would be to have proper inspectors and a sufficient number of them?—No, I think the point rather is that when a new Trade Board is established the need for inspectors is very considerable. After it has been working for a short time things have got into order. Employers at first do not perhaps understand the meaning of the regulations, and they need assistance. After the Board has been in operation for twelve or eighteen months it would work more or less automatically, with occasional visits from the ordinary staff. You might want an extra staff to begin with.

6806. *Chairman*: Your Board has quite a large number of Orders, and they are rather complex, are they not? If you had a special inspector he would have to master the whole of this literature before he was competent to make the inspection?—Quite.

6807. It would be better that, if possible, you should have an adequate number of trained inspectors, who would be quite independent, and who could do the work, if you could get an adequate number?—If we could get an adequate number. We do not suggest this in preference to a trained inspector; it is only when we are told that we cannot have a trained inspector, and then we want a stop-gap.

6808. *Sir Arthur Pease*: Of course, distance might have something to do with it, too. You might be able to get a local man in the North of Scotland instead of having to send someone all the way from London?—Yes.

6809. *Lord Weir*: In your trade do you think you have much evasion?—We have some cases. Of course, we do not have as full reports as we should like to have from the Minister of the inspections made. We have had reports of evasions.

6810. *Chairman*: You think the results of inspection should be reported to the Board, and that where the Board advised a prosecution, a prosecution should follow unless the legal adviser to the Ministry is of a contrary opinion?—Yes.

6811. Then you deal with the length of notice; you would leave that to the Board, I gather?—Yes.

6812. Is not it better to have a fixed time; it may be a shorter time than that now proscribed?—If the time is sufficiently short, that might answer the purpose without giving the Board the option; but certain small points crop up merely of a practice which has been so regularly established, and so generally recognised, that it seems hardly worth while to give notice at all.

6813. It has been suggested to us that a month should be allowed for objection in the case of a first rate, and fourteen days in the case of a variation of the rate: Would those times appear to you to be suitable times?—We recommend that the extreme length should be twenty-one days, but I think the time you mention would be appropriate. We realise that the first rate requires more consideration than the later ones.

6814. Then you say: "The Minister's confirmation should not be withheld unless within fourteen days any objection is sufficiently serious to refer it to a body composed of a Chairman, two employers and two workers from another Trade Board." Do you mean that the Minister should be bound to refer every objection in that way?—No, not every objection, but at the present time he considers the objections himself. We consider it would be more advantageous, if he considered the objection sufficiently serious, to refer it to someone with a knowledge of Trade Boards generally.

6815. Would you suggest that members of another Trade Board should be chosen? Would it not be better to have some central body representing all the Trade Boards?—Well, I had in my mind a panel composed of people on different Trade Boards from whom people would be selected to sit on this body.

6816. But you would probably agree that the Minister must be ultimately responsible, because he must answer to Parliament for his action?—I should say that if this body to whom the matter was referred gave a decision or recommendation one way or the other, the Minister should not have power to act in a contrary manner.

6817. You mean he must confirm the rate if that body so determined?—Yes.

6818. Who would look after the consumer?—I suppose the Appointed Members of the Trade Board can be looked upon as representing the consumer to a certain extent, and further, except in trades where there are monopolies, such as gasworks or railways, I do not think the consumer requires very much protection. The experience in our trade is that it is we who want the protection, and not the consumer. There is a general short time working in our industry at the present time because the consumer prefers to buy foreign-made articles at a lower price than that at which we can produce them here. As a matter of fact, we want a good deal more protection against the consumer than the consumer wants protection against the manufacturer. I mean when there is open competition in the trade; not, of course, when there is a trust or a monopoly.

6819. In your case there is open competition and there is foreign competition?—Yes.

6820. Which in itself gives the consumer some protection?—Yes.

6821. But you can conceive that there may be trades where there is not that competition, and where possibly the employers and the workers might combine to put rates up and pass them on to the public?—That is so.

6822. There the consumer might require some protection?—He would in those cases.

6823. You think the Appointed Members give him some protection?—I certainly do.

6824. Although you think they might be over-ruled by the joint votes of the two sides?—Yes. Then I may mention a previous point you mentioned with regard to the fourteen days for a notice. The only objection to a period less than twenty-one days is that it is necessary, perhaps, as a result of a Trade Board to call a meeting of the employers on the one side or the workers' representatives on the other side, and if they only had fourteen days from the time of the notice to the time of sending in objections the fourteen days may not be sufficient.

6825. It may be necessary to call what meeting?—The employers may wish to call their representatives from different parts of the country to discuss the matter, or the workers may wish to do the same on their side.

6826. Then do you suggest that it should be possible to issue a new proposal even though the other proposal has not yet been confirmed?—Yes.

6827. That cannot be done at the present time?—No.

6828. The facts may so change in the interval allowed for objections that by the end of that time even the rate may be not a suitable rate?—That is so, or it may be held up at the Ministry of Labour for consideration for such a long period that the second rate should have been in operation before it can under present circumstances be in operation.

6829. Then as to the personnel of the Boards, you are satisfied with the present method of appointing the employers' representatives, but you think that all representatives, except the Secretary on each side, should be persons working or who have worked in the trade?—Yes.

6830. Would not that be restricting it too much? I do not know whether you were here when the last witness gave his evidence, and whether you heard him say that it is an advantage to both sides to have skilled persons to argue the points. Do you differ from that?—Well, of course, we only have experience of our own trade, and we may be fortunate in the representatives on the workers' side in our industry. We have a Secretary of the workers' side, Mr. Mallon, who is not in the trade, and we have the Secretaries to the Trade Union, the old Secretary of the Trade

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[Continued.]

Union and the present Secretary of the Trade Union, neither of whom at the present time are working at the bench, and we find them on the whole very broad-minded people and easy to work with, and whatever the experience of other Trade Boards may be, we are not at all dissatisfied with the workers' representation on ours.

6831. Then you would not really confine the representation to one man, the Secretary; you would allow three, as you have now?—Those two gentlemen I have mentioned have been in the trade themselves, though they are not at the present time. What we should object to would be a person who had taken up the question of Trade Boards as a sort of means of livelihood, and who really had not any acquaintance with the trade.

6832. *Mr. Bell*: It would be a very precarious kind of livelihood, would not it?—I cannot say so; the Trade Boards are increasing at the present time, and it might be quite a happy one.

6833. *Sir Arthur Pease*: You say they should all have been engaged in the trade except one?—I think it is desirable that there should be one on each side. The employers very often have a Secretary of their Association who is not a manufacturer, and I think it is desirable. For instance, when two years ago our Trade Board was started, Mr. Mallon was appointed because he was conversant with the manner in which Trade Boards were conducted, and he was of considerable assistance. At the present time he does not attend so frequently, because the workers' side is more acquainted with the method of dealing with the matter.

Chairman: Then as to Appointed Members, you think that they should be retained, but they should not be whole-time officials; they should be persons of a judicial frame of mind with a knowledge of industrial conditions. That, perhaps, we need not further deal with.

6834. *Mr. Pugh*: There is just one point there. There has been an objection expressed before the Committee as to the Appointed Members. A suggestion has been made that instead of having Appointed Members, as there has to be a decision where the parties cannot come to a decision and someone has to decide, there should be some form of Court set up: What would your view be on that?—We are perfectly satisfied with our Appointed Members. We recommended in a former part of our evidence that they should not deal with skilled rates, but otherwise we are quite satisfied with the Appointed Members.

6835. And to adjust differences between the parties which cannot be settled by themselves?—Yes. They have a very happy way, as a rule, of bringing agreement between the parties.

6836. *Chairman*: Then you suggest that a Member might be removed at the request of both sides of the Board. Have you ever heard of a request of that kind?—No, Sir, but I think if one were made he should be removed.

6837. Do you think that any Appointed Member would be willing to stay on a Board if both sides objected to him?—I do not suppose he would, but I think he could if he wished to.

6838. *Mr. MacCallum Scott*: Is this merely a theoretical point, or does it relate?—It is quite theoretical; entirely.

6839. *Mr. Bell*: So that you are seeking to remedy a fault where there is not one?—Well, perhaps I may put it in this way. This is the result of an enquiry which was sent out to enquire whether individual employers had any suggestions to make as to the methods of appointment of the Appointed Members, and they stated they had nothing to complain about. We also asked whether the Trade Boards should have the right to choose their own Appointed Members or should have any powers of dealing with them, and this was our reply; but it really does not arise for practical purposes.

6840. It is really a matter of a Board having certain rights which it can exercise if it likes?—Yes.

6841. *Chairman*: Then you suggest that Appointed Members should be compelled in the event of equal voting to give a casting vote?—Yes.

6842. That applies, I suppose, to the minimum rate and not to the skilled rates?—Yes.

6843. And then you say that the definition of Trade Board duties is rather unsatisfactory. You say: The result in our trade has been that certain operations if performed in a brush factory are governed by the rates fixed by the Trade Board, but if performed outside are free from the restrictions?—Yes.

6844. What kind of operation is that?—That is in the preliminary processes of shaping and boring timber, and, of course, the difficulty in dealing with that is that you would be introducing into a saw miller's works an additional Trade Board to the one he is already operating under. A great many trades complain that they have a great many Trade Boards working in the one factory, and I do not see how you can get over that difficulty.

6845. This work is sometimes done in the brush factory?—If you have a large and well-equipped factory you do all processes of shaping and boring the holes into timber yourself, but certain smaller manufacturers buy these boards shaped and bored from some outside firm, and if that outside firm does not make brushes the employer is allowed to pay what rates he likes unless he is governed by some other Trade Board, which, as it happens, he is not.

6846. It would be very difficult, would it not, to apply the brush rates to that man while he was making those boards?—I admit it would, but at the same time we feel the competition.

6847. *Sir Arthur Pease*: Do the rates as a matter of fact really vary very much?—Well, we hear of very low rates being paid in certain parts of the country for the woodwork industry.

6848. *Lord Weir*: I notice in your schedule of rates an enormous number of piecework prices?—Yes.

6849. Apparently covering the whole of your industry. Do you consider it a satisfactory thing to give the force of law to piecework prices? Does it tend to stultify progress in developing their methods?

—I think that perhaps it does, in some cases at any rate. We may say that the reasons for those piecework prices being confirmed by the Trade Board were that for a great many years we have had a Trade Association which has agreed piecework prices with the Trade Union, and we were always confronted with the difficulty that whatever the figures are we are obliged to pay them, whereas people outside are not obliged to pay them. Therefore, we welcomed the opportunity when the Trade Board came along to compel all people outside the Association to pay the rates which the members of our Association were already paying.

6850. What happens when a man has a better way of doing a thing; how does he arrange matters then?—I do not think that quite crops up, because the piece rates only can be applied to certain specified ways of making an article. If you manufacture it in a different way from the way for which the piecework price is laid down, you are not governed by the piecework price.

6851. You then fix a piecework price for yourself with your workpeople?—The piecework prices laid down there govern almost entirely hand operations, where the operation is performed by one individual from beginning to end. If you sectionalise your work or introduce machinery, then piecework rates cease to apply.

6852. *Mr. Bell*: But with a piecework price in operation is not it the fact that the increased skill of the worker would enable him to finish the process more quickly, and at the week-end he would have an increased wage owing to his increased skill?—Yes—you mean as compared with what?

6853. That is, the production of the better-skilled worker would be greater, would it not?—Yes, but I do not think I quite follow that. If you have a piecework basis rate and the employer has to make a piecework rate from it, he obviously applies the same rate, I imagine, to all his employees, and the more skilled man would earn the higher wages.

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6854. But if you adopt a piecework price so as to give a wage of, say, 40s. a week, it must come to that; that is to be the minimum; but if a worker has more skill than some other worker he is not tied down to the minimum price; he is working at piecework rates, and his wage will be considerably higher than the minimum?—There is no minimum. If we make a piecework rate that is paid to the worker; there is no minimum rate.

6855. It must, at any rate, reach the minimum that has been fixed?—Yes, it should do.

6856. And if with greater skill the production is greater, then, of course, it goes up above that?—Yes.

6857. *Sir Arthur Pease*: Are these piece rates standard rates or minimum rates really?—Standard rates.

6858. *Lord Weir*: These are piecework prices for specific operations?—Yes, they are not rates, really, they are prices.

6859. *Chairman*: Have you a piecework basis time rate as well?—Not for men.

6860. You have for women?—For women, yes.

6861. *Mrs. Lyttelton*: Are there a large number of women employed in the trade?—Yes, considerable numbers.

6862. More than men?—No, I think not. (*Mr. Till*): I should just like to emphasise the criticism that the whole machinery of the Trade Board is too slow, so slow in fact that the Trade Board is beginning to defeat its own object. It lags very far behind the changes that take place in industry, and as the procedure is to-day it cannot do anything else. You get a trivial alteration and it takes three months before effect can be given to it; it may hold up a proposal so that it is six months behind what you really want to do. If we are going on at that rate the Trade Boards will get very unpopular, I am afraid, and they will not meet the object for which they were formed.

6863. *Chairman*: I suppose the need for change often exists and becomes acute before it is possible to bring the Trade Board into action?—It is often acute before the Trade Board meets, and then you have to let your proposal time expire before the Order can be made.

(Adjourned for a short time).

Mr. NORMAN BOASE, Sir WILLIAM ROBERTSON, and

Mr. DAVID DOUGLAS, called and examined.

The Witnesses handed in the following statement as their evidence in-chief:—

SUMMARY OF OBJECTIONS TO FLAX TRADE SUBMITTED BY THE SCOTTISH FLAX SPINNERS' AND MANUFACTURERS' ASSOCIATION AND KINDRED ASSOCIATIONS.

1. It is estimated that two-thirds of the machinery in the trade is silent and that only one-third of the workers are employed, most of whom are only working 24 hours per week, while the normal number of hours is 48 hours per week. The whole flax industry is in a state of great depression, which commenced about August, 1920, and gradually increased, and it has been pretty much in its present position for a whole year. Much distress prevails among the workers, and the employers have all been losing very heavily. Employers in many instances have lost one-half of their entire capital within the last eighteen months.

2. As an example of the present state of matters it may be said that one of the representatives who will give evidence carries on all branches of the trade, viz.: bleaching, spinning and weaving, the full complement of workers being about 2,500, while for the last fifteen months his firm have only been able to employ 700 to 800 hands, and that only for 24 hours per week.

3. The Flax Trade may be said, roughly speaking, to consist of three divisions, viz.: heavy goods, medium goods and light goods. In the North-east of Scotland District, including Dundee, they are mainly engaged in the heavy and medium ends of the Trade, and manufacture canvas for commercial purposes and also certain classes of domestic goods, but are in no sense in the luxury line. The finer end of the Trade is carried on mainly in Fifeshire. Their goods go to all parts of the world, and they have to compete against the French, Belgians, Italians, Germans,

6864. *Mr. Bell*: What do you mean by a trivial alteration?—Supposing we make a trivial mistake, if you like, in a proposal, and you just want to alter it either up or down, you cannot do it without issuing another proposal.

6865. *Mr. Pugh*: And without having objections, too?—Yes.

6866. And consequently you have all the procedure to go through again?—You have all the procedure to go through all over again for a matter of detail on which we are agreed on both sides, and on which the Appointed Members are agreed also.

6867. *Mr. Bell*: You are not referring in any way to an alteration in rates of wages?—Yes, it might be.

6868. But that would not be a trivial alteration, would it?—Yes; the workers themselves would agree that it is trivial. It might have been a slight oversight. We did have one slight oversight; I cannot tell you what it was at the moment, but it was quite trivial, and it had to be the subject of a new proposal to put it right.

6869. You are probably aware that in some of the best-organised industries it is very common to come to an agreement that cannot be altered for six months or even twelve months from that date, by mutual agreement of the two sides. Is there anything in the Trade Boards any worse than that?—I take it that that is a special agreement, but in this case we are trying to fix rates, and we do fix rates, but owing to a little misunderstanding or a little error which you cannot adjust, it may hold up the whole proposal if you want to adjust it.

6870. That is, the agreement itself is held up?—The agreement itself is held up; the existing machinery of the Trade Board does not admit of anything else.

6871. *Mr. Pugh*: Then your point is that where the Board on both sides is definitely agreed to something, there ought not to be that delay in giving effect to it?—No; if you get men round a table who are definitely agreed you ought to have power to give effect to the agreed adjustment.

Austrians, Japanese and others, not to mention other firms in Scotland and England. The Irish firms are practically all engaged in the fine end of the Trade.

4. The conditions under which the Trade is carried on are greatly diversified owing to the geographical situation and local conditions. Some works are large and modern and advantageously situated as regards railway and steamship service, while others are small and situated in country districts with few, if any, of these advantages. Some works produce specialities, which are almost indigenous, finding a special market of their own, while others only make ordinary goods. The cost of transit is much greater in some cases than in others, while the cost of living varies a good deal according to locality. In no sense can the trade be said to be of a unified character, or placed on a level footing, and accordingly a uniform standard of wages cannot be equitably applied. A living wage in one part might be inadequate in another and *vice versa*. The manufacture of heavy sailcloth and the manufacture of fine damasks have no points of similarity except, perhaps, the use of flax. To say that the conditions governing employment are the same in Dundee as they are, say, in Freuchie is obviously absurd. Geographical position adds a sum equivalent to 10 per cent. of the wages paid in some cases, perhaps more. This means that for precisely similar goods one firm can pay 10 per cent. more in wages or reduce the price of the goods by an equivalent sum. This means that when it comes to a cut in prices and keen competition the generalised firm must fall out. The sequence of the collapse of the various towns in the North East of Scotland is a practical proof of this.

5. The Flax Trade has been carried on in Great Britain for hundreds of years and the old hand-spinning and hand loom weaving was a feature of the

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[Continued.]

country life up to the introduction of steam about 80 years ago. The trade has had many ups and downs in its time and has never been a fortune making industry. It has, however, a very honourable record and has in its time given healthy respectable employment to large numbers of honest, contented, capable people, who have made for stability and welfare of the country in their day and generation. For some years prior to the war, a steady satisfactory business was done. Works were going full time as a rule, and employers were making modest profits after paying an economic wage, by which is meant such a wage as the business can afford to pay after allowing a reasonable return on capital. The workers were in the main contented, the best proof of which was that there were very few disputes with their employers, strikes being almost unknown. If an employer did happen to make a large profit at any time the history of the trade proves that this was due to fortunate buying of raw material, which always fluctuated a good deal in price, according to the crop being small or large, which was mainly due to weather conditions. In times of war prices rose, and the employer certainly had his opportunity then, as there was no Excess Profits Duty to pay, and the rate of Income Tax was a dream compared with the present nightmare of taxation.

6. No one ever suggested that the Flax trade was a sweated industry, and it was never proposed to have same placed under the Trade Boards Act of 1909, the purpose of which (to deal with sweated industries) was generally approved.

7. During the war, the Flax trade, excluding the fine end, became extremely busy as the Government requirements were very extensive, and eventually all the works went under Government control and were employed solely, or almost solely, on Government orders. The Government, through the Flax Control Board, controlled the supply of raw materials, and allocated same as they saw fit at their own prices. Industrial Councils were set up under D.O.R.A. to arrange wages, which by November, 1918, had risen 150 per cent. on the average. The main difficulty of employers during the war was not the rate of wages, but the scarcity of labour, as latterly all able-bodied men of military age were fighting. Inexperienced youngsters were able to command wages up to 40s a week, which taught them a very bad lesson, but there was no help for it at the time. Some employers certainly made large profits, but Excess Profits Duty and Income Tax took the bulk of same, and most of what was left went into machinery and raw material, of which employers were obliged to keep stocks purchased at very high prices, the effect of which is seriously handicapping them to-day.

8. Little, if any, attention was paid to the passing of the Trade Boards Act of 1918, by the business community, as employers were only concerned with winning the war at the time, and no one in the trade contemplated that the trade would be brought under its operation.

9. The Flax and Hemp Trade Board was constituted in 1920. At that time the trade was extremely busy, and employers were given to understand by the Minister of Labour that they would have to choose between a Trade Board and Industrial Councils. None of them foresaw the tremendous depression in the trade which has since taken place, and not having seen a Trade Board in operation, it was imagined it might work well enough. It was seen realised in practice that the Trade Board was far too cumbersome, slow, and inelastic in its methods of working to be of any benefit to either employer or employee. It interferes with individual enterprise, and enterprise is sorely needed at the present time to help to restore prosperity to the trade.

10. The workers are well aware that their employers are losing very heavily, and the great majority of them are willing to adjust the rates of wages with their individual employers, according to their respective needs and circumstances, to help them to carry on and tide over the present depression. But the

Trade Board absolutely precludes such freedom of contract. The workers of Messrs. Richards, Ltd., Aberdeen, voluntarily petitioned the Minister of Labour, and also the Prime Minister, to withdraw them from the operation of the Trade Board, but without effect. The workers of Messrs. Paton, Montrose, did the same thing some months ago with the same result, and their works were closed down for about three months. The workers of Messrs. David Webster & Son, Bervie, also made a similar application to the Minister of Labour, but without result. Their works had to be closed down for a whole year from June, 1920, when the wages were first fixed by the Trade Board. But for the operation of the Trade Board, there is no doubt that agreements with regard to wages would readily have been arrived at between employer and employee, much public money would have been saved in the way of unemployment allowances; and additional contracts would probably have been secured. Wages represent in some cases over 50 per cent. of the selling price of the finished article, and if the price is to be reduced, which is the only way to attract business, there must be a reduction in wages, as the other costs of production have already been reduced to the utmost possible limit.

11. It is not alleged that the present depression in trade is due entirely or mainly to the wages fixed by the Trade Board, but the present wages are not on an economic basis at all, and the trade cannot afford to pay them. It might not be possible for some time, by the reduction of wages, to make contracts profitable, but a good deal of capital could be saved in this way, and so employers would be enabled to continue the struggle. For example, at a time like the present, when sales are subsidised from capital, and wages augmented therefrom, the greater the drain the shorter time the power to subsidise will last. Take a firm paying £1,000 a week in wages losing £200 a week, and having liquid reserves of £10,000. By the end of one year their reserves will be exhausted, and employment must cease. The workers will have received, say, £50,000 during the year. A 10 per cent. reduction in wages would have reduced the loss to £100 a week, allowing the firm to employ for two years in place of one, and giving the workers two years' wages, or £90,000 in place of £50,000—the firm at the same time having a two or one better chance of being able to continue employing.

12. A fixed minimum rate of wages is not good for either employer or employees. One effect is that many respectable workers—some elderly, others not so efficient as their neighbours—have to be dispensed with. Again, if two workers are drawing the same wage, and the one finds that the other is producing considerably less, the tendency is for the better worker to do less, which means that production goes down. The general effect of a fixed minimum wage is to reduce production. State interference or intervention between employer and employee is pernicious in its effect and strikes at economic working. In times of trade depression it is required to cut very keenly, and in order to do this it may be necessary to revise wages at short notice. Quick decision is essential in business, and Trade Boards do not move quickly. It takes months to obtain a decision from a Trade Board, and this to business people is no use. The 1918 Act prescribes that the Trade Boards Acts are only to be applied by the Minister of Labour to any trade which he considers does not have adequate machinery for the effective regulation of wages throughout the trade, but it is submitted that in the flax trade there is ample machinery, as the employees are either members of trade unions or have associations of their own which enable them to act collectively for their protection. The employers are also well organised.

13. It is stated that the existing Acts make sufficient provision for any trade being withdrawn from the operation of a Trade Board, because employers can make application to the Minister of Labour, who, if of opinion that the conditions of

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employment have been so altered as to render the application of the Act to the trade unnecessary, may make a Special Order releasing the particular trade. This, however, leaves the matter absolutely to the discretion of the Minister of Labour, without any appeal. In this trade, repeated application has been made to the Minister, who has invariably replied that, in his opinion, the conditions of employment have not been so altered as to justify the withdrawal. What greater contrast there could possibly be between the conditions prevailing in January, 1920, when the Board was constituted and the present time it is hard to contemplate, and yet the Minister declines to move, and there is no means of inducing him.

14. A knowledge of trade is essential in fixing all production costs. To carry on this trade as all others a consumer is necessary and a knowledge of the consumers' limitations is essential. This is lacking by both Government and Labour members of the Trade Board. The arbitrary fixing of wages, regardless of whether a commensurate return can be got or not has been, and will be productive of unemployment. The idea that wages play such a small part in the price of the finished article, that, in the flax trade they are negligible, is erroneous and when put in practice disastrous. Take a daily example. A wholesale house know that they can sell at a certain price; they find a profit of, say, 1 per cent. necessary on this class of business. It is that 1 per cent. which gives or removes business. In ordinary business in the cheaper lines of goods 1/16d. or in finely cut lines 1/32d. per yard secures or loses the order. Fractions as low as sixty-fourths of a penny are in use. The combined wages paid in spinning and weaving may as already stated represent 50 per cent. of the finished value of the cloth. A practical knowledge of these and other facts is essential in any body which has control of about 75 per cent. of production costs, which is the proportion that wages bear to the total costs of production.

15. The Minister of Labour specified that Appointed Members shall be "Independent persons of standing not concerned with the trade concerned and independent persons without technical knowledge."

16. In the Flax and Hemp Trade Board the persons appointed have been persons without any business experience. It is entirely unreasonable that Appointed Members who have no knowledge of the business or its conditions should have in actual fact the decisive vote in all questions of importance coming before the Trade Board. In actual operation it has been found that the procedure of the Board has approximated to that of a Court of Arbitration with each side placing its demands at a maximum whereby the Appointed Members become Arbiters and generally have to decide all questions including those entirely of a technical nature.

17. Attention may be directed to an important point in connection with the minimum rate. Assuming, say, 80 per cent. of the workers to be ordinary workers in the Trade Board sense, i.e., workers of ordinary skill and experience in the class of goods in question, then a piece rate is acceptable when that percentage of the workers can earn by piecework a sum equivalent to the "piecework basis time-rate." It therefore follows that the other 20 per cent. being sub-ordinary are not employable.

18. With regard to the rates for learners it may be said that for six months from starting a learner is, on the average, unremunerative. It is, on an average, a year before their production reaches 75 per cent. of the average. During that time the work is more or less faulty, and the destruction of material, wages, costs of mechanical power, &c., make the starting of a novice prohibitive. The age distinction should be removed as a worker of 18 years of age, without experience, cannot be offered work at wages lower than an experienced worker at the same age except for the first six months. There are many cases of workers who would be glad to take a lower rate until they became efficient for a higher rate, but the opportunity cannot be given to them as it would be too much to pay for the work done, not to

mention the damages sustained. A further point is that young people who stay an extra year or two at school are prejudiced from getting employment as learners. But for the operation of the age rule a number of girls would have been by this time experienced workers.

19. The inherent principle of Trade Boards that the accident of age gives enhanced value to labour is illogical. It is to be observed that when the practical application of the principle threatens to demonstrate its fallaciousness, the Trade Board requests that it should not apply as in the case of spinners.

20. The inevitable pauses in employment, consequent on the change of machinery from one class of work to another, or arising from a breakdown or any other cause have now to be paid for. For example, if a worker is operating two units of machinery and one becomes inoperative, and is likely to remain so for any length of time, it is now imperative to send the worker out of the works, or pay double price for her production if she is making the piecework basis time-rate. Again, take the case of a fault developing in the motive power which could be repaired in a short time. In the past, in such a case, the workers stood by, and resumed with the minimum loss of time; now it means the emptying of the factory and hours added to unemployment.

21. A rate fixed by the Trade Board remains in force for six months, and in a falling market this delay in adjusting costs and prices makes a present of what business there is to our competitors and so creates unemployment. The effect of this in the future, as in the immediate past, is to stop at once all unremunerative employment. A wages bill of about 150 per cent. above 1914, as at present, will tend to result in a complete closing down. This was foreseen and pointed out in a letter addressed to the Minister of Labour on 18th February, 1921, by Messrs. J. & H. Pattullo & Donald on behalf of the Scottish Flaxspinners and Manufacturers, a copy of which letter is produced herewith. Making to stock, an important factor in securing continuity of employment, and stabilising prices, is not possible to anything like the same extent to-day that it was before 1914. Production costs at present are about 300 per cent. above the pre-war normal, and therefore three times the capital is required. Wages represent about 75 per cent. of the costs of production and wages to-day are the main item left, the reduction of which can cheapen our goods.

22. Fruitless quotations show that prices are too high for business, even when based on the bare costs of production, and even when they are being subsidised from capital. A concrete instance of this is given by a firm. Early this year they were offered a large order. It was found that an experienced weaver of over 18 could not make a wage of more than 25s. to 26s. per week on this work. At that time they had daily applications from weavers wanting work. They could have put a number to work immediately on the above-mentioned order but, obviously, if the worker could only earn an economic wage of 26s. a week, the firm could not pay the prescribed minimum of 32s. The position therefore was that there was work for weavers to earn an average wage of 26s. and there were weavers seeking work who would have been glad to accept that rate but owing to the operation of the Trade Board rates the firm were unable to take the order and the out-of-work weaver was unable to obtain employment.

23. The linen trade in Dunfermline and other parts of Scotland is very seriously handicapped by the Trade Board rates in competition with Ireland. The Trade Board piece rate to weavers is on the basis of 8d. per hour, but in Ireland the Trade Board is a dead letter so far as weaving is concerned and competitors there have been working since July on a 7d. basis, while a further reduction has either been fixed or is being considered. When this Board first came into operation assurances were given that the industry in Ireland would be dealt with on an equal footing, but that promise has not been fulfilled.

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24. The Flax and Hemp Trade Board came into being at a very critical time. The war boom was ending and orders were increasingly difficult to get.

25. Warnings poured in from all purchasing sources that prices must come down or business would cease.

26. Most employers immediately faced the inevitable and began to cut the loss. If labour had assisted things would have been different, but they threw every obstacle in the way of cheapening.

27. Wages were stabilised on the artificial standard made possible under the monopolistic conditions ruling during the war, and until Europe began again to produce. The first Trade Board enactment came into force in August, 1920. By the end of that month machinery began to be silenced and the workers dismissed. By the end of 1920 80 per cent. of the flax machinery of Britain was silent, but the Trade Board was arranging still further to increase wages.

28. In December, 1920, an increase was passed by the labour and Government representatives on the Trade Board. It was not made operative owing to a compromise being come to between the employer members and the rest of the Board.

29. This compromise was to set up a Committee to report when the trade was in an economic position to have the question reopened—a somewhat tardy recognition that a trade with 80 per cent. of its machinery silent was hardly in a position to shoulder further burdens.

30. The labour leaders maintain that the actions of the Trade Board had no effect in producing the collapse of the industry, they refuse to accept anything but what they choose to call proof. Let the proof of this be applied by removing the industry from the cover of Trade Boards the clamorous opposition to this course by the labour leaders is the measure of the sincerity of their opinions.

Copy letter produced herewith.

1, Bank Street,
Dundee.
18th February, 1921.

Rt. Hon. T. J. Macnamara, LL.D., M.P.,
Minister of Labour,
Whitehall, London, S.W.1.

Sir,

The flax trade in Scotland is in a most dangerous and critical state. Distress unparalleled exists. Thousands of workers are unemployed and in two whole districts every loom and spindle is silent.

Those mills and factories which are working have much of their machinery shut down, are working a shortened week, and have been mostly manufacturing for stock at heavy financial loss.

Government, which urges us to reconstruct and as soon as possible get back to normal conditions, puts one of the greatest obstacles in the way in the shape of the Flax and Hemp Trade Board. This Board is composed of equal numbers of employers and employed, the latter being principally represented by trade union officials and the casting vote is in the hands of the members outside the trade, who are appointed by Government. Wages are the chief controversial point, and the power to pay wages must ultimately rest on the financial stability of the employer. A knowledge of the state of the trade and the prospects of business is absolutely necessary and must be taken into consideration in assessing the burdens that industry can carry. Neither the labour nor the Government representatives can reasonably be expected to know anything about the position of the industry and they are also without knowledge of trade prospects and cannot forecast the result of their enactments. The stabilisation of wages influenced by war conditions without any regard to the amount of work produced for such wages interferes with the normal laws of supply and demand, and any such arbitrary fixing of wages regardless of economic conditions is suicidal. The Board is far too inelastic as it fixes rates which cannot be altered for four months, and it is very unfair to labour, as by insisting on full payment being made even though only half the normal work can be done, it practically compels dismissal of workers. It is also dangerous in that it has assumed

that the flax trade, not only of Scotland but of Britain, is a trade of level excellence, and that it works under equally favourable conditions in all places. As a matter of fact the flax trade in Scotland is not one industry, but an aggregation of trades carried on in diverse places, many of them struggling against the economic conditions which are the result of geographical position. At no one time are all the branches of the flax trade equally prosperous or depressed. The variation may be in the future, as in the past, extreme. The fine damask trade for instance may be fully employed and the heavy sail cloth trade in such a depressed condition that, failing relief from some source, it must close down. Formerly when wages were adjusted between employer and employed unemployment was problematical, now the combination of the minimum wage and the four month currency of wages makes closing down a certainty during periods of depression. In the flax trade the continuity of employment is subject to the power of instantly changing to meet altered conditions, and it should be kept in mind that this trade has to meet and fight Continental, Asiatic and American competition.

Up to the advent of the Flax and Hemp Trade Board it was recognised in wages arbitration that the trade could only exist in outlying districts with the mutual co-operation of employer and employed. With disabilities intensified for outlying districts the Trade Board assumption of equality is disastrous. So long as the large and international character of the Board remains it will be impossible for the Scottish employer to be effectively represented. A reasoned case cannot be put up for the industry as a whole. Each branch of Trade in it must be considered and dealt with as a separate entity, which it really is. The existence of the industry and the employment of thousands depends on the recognition of this fact.

This letter is not dictated by any unfriendly feelings to labour but by a sincere desire to have our mills and factories again running and giving employment to our workers. The trade recognises that labour is entitled to be heard and it also desires to be in close and intimate touch with labour, but above all it desires to shorten the term of the present distress which can only be done by being in a position to take immediate advantage of trade when it re-appears, and this cannot be done so long as the Flax and Hemp Trade Board exists. To-day there is not a fabric made by the flax trade in Scotland which cannot be purchased from other countries at least 25 per cent. cheaper than our cost of production. The present position of the trade is that of 85 per cent. of the spinning and 75 per cent. of the weaving is already closed down and unless the flax trade is to become extinct in Scotland Government must remove the obstacle it has created. At a recent meeting of the whole trade it was unanimously agreed to express the views given above and to demand in the interests of all that the flax trade in Scotland be removed from the list of trades governed by Trade Boards.

On behalf of the Scottish flaxspinners and manufacturers we shall be glad to hear that the demand has been acceded to.

For the Scottish Flaxspinners and Manufacturers,
(Signed) J. and H. PATTULLO and DONALD.

6872. *Chairman (to Mr. Boase):* You are an employers' representative on the Flax and Hemp Trade Board?—(Mr. Boase): Yes.

6873. *(To Sir William Robertson):* You are in the same position; you are an employers' representative?—(Sir William Robertson): Yes.

6874. You come here on behalf of the Scottish Flax Spinners' and Manufacturers' Association, and kindred Associations?—(Mr. Boase): Yes, my Lord.

6875. How many employers do your Association represent?—I think in the Scottish Flax Spinners' Association there are about 60 firms.

6876. What proportion are they of the whole?—I should say about 90 per cent. of the whole of the firms in Scotland outside Dunfermline, which has an Association of its own.

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6877. What is the position of your industry at the present time?—It is in a very, very depressed state.

6878. What proportion of the normal work are they doing?—I think in our evidence we state that about two-thirds of the machinery is silent, and about one-third of the workers are employed.

6879. To what do you attribute that state of things?—To the general depression of trade, but we also consider that the rates of wages fixed by the Trade Boards have contributed.

6880. Can you illustrate that point, and can you put your finger on any particular rate which has had the effect of diminishing trade?—Yes, I think there are one or two points in our evidence that bring that out.

6881. Perhaps you will come to that later on?—Yes, I should like to come to that later.

6882. Do you carry on more than one branch of the trade?—Do you mean personally?

6883. Yes, personally.—Yes, spinning and weaving.

6884. Are you the person spoken of in the second paragraph as having reduced your staff?—No, that is Mr. Douglas, of Richards', who is also one of our witnesses.

6885. You say in paragraph 3 that the Flax Trade may be said, roughly speaking, to consist of three divisions, namely: heavy goods, medium goods and light goods. In the North East of Scotland District, including Dundee, they are mainly engaged in the heavy and medium ends of the trade, and manufacture canvas for commercial purposes and also certain classes of domestic goods. Those goods go abroad, I understand, to a great extent?—A considerable quantity of them go abroad.

6886. Is there any competition with foreign firms?—There is very severe competition at the present time from France and Belgium.

6887. The wages there, I suppose, are below the level of the Trade Board rates?—Yes, they are below our rates.

6888. Sir Arthur Pease: Could you compare the rates?—They have varied considerably during the last few months. I know that in France about two months ago the employers there made a reduction of, I think, about 30 per cent. straight away. I cannot give you the actual percentage just now; if I had some time I could go into it; I have the figures, but I have not actually compared them. They are very considerably lower than our wages now.

6889. Even without taking into account the exchange?—I think even without taking into account the rate of exchange they are lower.

6890. Mr. Bell: Would you say the workers in France and Belgium are as skilful or as expert as those in Scotland?—I think so, from what I know of them.

6891. Have you any idea, then, of the difference in the cost of production between these countries and Scotland?—Not except in so far as wages are lower, and of course their taxation is lower, so their production expenses must be considerably lower than ours.

6892. Lord Weir: That is, if their methods are equally good and their facilities?—I should think so.

6893. Mr. Bell: That is contrary to the general experience of textile operatives on the Continent as compared with our own?—I am afraid I have no knowledge of that. I have never heard that they were supposed to be worse workers than we are.

6894. I do not say worse workers, but the production is not so good per worker.—I think I have heard that stated; I have no knowledge of it.

6895. Chairman: The Flax Trade is carried on in many parts of Scotland. I understand?—And England and Ireland.

6896. Partly in large cities?—Yes, partly in large cities.

6897. And partly, I suppose, in small places?—Yes, partly in small country villages.

6898. And the rate fixed applies to all?—Yes.

6899. Is that right?—I do not think so.

6900. Are the expenses of living different?—Yes, they vary in the country as against the towns.

6901. Has any proposal been made on the Board for differentiating country from town?—There were proposals made on the Board, and I think at one time

the idea was to go into districts, to divide it up into districts. I think it was felt that it would be very difficult to work with the districts at that time, although I think we are coming round now to the opinion that that would have been the only solution of our difficulties in that way, and really a sort of compromise was made between the labour leaders and ourselves on that matter, rather than have it forced that we should have districts they agreed to a lower minimum wage being fixed.

6902. Is that a minimum wage suited to the country districts?—Well, no; we hold not.

6903. Somewhere half-way, you mean?—Well, it was a sort of compromise, but still we consider it was too high.

6904. Lord Weir: It penalises some districts very severely?—Yes.

6905. Chairman: There is a difficulty in the manufacturing industry in having different rates, is there not? We were told by a previous witness to-day that whereas in the distributive trades it might be quite right to have differential rates in different places, the system would not work so well in a manufacturing industry which was spread over the country.—I have known certain firms in small country districts who have to pay far more for the transport of their goods, have to pay far more for their coal, yet they have to pay the same rates fixed as those who are more advantageously placed, and it seems to me that they must go out of existence. In our evidence I think we say that there is often 10 per cent. difference owing to the geographical situation of various firms.

6906. Lord Weir: Is it not really a tremendous handicap, a 10 per cent. handicap?—A tremendous handicap on the country districts, yes.

6907. And your suggestion is that if you have a minimum rate those businesses will have to go out of existence?—Yes.

6908. Would you look upon that as an entirely bad step?—I think it would be entirely bad, because I think many of those small businesses in country towns are the only means of livelihood of the girls and women in that district. Their men-folk may be engaged in agriculture, or whatever it may be, but that is the only method of adding something to the household wage.

6909. Chairman: I suppose if the minimum were fixed as a minimum for the lowest class of worker in the least favourable district, everything above that being left to agreement, that would meet this point?—I think it would to a certain extent, but, at the same time, our industry is strongly of the opinion that we ought not to be under the Trade Board at all.

6910. Lord Weir: Then how would you provide against what have been called sweated wages?—We claim that there never has been.

6911. But you can readily imagine that such wages might be applied if you left everything absolutely free?—Then I suggest you might keep on the 1909 Act.

6912. That is the Act which imposes the Board in the case of exceptionally low wages?—Yes.

6913. Mr. Bell: Is there anything to prevent differentiation in the rates with a Trade Board in operation, or is the general tendency to regard the minimum fixed as a standard?—I do not quite understand your point.

6914. The Trade Board fixes a minimum wage?—Yes.

6915. There is nothing to prevent an employer in a more favoured district, who can afford to pay more than an employer in a less favoured district, paying more?—No; it is a minimum wage.

6916. In your industry do all the employers pay the minimum, or is there any difference in the rate of wages paid between one district and another owing to different conditions?—I think as between one trade and another—because our industry is a conglomeration of trades—there may be some small differences. I think perhaps the majority of the people in the Flax Trade just now are paying the minimum wages fixed. I think there are other cases where they are

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paying the same rate throughout. That is your point, I take it?

6917. Yes. Is it not the fact that before the Trade Board came into operation at all some of your country districts paid higher rates than the town rates?—I do not think so.

6918. I think you say that in your evidence?—I do not think we say that.

6919. I think you will find it in your own evidence?—I have no personal knowledge of such a case. All my knowledge of the trade shows that the towns pay more than the country districts.

6920. I will draw your attention to it again when I come across it.—Thank you.

6921. *Chairman*: There were some very low wages paid in this trade before the Trade Board was set up?—Do you mean in 1909, or when?

6922. Before 1909, yes.—Well, I think that looking at it from the point of view of wages as we understand them now, they look low; but I do not think that at the time they were comparatively low.

6923. Take the women's wages as found by the report of the Board of Trade Inquiry. Of the women, 41·7 per cent. were paid less than 10s. per week?—Is that women of all ages?

6924. No; adult women; and 49·1 per cent. over 10s. and under 15s.?—Does that apply to Great Britain, or Great Britain and Ireland?

6925. That is the United Kingdom; so that is over 90 per cent. under 15s. a week; and of the men, 49·1 per cent. were paid under 20s. a week—adult men. Those were very low wages?—How does that compare with agricultural wages at the same time for men in England?

6926. I have not the agricultural wages, but it compares badly with every other trade which is in this list, except the jute trade?—Yes, my Lord, but are you quite fair to us? I am not saying those wages are not correctly stated, but is it fair to us to have it taken as the United Kingdom? There is no doubt that the Irish wages were always very much lower.

6927. *Sir Arthur Pease*: Is Ireland a large proportion?—Ireland is far larger than we are.

6928. *Lord Weir*: That is, the influence of the Irish wages would seriously affect that figure?—That is so. If those were the wages for the United Kingdom, and Ireland employ more people than we do, and if they are paid lower wages, then, of course, naturally we would suffer. I think there is no doubt that we paid higher wages than Ireland did.

6929. *Chairman*: Was it not true that even in Scotland the wages paid were very low?—I think not, especially looking at it from to-day.

6930. Oh, yes, of course.—I think it appears that they were very low. I am quite sure that when we looked at it before the war we did not consider that wages were very low in comparison with other trades or other employments. For instance, I think that the agricultural worker, the man on the land in England, was seldom paid more than 17s. May I make another point. It is this, that we were not put under the Trade Boards Act before the war; we were put under the Trade Boards Act in 1919-1920, when our wages were not what you state; they were not low at all; on the contrary, they were very high.

6931. But did not the proceedings for bringing you under the Act begin before the passing of the 1918 Act?—Oh, no.

6932. We were told so.—I beg to deny that absolutely. I cannot think who told you that.

6933. I am told by an official of the Ministry of Labour that the investigation began in 1917.—(*Sir William Robertson*): I have no knowledge of that.

6934. Has Mr. Douglas any knowledge of that?—(*Mr. Douglas*): No. (*Mr. Boase*): I really honestly do not think it is true.

6935. I am quite sure you are telling us what you believe. I have no personal knowledge, but I will have the dates looked up if they are material.—Certainly the first that I heard of it was about the time when the Trade Boards Act was going to be passed.

6936. Even that was before the Act?—That would be about 1913, I suppose, and at that time we were

really never consulted as to whether we should be under the Trade Boards Act or not. We were asked to come down and discuss as to whether it was better for the trade; that is, after the Whitley Committee had presented its report as to whether it would be better for the trade to come under a Whitley Council or to come under a Trade Board, and there was difference of opinion, both on our side and on the labour side, as to which we should do, and eventually the labour side said that they did not want to come under a Whitley Council, and there the matter was left. The next that we heard was that we had been put under the Trade Board.

6937. That you would be put, or had been put?—That we had been put under the Trade Board.

6938. But was not there a long correspondence about it objecting to your coming under the Trade Board: I do not mean with you personally, but with members of your trade?—Yes, I think Sir William Robertson corresponded on objections. (*Sir William Robertson*): It was not until notice was given that we were to be brought under the Trade Board.

6939. That I understand, but it was before you were brought under the Board?—I have the letter here—September, 1917.

6940. Your Board was formed in 1920?—(*Mr. Boase*): I think in the beginning of 1920. (*Sir William Robertson*): We were asked by the Ministry of Labour to consider whether we had any objections and we said we had, and we had certain correspondence, and in view of two letters, copies of which I have here, which we received from the Ministry of Labour, we withdrew our objections, and I should like those letters to come before you.

6941. You knew that you might have claimed a public inquiry at that time?—Yes, and we were induced by these letters to withdraw our objections. (*Mr. Boase*): May I say that Sir William Robertson is speaking for a special part of the trade, that is, the fine end of the trade. I am speaking for the heavy end of the trade, and I state that we were not consulted, and as a matter of fact there is a considerable difference between myself and various members of the Ministry of Labour on the subject. They insisted that we were consulted, and I insist that we were not consulted; but I need not go into that, because there is that difference of opinion, and it evidently cannot be proved.

6942. I only raised the point because of what you said. Personally I feel there is very little good in going into this ancient history. The question is really what is to be done to-day.—Yes, but I think the point that I was making just now was that we came under the Trade Board Act, not because of the low wages that were paid before the war; these wages which you quoted just now I think had nothing whatever to do with us. That was my point.

6943. I see. Then we really are agreed so far. What you say agrees with what I am told, that the question was raised before the passing of the 1918 Act; but you say just while the Act was in course of being passed?—I think that is right.

6944. Then perhaps we can go on to some more important matters. You say that during the war the trade became extremely busy?—I would like to say there, during the war, the flax trade, excluding the fine end of the trade.

6945. And eventually all the works went under Government control?—Yes.

6946. The difficulty then was not wages, but persons to do the work?—Yes.

6947. The Act was passed in 1918, and when the Trade Board was formed you were still extremely busy?—At that time, yes; the heavy end of the trade was busy.

6948. When did the depression begin in the heavy end of the trade?—In August, 1920.

6949. *Mr. Bell*: And in August, 1920, was not that about the period when the general slump took place, affecting all textile industries?—Yes.

6950. Both those affected by the Trade Boards and those which were not?—Yes.

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6951. Why, then, do you say that the operation of the Trade Boards has affected it?—We give various instances, I think, in the evidence. We distinctly mention that we do not attribute the collapse of the trade entirely to Trade Boards. We do realise that a great part of it was owing to depression.

6952. I think one of your points was that you wanted to get away from the Trade Boards, because you attributed your bad trade largely to the operations of the Trade Board, and that if you could get away from the Trade Board you would be able to provide more employment?—Well, that, I think, can be adduced from the evidence we give here, but I do not say for a moment that if you withdraw us from the Trade Boards Act we shall be able to put all our looms and spindles on to full time straight away. We need not claim that.

6953. Would you agree that in August, 1920, and the period immediately following, even if your workpeople had worked for no wages you then would not have been able to get orders?—I distinctly state we would have employed more people.

6954. I have seen statements made by employers, and in fact I have heard them, that even if the workpeople were working for no wage at all there were no orders to be got, and they would have to stop in any case?—Well, of course, it may be so in certain trades. I do not say it was absolutely so in our trade. It was very difficult to get contracts and work to do, but if the wages had been lower and had been going down, there is no doubt that employers would have been willing to go on and make goods for stock, which would have gone towards continuing employment through those months that followed.

6955. I notice you mention a wage of 26s., that orders might be taken at a wage of something like 26s.?—That was a specific case, yes.

6956. How would that compare with pre-war wages in actual value?—On what index figure?

6957. At the time you were mentioning. Let me put it another way, without taking any index figure: put it at 100 per cent. higher.—Your point then would be, if a weaver was being paid 13s. in pre-war days, would 26s. be the figure that she would be paid at now if the index figure was 100 per cent.? I think the reply must be yes.

6958. Would you regard 13s. as anything but a sweated wage for women of over 18?—I do not know what a sweated wage is myself; I find it very difficult to say. For instance, taking the question of wages in country districts, where men have got employment and where there are a lot of girls and women who would be willing to work for a certain amount, whatever they could get, say that the economic wage that the factory in that district was able to pay was 13s.—and by an economic wage I mean the wage that that actual factory was able to pay and keep going—would it not be very much better that these girls and women should receive 13s., which you indicate as a sweated wage, rather than receive nothing at all?

6959. If they were taking employment from other girls by unfair competition in another part of the country, I should say yes.—You would call that sweated labour?

6960. Yes.—Well.—

6961. *Lord Weir*: In connection with that question of competition, if you were actually losing trade to other people just now, I mean when you lose a foreign order, is that order placed with somebody else in another country, or is the order withheld: is the contract withheld on account of the price?—I think both cases occur. I think orders are sometimes withheld because the price is considered to be too high, and also orders are placed either direct with foreigners or with merchants in this country who buy in foreign countries.

6962. And you are definitely losing work which is being placed in other countries?—Absolutely definitely.

6963. *Mr. Pugh*: What is the percentage of wages cost to price in your trade?—It must vary very much with the price of the article, but we have taken an average here of 50 per cent.

6964. *Lord Weir*: We do not want to make any mistake. The 50 per cent. is 50 per cent. of the total production cost, including material?—Yes.

Lord Weir: Not like the jute people, who exclude cost of material.

6965. *Sir Arthur Pease*: 50 per cent. of the cost, or 50 per cent. of the selling price?—I think it has been taken as 50 per cent. of the selling price, which at the present time is certainly cost or under.

Mr. Pugh: That is the same thing.

6966. *Sir Arthur Pease*: But in normal times would it be 50 per cent.?—I do not want there to be any misunderstanding. We are taking 50 per cent. as a sort of average. There are cases which I could give you where it would be more than 50 per cent.; there are other cases where it would be less than 50 per cent.; but I am taking 50 per cent. as a broad and fair average.

6967. *Mr. Pugh*: That is on present rates?—That is at the present time.

6968. *Mr. Bell*: I do not know whether these percentage figures have been used somewhat loosely or not, but I want to draw your attention to them. 50 per cent. of the cost, if the cost was 40s., would be 20s., a difference of 20s.; and then if you put 150 per cent., which is your increase in labour, on the 20s., you get 50s., and then you speak of the cost of production being 300 per cent. higher than 1914; so that 300 per cent. on your 40s. would give you 120s.?—Will you please refer to the part of the evidence where that occurred?

6969. Yes, it is in your Clause 21. You say production cost at present is about 300 per cent. above the pre-war normal?—Yes, that includes, of course, not only wages but oil, coal, &c.

6970. *Sir Arthur Pease*: And rates and taxes?—And rates and taxes and so on.

6971. *Mr. Bell*: I understand that, but in one case where you take 50 per cent. for wages you get a difference of 10s., but if you take it the other way, and if you put 150 per cent. on 20s., making 50s. as the present wage, that is taking 30s. as the standard pre-war—?—But where is this point, if you will please show it to me. Is it in Clause 21?

6972. Yes, you get a difference of 10s. as between the 30s. and 40s., and if you take the same 40s. and put 300 per cent. on, you get 120s.?—But the 300 per cent. includes all other charges, oil and so on, and standing charges.

6973. I thought you were trying to make a point that all the loss of trade was due to the increased wage?—No, honestly I do not think that we are quite so foolish as to do that. We cannot say it is entirely because of the Trade Boards that our trade is in the condition it is just now. We really are not trying to persuade you that that is so, we are only saying that that is part of it.

6974. *Lord Weir*: I think it would be quite clear if you would tell us the increase in wage cost?—That is to say, what wages are just now?

6975. No, involving output and hours. You see, the wage cost of anything involves both output and hours and wage rates?—Do you mean by that the hours we are working at the present time?

6976. I should like your wage cost to-day as compared with your wage cost in 1914.—I am sorry I appear so stupid, but what I want to know is, do you want wage cost as representing working full time, and now in 1921—

6977. No, assume full time.—Then I think the figure we have given here, 300 per cent., is right. If we were to take the short time we are working just now, it would be much more.

6978. Then a portion of that, of course, is made up of increase in wage rate; another portion is made up, let me suggest, perhaps, in output, and another part of it in hours of work—the reduction in the hours? Is not that so?—Yes, we have reduced from 55 to 48.

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6979. *Dame Adelaide Anderson*: Does it always follow that the output is less when you have reduced the hours?—Well, it is rather a difficult question to answer. Certain firms have found that it is so, other firms have found that there is not very much difference, but we have not had really very much opportunity of being able to answer that definitely, because when we reduced our hours from 55 to 48 we only had a very short time of working on that before the depression came, and we had to go on working 24 hours. Therefore it is very difficult to reply to that question.

6980. But you are no doubt aware that there are historic cases where a considerable reduction of hours produced not only an average per hour better, but a total production as good or better?—I believe that there are cases of that. I do not think it is so in our trade. I think in our own firm we can distinctly state that the reduction in hours meant distinctly a reduction in production.

6981. In output?—Yes.

6982. *Chairman*: If I may pass on in your statement, you mention that in some cases the workers employed are anxious to have the trade withdrawn from the operation of the Trade Boards, and have signed applications to that effect. Have you any personal knowledge of the circumstances under which those applications were signed?—I have no personal knowledge, but Mr. Douglas is Managing Director of one of the firms who did apply, and he can probably tell you.

6983. Then perhaps we had better postpone that until we hear Mr. Douglas. Then you say in terms in paragraph 11 that you do not allege that the present depression of pay is due entirely to Trade Board wages?—Oh, no.

6984. *Sir Arthur Pease*: But there will be no opportunity, as there has been in some trades, where a big order has been offered from abroad, for you to make a cutting rate and to say to your workers: "Now, we can get this big order, which will give you employment for so many months, if you will meet us by taking a lower wage." You could not do that?—I do not think there have been many big orders of that kind, but there have been numerous small ones. I suppose every firm in the trade has had the offer of orders at prices which they simply could not face because it would mean such an enormous loss, where they might have been willing to face it if they could have got their workers to join with them in reducing wages, which they were quite willing to do.

6985. Do you think the reduction in wages which could have been got would have been sufficient to balance it?—Well, in many cases I do not think sufficient to balance it, but if the firm was going to lose, say, 6d. a yard in weaving that cloth—this is only a hypothetical figure—if the workers had been willing to accept a lower wage and reduce the manufacturer's loss to 3d., then I think probably the manufacturer might have taken the order; but he was not going to lose the whole 6d. There have been many cases of that.

6986. *Chairman*: Is this trade well-organized now?—Very well organized.

6987. What proportion of the employees belong to Trade Unions?—Well, the Labour Leaders tell me that they all belong either to Unions or to Associations, or to District Committees or Works Committees—I forget what they are called. There is an extraordinary thing with regard to that, that I think I might mention here. I asked at the time at the Ministry of Labour why we were put under the Trade Board Act at all, and I asked whether it was with regard to wages. The reply was: "No, certainly not; it really is because the other side was not properly organized." I happened to mention this to two of the Labour Leaders, and they said, "Well, that is very funny, because we asked the same question, and we got the reply that it was because the employers were not properly organized."

6988. *Lord Weir*: When you speak of the trade in connection with organization of the Board, do you mean in Scotland or the whole trade covered by the

Board?—I refer here to the whole trade covered by the Board. As a matter of fact, outside Scotland there are not very many firms; some of them belong to our Association, although it is a Scottish Association, but there are very few outside people in England, except in Bridport, where they have an Association of their own.

6989. *Sir Arthur Pease*: Do you include Ireland?—Oh, no.

6990. Is Ireland organized, do you know?—Ireland is very well organized.

6991. *Chairman*: Are there many different Unions, or only a few?—In Scotland?

6992. Yes, in Scotland?—Oh, there are a good many different Unions; in fact, a great many, I should say.

6993. Is there no Union for this trade?—No. I suppose the Scottish Textile Workers' Union covers the various small Unions, does not it? (*Sir William Robertson*): They are affiliated to it. (*Mr. Boase*): They are affiliated to one big Union. They each have small Unions in the districts.

6994. *Mr. Pugh*: Has the position of the trade been represented to the Trade Union representatives?—Oh, they are very well aware of it.

6995. Have you discussed the matter with them—the condition of trade?—At the Trade Boards we have; I do not think we have outside. I think perhaps I might say we have pointed it out to them rather than discussed it with them.

6996. *Lord Weir*: If that happens on the Trade Board, why have not you got a rate which satisfies you, which meets the trade conditions? I mean, you were there on the Board for the purpose of fixing a minimum rate. Why do you fix a rate too high?—My reply to that is that we should have been very glad to reduce this rate from time to time, and quickly, but we cannot alter a rate that is once fixed. It has to operate for six months.

6997. So it is the machinery?—The machinery there is very bad.

6998. It is the machinery rather than the system that you are objecting to?—Well, I think the system also is bad, but in this case the machinery is certainly not elastic enough.

6999. *Mr. Pugh*: But normally six months is not an unreasonable period to maintain an agreement, is it—under normal conditions? Of course, now you are under abnormal conditions, and you have been for the last twelve months; but normally six months would not be too long to maintain an agreement, whether wages were going up or coming down?—It must apply to both, of course, both when wages are going up and when they are coming down. Normally it may not be too long. I think very often before the war more than six months passed without alterations of wages. We hold very strongly, especially being an export trade, that we must be able to change our rates in a much shorter time, and that whether it is up or down.

7000. *Chairman*: There is no difficulty when they are going up; it is when they are coming down.—Of course, we have not had any evidence of that. I am not at all sure.

7001. There is nothing to prevent you paying a higher rate?—No, there is nothing to prevent our doing so.

7002. *Mr. Bell*: You say "Because you are largely an export trade." You are not more of an export trade than the cotton trade of Lancashire, are you?—No, but they have not got a Trade Board.

7003. But they have an Employers' Association which generally asks the workpeople's representatives to agree, not to a six months' agreement, but to a 12 months' agreement, and they are working now under an agreement which will not expire in a less period than six months, during which they cannot ask for any reduction; so that I think you will see that without a Trade Board in operation these employers sometimes recognise that it is in their interests to have an agreement which lasts for some period. I want to take you back a little. You mentioned just now a figure; you said that the employer was losing 6d.

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per yard and that if the worker had been prepared to accept a reduction of wages equivalent to half of it, you might have been able to get orders. I suppose you were aware, when you made that statement—Excuse me, I did not make that statement. I made the statement that if we were offered an order at 6d. per yard loss, we certainly would have to refuse, but that if our workmen had been able to meet us by accepting half the loss, we probably would have been able to accept it. That was my statement.

7004. If they had been willing to accept half that loss, it would have represented more than their wages, would it not?—I used the figure of 6d., but perhaps I ought not to have used it. I ought to have said a loss of X pence, and said that if the workers would accept half X pence, we might have got the order.

7005. I think their actual rate of wage would come to something like 2d. per yard?—That may be. I am sorry if I misled you. It was only a figure of speech.

7006. *Chairman:* You might say ½d., or something like that?—You might say 1d. and put the workers' share at ½d. It was perhaps foolish of me to mention 6d.

7007. Then you deal with the Appointed Members. You say that you think they should be persons of business experience?—Yes; and I think also, and there is a feeling in the trade, although I do not think I mention it in my statement, that it is rather a pity that the Appointed Members should be members of various Trade Boards. I think, having fixed the rates on one Trade Board, they are very apt to have their minds fixed on those rates, and not to come with an open mind to the next Trade Board which they are going to attend; and that, also, I may say, refers to the representatives of labour.

7008. *Sir Arthur Pease:* And the representatives of employers?—I know of no case where representatives of employers are members of two Trade Boards.

7009. *Chairman:* We know several.—Then certainly it ought also to apply to them.

7010. *Chairman:* The Appointed Member who is a member of more than one Board comes with a knowledge of procedure which may be useful to him.—It may be an advantage from the point of view of knowledge of procedure, yes.

7011. I am taking these points shortly, because we have your written statement.—I may say that there are one or two small alterations in my statement, which perhaps I may be allowed to hand in. There are some typing mistakes which had better be put right.

7012. Do you want to add anything as to paragraph 17?—No.

7013. With regard to learners, in paragraph 18 you say that it should not be wage for age?—Yes.

7014. But that there should be an increase on the footing of experience, rather than of age; is that it?—Yes.

7015. I see that your wage for learners runs up a year at a time?—Yes, that is right.

7016. There is nothing to prevent your Board altering that, of course?—No, I suppose not. It is the principle that we object to; it is not the question of it starting at 10s. or starting at any fixed sum, and rising per year; it is the whole principle that we object to.

7017. What principle?—The principle of wage for age.

7018. But that principle you could alter. You could grade it in some different way, could you not?—That rather backs up, does it not, what I said recently; that the people who are members of various Trade Boards come to us imbued with the fact that every Trade Board is working on the wage for age system?

7019. Not every Trade Board.—Every Trade Board that I know about.

7020. At all events, you have not proposed on your Board up to the present that any different system should be adopted?—I do not think so.

7021. *Lord Weir:* It is within your power on the Board, is it not, to propose any system which you think is right? There is nothing laid down in the

Acts; the Board has the fullest freedom to settle its own methods and its own principles in regard to the juveniles?—That, I think, is true, but in any ordinary business you can change the thing by the day or by the week, but here you have no chance of doing so; you have fixed that, and it remains for six months, and then you have to have a meeting. It is not as if you could call the Board together every week or every month to discuss these points.

7022. Surely you do not want to change a principle like that more than once every six months, that is to say, during one six months to pay them by age, and during the next six months to pay them on a different principle?—Having adopted a wrong principle, you want to change it as soon as you can, and not wait for six months before you change it.

7023. You mean that the Board made a mistake, is that your view?—I think the Board made a mistake, yes.

7024. And they want to redress their mistake?—I think that they should. I doubt very much whether it will be done.

7025. *Sir Arthur Pease:* What would you suggest?—I would suggest beginning the learners at quite a low wage, and I think that I would also be inclined to suggest that the age should not go up by the year as it does now. One special point there is this: that young persons who are kept at school, say, for another year or two, under this arrangement which has been adopted by our Trade Board, have no chance of coming on as learners. I know of cases recently, and Sir William Robertson can speak to them, where firms have been willing to take in learners and wanted 20, 30, or 40 learners, in order that they might come on and learn the trade; but what did they do? They took them in at 14 and 15 years of age, but they would not take them in at 16 and 17 years of age, so that those better educated young persons who had stayed on another year or two at school had very little chance of being taken on as learners.

7026. *Mr. Bell:* Do you attribute the responsibility of that to the Trade Board?—Do you mean to the Trade Boards Act or to our Trade Board?

7027. Assume a young person of 14 years of age coming from school and coming to work at a certain rate; and assume that another girl stays at school two years longer, and develops a more active brain, and gets a better education, is not she worth more to the employer after that than the girl of 14 is?—No, not in our trade. It is skill of the fingers more than skill of the brain which is required to begin with.

7028. I know something about textile work.—Take a spinner. If you were a spinning master, which would you rather have, a girl of 14 years of age or a girl 17 years of age?

7029. If I were a weaver.—I asked you about spinning.

7030. I am going to put it in my own way. If I were a weaver, and I had the opportunity of teaching a girl of 14 years of age, or teaching a girl of 16 years of age, I should take the girl of 16 years of age every time, as a practical weaver.—At 2s. or 5s. more, or whatever it is—at the extra price?

7031. I am talking about how soon she would be able to assist me in my work—how soon she would pick it up.—But my point is this, that if you take a girl of 14 years of age you are going to take her as a learner at 10s. a week, whereas when she is 16 years of age you are going to pay her 18s. per week. You say that you would prefer to take the girl of 16 years of age, and to pay her 8s. per week more?

7032. Yes.—You would?

7033. I would.—At 8s. more?

7034. Yes, because I should get as much out of her at the end of six months as I should get out of the other girl at the end of 18 months.—I cannot subscribe to that.

7035. *Chairman:* Then you refer in your statement to the waiting clause. How does that work?—What clause is that?

7036. That is the clause under which you have to pay the employee who is waiting in the works. It is

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paragraph 20 of your statement?—Yes. I say in my statement: "For example, if a worker is operating two units of machinery and one became inoperative and is likely to remain so for any length of time, it is now imperative to send the worker out of the works or pay double price for her production"; that is to say, if a girl is working two looms and for any reason one loom goes out of gear, or a beam is not forward for that loom, in the old days the worker was only paid for continuing the single loom, but now that a definite wage is fixed which she has to get for the work and she cannot make that wage while she is working a single loom, the employers are very apt to say: "Very well, we will do without your services until we can give you your two units."

7037. *Mr. Bell*: So that you mean that if a worker is able to earn, say, 20s. on two looms in 48 hours, you claim the right to keep her there for 48 hours for 10s. per week?—I am not quite following that. That is not a question of any special length of time. It may be half a day or a day, or an hour or two, but we must, in order to work our business economically, pay her on production.

7038. But if it were an hour or two, surely you would not talk about sending the girl off the premises altogether or discharging her?—There have been cases where I know it has been done.

7039. But you know of many cases too where weavers have stood with one loom for weeks?—I do not think I know of them doing so for weeks.

7040. I do, unfortunately. In carrying out the same principle, if a weaver has stood with one loom rather than two for weeks, it means that she is working full time with a 50 per cent. reduction in wages. Is that not what it amounts to?—If she is working full time she has to be paid whatever the minimum wage is—32s.

7041. Yes, now.—Yes. It seems to me that what would happen would be this, that instead of employing two people, each working one loom, they would employ one person working the two looms.

7042. That is what would probably be the result, but surely employers are not going to contend that they have the right to work people full time at half wages?—I do not think that that comes in, because they would only be doing half work.

7043. They would be working full time?—But they would only be doing half work.

7044. *Sir Arthur Pease*: What would happen supposing an employee had been in work, say, for two hours of the shift, and both machines broke down? Could you send her out of the works immediately, or would you have to pay her for that shift?—We do not work by shifts.

7045. For that day, then?—If she would be unemployed for the rest of the day, we would send her out.

7046. You could split the shift?—We pay so much per hour; whatever the amount is—8d. per hour.

7047. And if she had been working one hour?—She would get her 8d. per hour, and if she was not working any more—if there were a breakdown or for any other reason she were not working—she would go home and she would not get any more.

7048. *Lord Weir*: Surely there is nothing in the Act which brings that about. That is the action of the Board, is it not?—I think that is right. I know that many of your criticisms of my evidence might take that form. I think it is quite true that a great deal of it may be said to be not against the Act, but against the working of it, but it is the effect of the Act as worked by our Trade Board.

7049. I want to go a little further with you upon that. Why did you fix such a large range of rates? Can you tell me why your Board did that? It fixed for female workers a minimum rate, "for all other female workers," that is, other than young workers, and that disposes of the female workers, but when you come to the male workers you fix rates for, I think, three classes or categories of workers. Why did you do that?—Which are the three categories?

7050. I will specify them: tenters, under-tenters, and dressers.—Those are foremen—skilled people.

7051. Why did you do it?—Because we think a person who is skilled should get more.

7052. But why did you fix rates for those people under the Trade Board?—May I ask: Is your point why did we not simply stick to the letter of the law?

7053. Absolutely.—Quite so—a minimum wage and nothing else.

7054. True.—I quite agree with you.

7055. Why not?—Because I think you may say that we were persuaded by labour and the Appointed Members to do it.

7056. *Mr. Pugh*: Of course you would have had to fix rates ultimately, would you not?—No, I cannot agree.

7057. I mean you would have had to make some rate for classes of labour that were more skilled than the class of labour for which you fixed the minimum?—No, I do not think we should have had to make rates. We might have had to pay higher rates. I think naturally people would pay more for skilled workers, but we, as a Trade Board, would not have had to fix those.

7058. You would not necessarily have fixed them under the Trade Board; is that your point?—That is my point.

7059. *Dame Adelaide Anderson*: They could not have been rates individually for each mill; they would naturally have had to be district rates, even voluntarily?—I think so. It comes down to that very much. If there are several mills in the same district, and one mill is paying more to its foremen, or whatever they like to be called, that mill will always get the pick of the foremen in that district.

7060. So that it tends to become the district rate for each grade, in any case?—I think it would, yes. I think there may be districts which are quite close to each other, where they may go across from one district to another if the wages are more in the other district.

7061. *Chairman*: Is there anything further on this page that you wish to emphasise?—I do not think there is. I think we have touched upon practically all the points.

7062. Is there anything on the next page?—I would like very much to emphasise paragraph 23. I do not know whether it will be allowed, but I would be glad if you would allow Sir William Robertson, who represents the fine end of the trade, to speak to paragraph 23. He knows more about it than I do.

7063. That is about Ireland, is it?—Yes, and if you could possibly see your way to hear Sir William on the subject now, I know that it would suit him very well, because he has got a special meeting that he wants to get away to attend.

7064. We shall be very glad to hear him.—(*Sir William Robertson*): There are only one or two points to which I think I need call any attention. When it was suggested that our trade should be put under a Trade Board, the question immediately suggested itself to us as to whether the Irish trade would be put under the Trade Board. We are in direct and keen competition with Belfast. The Scottish fine linen trade is largely centralised in Fifehire, my own county, and we buy our yarns from Belfast, and we are in direct competition with them, both in the home and in the export market. Belfast is rather advantageously situated for the linen trade, inasmuch as Ireland has always been a flax-growing country, and they have spinning mills there which we have not in Scotland, and they have a humid atmosphere, which is a great advantage in weaving linen; and Belfast is certainly humid. In that way Belfast has the advantage over us, and I wanted to make sure that she would not have the further advantage of not being under a Trade Board. I got an interview at the Ministry of Labour here in this building, and I put forward two points: I wanted to know whether Ireland would come under the same Trade Board, and I was assured, that it would not; it would have a separate Trade Board, but that a Trade Board in Ireland would take effect simultaneously with the Scottish Trade Board. That

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satisfied me for the time being. Then the other point, which I only want to mention in passing was, that I was very much afraid that a Government official would be made Chairman of the Trade Board, and I did not want a Government official brought in; but I was assured that that would not be the case, but that a Scotch Sheriff would, in all likelihood, be made Chairman. We have such confidence in our Sheriffs in Scotland that we raised no further questions; our objections were removed. Now what has happened? Our Trade Board was instituted, and I venture to say that it has been loyally worked on the part of both parties. In Ireland at the very first meeting of the Trade Board they got to loggerheads at once. I am speaking of the weaving, because there are two Boards there, Spinning and Weaving; in Scotland both of those operations come under one Board, but in Ireland they have separate Boards. As I say, at the very first meeting of the Weaving Board they got to loggerheads, and the employers left that meeting and have never gone near a meeting since. It is very Irish-like, I am bound to say, but it seems to pay. They have fixed no rates, they have put up no notices, and they have gone happily on their way ignoring everything, so that, as far as we are concerned, there might as well never have been a Trade Board appointed in Ireland at all. Now it is very unlikely, in my judgment, according to what I hear from Belfast where I have many friends, that that Board will ever be operative. I do not think from the point of view of the fine end of the trade, that I need say more in pleading that our trade should be exempted from the operation of the Trade Board, than to say that our biggest and keenest competitors are free. It was never, I think, contemplated that only a part of a trade would come under a Trade Board. I was assured that if any trade came under a Trade Board the whole trade would have to come under it. I can say this, that we are losing business every week to Ireland, I do not say entirely because of the Trade Board rates, but they can under-sell us. They get bigger production as a rule. They paid lower wages in pre-war days, and so on, but they have other advantages. That deals with that particular point.

7065. They have fixed some rates in Ireland for spinners, have they not?—As to spinners, I do not know. (Mr. Boase): Yes. (Sir William Robertson): That Board, I understand, is operative. I am a weaver myself, and speaking of the weaving the thing is inoperative.

7066. Even if the Board sat and fixed rates, they could fix rates lower than yours?—Yes, quite so.

7067. Mr. Pugh: Are there any figures available as to the rates which have been fixed in Belfast?—Yes, I believe in one place—I do not know which Board it was, but it must have been, I suppose, the Spinning Board, but in any case it was one of them—they fixed 7d.

7068. I was thinking of a comparison with your own figures?—In Scotland it is 8d. They have had a reduction quite lately. A Trade Union official told me that they had reduced wages in Ireland 25 per cent., and I believe that there is an intimation of a further reduction coming on now; the business is slightly recovering. But my point is that the great linen weaving industry of Ireland is free from Trade Board influence, and we in Scotland are not.

7069. Lord Weir: It is just like a colony or a foreign country?—Quite so.

7070. Mr. Pugh: Can you give us any figures comparing the actual wages being paid now in Ireland with what you are paying now under the Trade Board?—I am afraid I cannot. It is difficult for us to get them. I have tried to get those figures, and I have a letter here from an employer in Ireland, but they do not want to tell us too much. But they smile when they tell us: "Well, they left the Board and they will have nothing to do with it." There is one other point: I should like very much to point out what the effect of this Board has been with regard to young people. Mr. Boase has referred to it. We have had experience of it in my firm in the last

three weeks. We wanted some young people. The effect of the Board is that there is a hiatus just now amongst our workers. Eighteen months ago, when they came along and said: "You cannot take a child of 14 years of age into your place unless you pay her 17s. per week," we immediately stopped engaging. We could give them work to-day, but we have not got the young workers with the year's experience, or 18 months' experience. Now we wanted some young people and the wage has come down to 10s., so we advertised. The advertisement appeared in our local Saturday newspaper, and before 9 o'clock in the morning the manager was overwhelmed with applications by young people to get taken on. We did not want very many—something under a dozen—on that day. We have since engaged 24; but my point is this, that in our advertisement we said "girls about 14," and on the Monday morning I saw some women standing about with their daughters, and those girls were 15 and 16 years of age, and our manager turned every one of those girls down. Speaking as a weaver, I am rather surprised that anyone should say that he would prefer to engage a girl of 16 years of age at 18s. per week rather than a girl of 14 years of age at 10s. per week. As a matter of fact in weaving—linen weaving, anyway—it is the quick eye and the nimble finger that counts. We have an apprentice mistress who teaches these young girls, and a girl of 14 years of age is not very long in learning. We put her on simple work, of course. I would say this: a girl who has come in at 14 years of age and has been a year at the work is certainly a good deal more valuable than a girl who has come in at 16 years of age and has never been at the work, and yet in the one case you are paying the experienced girl 14s. a week, and you would have to pay the inexperienced girl of 16 years of age 18s. per week.

7071. Sir Arthur Pease: The experienced girl would be 15 years of age, because she would have had a year on the work, as compared with the girl of 16 years of age?—Yes, and we are getting the 15-year old experienced girls at 14s. per week, but to take on the 16-year old girl, who knows nothing, and to put her alongside, we should require to pay her 18s. per week. It is foolish. How did it come about? I was not a member originally, but when I was put on we had established the beginning wage at 17s., and when we did reduce it we reduced it from 17s. to 10s., which was a very drastic reduction, and we reduced the 24s. down to 18s.

7072. Lord Weir: But you did not change the system?—No, we did not change the system; that was our difficulty—that the system was there.

7073. Why did you not change the system?—I think we would have been met at once with this: "Well, it has only been in operation six months or eight months, and there is no doubt at all that, having come from the other Board—and I feel strongly on this, and agree with Mr. Boase that, having the same Chairman and nominated members, and largely the same representatives of the workers on our Board as on the Jute Board—they having come fresh from the Jute Board, where they had fixed a 22s. rate—I felt that the pitch was queered against us.

7074. Dame Adelaide Anderson: At the beginning of the fixing of rates for juniors and learners, was there any discussion of a possible alternative method?—Yes. It was carried by one vote of a nominated member. One nominated member voted for the original wages, and there was great protest all through the trade.

7075. What was the method preferred by those who were in the minority?—I think great exception was taken to the rates being too high for young people.

7076. Not another method?—No, I suppose those of us who knew nothing about it felt that this was the recognised thing with Trade Boards, and that this was the method they adopted. It is entirely novel to us.

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7077. *Mr. Bell*: What happened in your trade prior to the Trade Board coming into operation with regard to these learners? Did you never take learners into the trade at 18 years of age, or even older?—Yes, and they just got the beginners' rate; but it was very seldom at 18 years of age. At 15 and 16 years of age, yes, and they were quite content to begin at the learners' wage at that time, which was 6s. for the first year.

7078. *Mr. Pugh*: How long would they be before they got to the full adult wage? Would that be when they got to be 21? At the present time you have got a five-year period?—No, from 14 to 18 years of age.

7079. It would be four years?—Yes.

7080. So that if a young person came in at 16 years of age there would be only four years to cover. What would be the practice previous to the Board?—We did not recognise it at all. We recognised no age. I have seen very small girls who were very quick, making a very good wage; but I was going to put in a plea for Scotland. We have always been proud of our education, and our parents have often suffered sacrifices to keep their children longer at school, but I confess I felt it very much the other week when I saw those mothers with their girls of 15 years of age asking for a job, and the manager turning them down. It is punishing the parents for keeping them longer at school, and I think that is a very serious matter. May I venture to say that I have noticed from some of the very short reports of the evidence given here, that some trades are in favour of being under Trade Boards. I think that is quite all right, but in the case of a trade where there is absolute unanimity of objection on the one side, I think it should not be put under a Trade Board. It really cannot be operated. If you get a united side in opposition to the operations of the Board, it is absolutely impossible to have efficient inspection. There are thousands of rates and when you go all over the country you will get into tens of thousands of rates, and the scrupulous employer is penalised, as compared with the less scrupulous employer, who will take the risk of being detected. It is being done to-day.

7081. *Mr. Pugh*: That will be more pronounced unless you have some compulsory machinery, will it not?—No, because we are open to compete, but in any case before the war we were not troubled; we paid no attention to the lower paid people; we felt that we were able to hold our own.

7082. How are you going to get at the less scrupulous employer unless you have some kind of coercive machinery, either in the form of a trade union or your Board regulations?—So far as we are concerned we never worried ourselves about the less scrupulous employer.

7083. Why worry now?—There is all the difference, I think, between being told that you must do a thing and doing it voluntarily. If a man comes along and tells you that you have to do a certain thing it has a hampering effect upon you, and it

is very different from feeling free to do the generous thing or the other thing.

7084. *Sir Arthur Pease*: Has it an effect upon the efficiency of the worker?—There is no doubt that if you fix a wage which was, shall I say, a little more perhaps than a living wage, or in some cases only a living wage, there is a certain mentality amongst certain of the workers who are devoid of ambition which will restrain them from earning more than that wage. Even in the old pre-war days we found that in the case of a pieceworker when she had got up to a certain wage—at that time about 17s. per week—she did not worry about the other day and a half of the week, and she was quite content more or less to mark time; but we had ambitious workers who would make up to 30s. per week—and I am still speaking of the pre-war days—and we have them to-day making over £3 per week; but you have a good many workers who are satisfied when they reach a certain wage, and they do not exert themselves beyond it. If you put the minimum wage up to meet that attitude you find that it immediately affects production.

7085. That is a matter of selection of your workers, is it not?—But you cannot do it when you are short of workers, and that is the mischief.

7086. You are not short now, are you?—Yes, we are. We had two-thirds of our place standing; we have only one third standing now, I am happy to say, but we cannot get workers. As I told you, we miss those girls who should have been learning 18 months ago.

7087. *Mr. Bell*: Would not all those statements apply to textile workers as a whole, not merely in Scotland but throughout the textile industry?—I do not know, I am sure, the conditions of some places. There may be ample workers in some places, and if you have abundance of workers—

7088. If the mentality of some girls is such that they will be satisfied when they reach a certain wage, you will not be prepared to say that that applies to Scottish girls, and not to English girls?—I do not know English girls, but I would not expect them to be very different from Scottish girls.

7089. So that you would not be prepared to say that there is any reason why girls in Scotland should be expected to work for less wages than girls in England?—I really have no knowledge. After all there is regulation of wages by what is going on in the district. If you are to get labour, you have certainly got to compete with what is going on round about you. We have not to compete with the Lancashire weavers, but we have to compete with girls who are employed in other industries up in our neighbourhood.

7090. *Chairman*: Is there any other point that you would like to put to us before you go?—I think not. I think the other gentlemen can exhaust the remainder of the evidence. I am greatly obliged to you for allowing me to speak now, because I have to attend a meeting of national importance.

(*Sir William Robertson withdrew.*)

7091. *Chairman (to Mr. Boase)*: We have almost finished your statement. You have given us this open letter which is contained in your evidence?—(*Mr. Boase*): May I add one word now on the question which Mr. Bell was putting to Sir William with regard to wages. There is a point which struck me when he was speaking and it is this: if you have a fixed wage of whatever the figure is—say 32s.—then if you have a worker who is not a specially good worker, who has got to earn that 32s., and alongside you have got other workers who are specially good, if they see that the not very good worker is getting 32s. they will be very apt to work down to that, and that does not help production.

7092. *Mr. Bell*: Of course that does not apply where you have a piecework rate in operation, does it?—It does if there is a minimum. I mean if you

fix a piecework basis time rate, they have got to earn 32s.

7093. Suppose that with the piecework rate based on either 30s. or 32s. it is possible for a good worker to earn 40s., do you not then encourage the good worker?—You do encourage her to work well, but my point is that she knows that she could get 32s. by working possibly only half her time, because she is a really good worker, and she is able to turn out an amount which would be as much as a girl who is not a good worker, and who is working alongside of her, can do it in double the time, so she is able to slack the rest of her time.

7094. Yes, but why should she slack half her time, if in half her time she can earn 32s. and in twice that time she can earn 64s.?—Because she is quite content with working the shorter time, and she is

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quite content with the wages she is earning. We have found it again and again.

7095. If you reduced the minimum from 32s. to 16s., would not the same thing apply?—No.

7096. One girl would be getting 16s. Would not the tendency of the other girl be, instead of doing double the work in the same time, to be satisfied with 16s.?—No, I think there comes a point when they are satisfied. Without any doubt there must be.

7097. A good worker will be satisfied with what she can get, I think. Do you agree?—No. We have often found that it is not so. The tendency—I do not say it applies to all, because many are ambitious, and will work hard and wish to make more money, but the tendency amongst a great many of them—is to work down to the minimum.

7098. *Sir Arthur Pease*: Were you not addressing your remarks in the first instance rather to the time rates than to the piece rates?—Well, it is the rate fixed. You see, this piecework basis time rate is the rate fixed per hour upon which they have to make the minimum, whatever it may be, for that class of work—let us say 32s.; and you fix X as the rate. I think we bring out in this statement—and this has not been touched on yet—a rather interesting point with regard to it: that if you fix a rate, and if after that rate has been in operation for two or three weeks it is found that 80 per cent. of the workers are able to make on that rate the piecework basis time rate, then that rate is considered to be operative even if 20 per cent. are not able to do that. Now it seems to me that that will simply tend very much to the result that the other 20 will be dismissed, because they cannot do the work, and the result of that will be that you will be able to reduce your rate because the 80 per cent. are good workers and will be able to make their 32s. on a less rate.

7099. Do you allege that when a rate has been on trial like that there is any tendency to work slack until the rate is fixed?—Under the Trade Board I have never known it. Under a stenting system I have known it.

7100. You have not experienced that?—I have not under the Trade Board.

7101. *Mr. Bell*: Without the Trade Board in operation have you had any experience of this, that employers have fixed a rate and then when they found that the workpeople could get above a certain wage upon that rate, as a direct consequence of the fact of their getting above that wage which the employers thought was sufficient, the employers have reduced the piece rate?—I have heard of that being done. There are, I think, two replies to that: either that the employers did not go into it properly or else the people when the rate was fixed worked very hard and turned out more. If the latter, I think that the employer was very short-sighted in reducing the rate.

7102. So that you would agree that whether the minimum is fixed by the Trade Board and that minimum tends to become the standard, or whether the standard is fixed by the employer—in either event—it is an evil of equal magnitude?—No, they are quite different. One case to which I was referring is what we call in Scotland stenting, that is to say, there is a certain amount of work which ought to be turned out, and we want to discover what the amount is which an ordinary good worker can do; let us say it is breaking, hacking, or whatever it may be, and let us say that the amount is 30 cwts. a week—just take that as a figure. We go into the question very carefully—I have been doing it for many years now—to find out what these people will turn out when they are working properly. We do not go to them and say: "We are going to have a trial," but we watch the people who are working, and we see the amount that they turn out. Then we fix the amount, and we say in our minds: "Now the amount that ought to be turned out is 30 cwts., and the amount that you ought to earn is so-and-so; we will take a bit off that, and we will give you so much per cwt. If you turn out your 30 cwt.

you may make a fair wage; if you turn out more you will make so much more—a better wage." I have done that again and again, and the result has always been extraordinary. There have always been a certain number who, to begin with, would make that wage; a certain number would be under it. When that stent wage was fixed it was extraordinary how everyone of them made not only that wage but very much more.

7103. Let me pursue that point a little further. When the employer has fixed a standard of that kind the good workers have earned as much as possible and have made considerably higher than what the employer originally fixed?—And the poor ones also.

7104. But under the Trade Board—?—There is no such thing.

7105. Because the Trade Board does something of that kind they do not try?—But it does not do so. It does not fix a stent at all.

7106. You say that when a minimum is fixed the tendency is for even the good workers to come down to the minimum. Where is the difference between the Trade Board fixing your 30s. or 32s. as a reasonable rate—I am not using the word "minimum" just now—and the employer coming to the conclusion that that is a reasonable rate? Is there not just as much likelihood that the good workers, although the Trade Board has fixed the wage in the one case—?—In the one case there is a minimum; in the other there is not.

7107. No, but the same principle applies to the good workers?—No. In my case the same principle would apply if I said: "I am going to pay you so much per cwt., but your minimum is going to be so-and-so." Then the principle would apply equally and comparatively; but I do not say so. I fix it from what I know they ought to be able to do, and I say so much per cwt. I do not make any minimum. The Trade Board makes a minimum.

7108. What you say in fact is: "If you get, say, 12 cwt. your wage will be so much, but if you get 13 cwt. you will get so much more?"—Yes.

7109. If they only get 12 cwt. then their wage approaches your standard or your minimum, but if they get more—?—You mean the Trade Board minimum.

7110. No, the standard or the minimum you have fixed.—I have fixed no minimum. That is where you are mistaking me. I have said, "I will give you so much per cwt., and to make a fair wage you ought to do so many cwts."; I say that to myself, I do not say it to them. I say to them, so much per cwt. And I fix no minimum. If I said to them, "I will give you so much per cwt. If you make 30 cwts., which you ought to do, the figure for that will be X, and I will pay you all X," then that would be comparable to the Trade Board; but I do not do so, so that there is no comparison between them.

7111. I quite understand you, but you missed my point, in this way: that if the majority of your workpeople do the 12 cwt., as you have alleged they would do, under a Trade Board minimum—?—I am sorry, but I am not following you. I do not think I have even mentioned 12 cwt. It does not really matter—do what amount of work?

7112. If they were winders, and your price was so much per 100 lbs., and if they did 1,200 lbs. in a week the wage would be so much, then the girl who did more than the 1,200 lbs. would get an increased wage. I know that there is no minimum fixed, but I was trying to get at the point where you allege that the good workers come down to the minimum because the minimum has been fixed by the Trade Board?—I say that the tendency is so very often, and I know it in practice. The difference between what the Trade Board does and what I suggest is that I have no minimum in my stents.

Mr. Bell: I have experience of thousands of women textile workers, and that is altogether contrary to my experience of them.

7113. *Mr. Pugh*: There is one point on paragraph 28 as to which I am not quite clear, where

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your statement says that the increase which was passed in 1920 by the Labour and Government representatives on the Trade Board was not made operative owing to a compromise being come to between the employer members and the rest of the Board. Who are "the rest of the Board?"—The Labour and Appointed Members.

7114. The Labour and Government representatives passed the increase?—They did.

7115. The rest of the Board must be something that excludes Labour and Government representatives, must it not?—No. Perhaps I might explain that. In December, when trade was extraordinarily bad, there was a proposal at the Trade Board to have an increase of wages. Originally, before that, we only had a minimum wage. They wanted to increase that minimum, and they wanted to bring in a lot of wages for skilled workers and to bring in various other people. We on the employers' side refused to agree, because that was raising the wages at a time when trade was extraordinarily depressed. After, I should think, about two days of argument, backwards and forwards, eventually it came to a vote, and the Appointed Members voted with Labour, and we left the room, and we said that we would not continue to sit on the Trade Board. Then the Chairman came and said that he was very sorry that we had taken up that attitude; was there not any way of getting out of it? I said that the only possible way I could think of getting out of it was that we should have this Committee appointed to go into the question and advise the Trade Board as to when it might reconsider economically fixing wages.

7116. Then "the rest of the Board" really means that the subsequent negotiations and the setting up of the Committee took place between the employers' and workmen's representatives, and then a compromise was effected?—Yes. The Labour and Government representatives voted in favour of the increase, and eventually, as I have stated, it was not made operative because a compromise was come to between the employer members—that is ourselves—on the one hand and on the other hand the people who voted for the increase, namely, the Government representatives and Labour representatives.

7117. It really means ultimately the same people?—The rest of the Board. There are three constituent parts of the Board: Labour, Appointed Members, and Employers. If you say that the Employers did something as against the rest of the Board, "the rest of the Board" surely must mean the Labour representatives and the Government representatives.

7118. I wanted to see how the Board was functioning, because I could not understand which "the rest of the Board" was, when the Labour and Government representatives were excluded.—I see your point. It might have been better stated, but the employers objected, and eventually came to a compromise with the rest of the Board.

7119. Lord Weir: I want to go right back to the beginning of your evidence, where you have said that you do not mind the 1909 Act.—I think that we said that it was generally approved of as applicable to sweated industries.

7120. You do not consider it applicable to this industry?—I do not consider that our industry is a sweated industry.

7121. It is purely upon that basis?—I did not consider even in the old days that it was, and most assuredly I do not consider it now.

7122. Mr. Bell: I want to make one point clear.—There was a point which you said you had in mind.

7123. It was a mistake on my part, to this extent, that it is not contained in your evidence but in the letter which has been supplied to us, which was sent to the Ministry by the Appointed Members of your Board, in which they state: "As regards the establishment of a uniform rate throughout the whole trade instead of a differential district rate it was pointed out"—this was after a meeting with the employers' representatives on the Board—"that in

fact before the war higher rates were paid in some country districts than in large centres."—I am sorry, but I really cannot reply to that. It is a document that I have never seen, and I did not know that it was procurable. I should like very much to have a copy of that document. You will excuse my answering a question on a statement which is made by an Appointed Member about which I know nothing whatsoever. I think myself the explanation must be that it is a misunderstanding. I have never heard it in all my experience.

7124. Chairman: We are much obliged for your evidence.—Is there any point that you would like to ask Mr. Douglas? You raised a point with regard to his employees.

7125. (To Mr. Douglas): Is there anything that you would like to add?—(Mr. Douglas): My business being exactly in line with that of Mr. Boase, I do not think that there is anything I need say, as I am quite in sympathy with all that Mr. Boase has said. We are in exactly the same line of business.

7126. We were told that some of your workers had signed an application to be excluded from the Trade Board. Is that so?—That is so.

7127. How did that application come about?—On their own account.

7128. Do you mean that there was no preliminary conversation at all?—Absolutely nothing. I have heard it indicated that there were certain influences brought to bear, even my own, but it is absolutely untrue.

7129. Mr. Bell: How did the workpeople get to know anything about making any appeal to the Ministry of Labour?—We have quite an intelligent lot of people, and they manage their own business, and they know exactly what they do.

7130. Mr. Pugh: It is not a usual thing for the workpeople to apply to have a reduction in wages, which, of course, is what it would mean.—I daresay not. Of course, there has been no opportunity for such a thing, but at Montrose the employees of Messrs. Paton did the same thing, and also the Kincardineshire employers, though in a slightly different way, and that is rather an important section of the North Eastern part of the trade.

7131. Mr. Bell: The statement is made that the workers voluntarily petitioned. Can you tell us who drafted the petition?—One of their own number, I believe. We have two or three men with us who are perfectly capable of preparing such an instrument.

7132. Chairman: Did they draw up this document?—They drew up the thing themselves.

7133. A type-written document?—They drew up the thing themselves.

7134. Who drew this up—the tenter?—Yes, he is a tenter.

7135. Britcher?—I believe that is the man. There are two of them. I do not know that he exclusively did it. There are two or three who are perfectly capable of doing it.

7136. Mr. Bell: Was the petition generally signed?—Of course, our numbers are greatly reduced, but I think at the time of the petition we were employing about 700 people, and of those 700, 650 or thereabouts signed; and I learned that there was no pressure and in fact no request made to the very young people about the place, and that may account for the others.

7137. Was the petition signed on the factory premises?—I could not tell you. If it was not in the factory premises, it would be in what we call our dining hall, which is adjoining, but I really could not tell you.

7138. But it is not a general custom, is it, to have a paper of that description passed round inside a factory, and for workpeople to sign it?—It is not a general practice. I never saw such a thing done before, but I am not in a position to say that it was not done there; but my impression is that the signing was done in our canteen. I never troubled to enquire.

7139. If it had been something which the workpeople wanted to do voluntarily, and an objection had

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been taken to it by the management, it would soon have been stopped, would it not?—It might have been stopped, yes.

7140. So that the workpeople must have known that the management approved of it?—I know nothing whatever of the details as to the procedure. They have a free hand to use the canteen for any of these purposes.

7141. The only point that I was trying to make was that if it is looked upon as being an unlawful thing for anything of this kind to be done inside the mill, if it was done the workpeople must have known that it was with the approval of the management?—They could not help knowing that, of course.

7142. *Lord Weir*: Have you such a thing as a Works Committee in your works?—We have. It is a changing body, but when anything happens upon which they want collective judgment there are a certain number of them that they rely upon.

7143. I take it that occasionally there will be opportunities when you can inform the workers through the Works Committee generally as to the state of trade, for example?—They are very well posted as regards that.

7144. *Chairman*: Is there anything else you wish to say?—There is nothing that occurs to me unless your Lordship has further questions to ask.

Chairman: No, thank you.

(Adjourned to Tuesday morning next, the 20th instant, at 11 o'clock.)

SIXTEENTH DAY.

Tuesday, 20th December, 1921.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE, G.C.M.G. (*Chairman*).

THE RIGHT HON. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTELTON, D.B.E.

MR. J. BELL, M.P.

MR. E. L. POULTON, O.B.E., J.P.

MR. A. PUGH.

MR. A. MacCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (*Secretary*).

Mr. JOHN TURNER, called and examined.

The witness handed in the following statements as his evidence in chief:—

STATEMENT OF EVIDENCE ON BEHALF OF THE NATIONAL AMALGAMATED UNION OF SHOP ASSISTANTS, WAREHOUSEMEN AND CLERKS.

The Need for the Trade Board System to be Applied to the Distributive Trades.

In view of the deplorable conditions prevailing in the distributive trades for a large number of the employees disclosed by evidence collected over a period of years, this Union came to the conclusion that it was absolutely essential, in the interests of those employed, that the Trade Boards Acts should be extended to Distribution.

(See "Minimum Wages in Distributive Trades," 1913 Edition—first published in 1910 by the N.A.U.S.A., W. & C.)

At the Annual General Meeting of the Union, held at Easter, 1914, the following Resolution was carried:—

1914.

"The Conference is of opinion that the extremely low rate of wages prevailing amongst those employed in the retail and wholesale distributive trades, make it urgently desirable that the Trade Boards Act should be so amended that the Board of Trade could make a provisional order applying that Act to all such workers.

"It also instructs the Executive Committee to make investigation with that object in view, and to obtain, prepare and present the evidence as to the necessity for a provisional order to the Board of Trade for its consideration, and in the event of the Board of Trade failing to comply, that a National Campaign be inaugurated to support the same."

Trades Union Congress Action.

In 1916 the Union brought the matter before the British Trades Union Congress, when the following Resolution was adopted:—

1916.

"This Congress is of opinion that the extremely low rate of wages prevailing amongst those employed in the retail and wholesale distributive trades makes it urgently desirable that the Trade Boards Act should be so amended that the Board of Trade could make a provisional order applying that Act to all such workers."

Similar resolutions were also adopted by the Scottish and Irish Trades Union Congresses.

Deputation to Board of Trade, 1916.

Mr. N. S. Beaton, Scottish Organiser of the Union, and a member of the Parliamentary Committee of the Scottish Trades Union Congress, accompanied a deputation of the latter body in 1916, prior to the setting up of the Ministry of Labour, to the Board of Trade, who then dealt with the matter of Trade Boards. He brought the Resolution to the notice of Mr. Runciman, President of the Board of Trade, and requested that the Government should extend the Trade Boards Act to Shop Workers. He claimed that the Shop Assistants had the whole support of the Labour Movement of the country behind them in this application.

Mr. Beaton submitted a mass of detailed evidence proving the payment of dreadfully low wages in the various sections of the distributive trades.

Mr. Runciman, in reply, expressed the opinion that a *prima facie* case had been made out for the distributive trades to be brought under the Trade Boards.

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[Continued.]

In addition, he said, the Government were considering the whole question of a minimum for all workers, and added, he would approach the Shop Assistants' Union in the matter of evidence, when the subject had reached the stage for it to be taken.

Labour Deputation to Minister of Labour (See Schedule marked "B").

In February, 1917, a deputation from the Parliamentary Committee of the British Trades Union Congress was received by the then Minister of Labour, the Right Hon. John Hodge. The case for the extension of the Trade Board system to cover the distributive trades was presented, and a list of wages (as per Schedule marked "B") tabulated from various centres throughout the country, was presented to the Minister.

Minister of Labour's Reply.

In summing up the statements made by the deputation, the Minister of Labour said: "I may say that the whole problem is receiving attention at the present moment. I quite appreciate the difficulties connected with the task of organising the Shop Assistants, but I certainly think that the parents are very much to blame for the cases Mr. Turner has indicated to us. Take Neath, for an example. Why should the parents permit their children to go into a shop for so small a sum as 5s. per week? In cases of that kind we have to blame the parents as well as the shopkeeper. But the tendency of legislation in recent years has been in the direction of preventing the exploitation of children in this way, and this question is now receiving, at the hands of this department, a considerable amount of thought and care, our desire being to extend the Trade Board system if possible."

In the same year the annual general meeting of the union adopted the following Resolution:—

1917.

"This Conference notes with satisfaction that the Government is giving consideration to the question of extending the Trade Boards Act to the retail and wholesale distributive trades, and in view of the extremely low rates of wages prevailing among a large number of persons employed in distribution, this Conference is of opinion that the question is one pressing for early legislation."

In 1918, again, a Resolution, as follows, was adopted by the annual general meeting of the union:—

1918.

"In view of the extremely low rates of wages paid to a large number of persons employed in distribution, this annual general meeting of the Shop Assistants' Union, representing over 80,000 distributive workers, urges upon the Government the pressing need for early legislation, extending the Trade Boards Act to the retail and wholesale distributive trades. The Conference is of opinion that any rates of wages fixed as a minimum should be based on a normal working week of not more than 48 hours."

Ultimately, the Government declared its intention of amending the Trade Boards Act so as to make it possible to cover the distributive trades.

The following quotation is from the official report of the House of Commons Debate on the third reading of the Amending Bill on 22nd July, 1918. Mr. G. Roberts, Minister of Labour, said:

"My opinion is that, Parliament having sanctioned the principle of the establishment of trade boards in trades in which wages are low, should leave it to the Minister of Labour to select the trades which come within this category. It does not seem unreasonable to allow the Minister, in the exercise of his discretion, to bring in trades by the simpler procedure set out in Clauses 1 and 2 of the Bill. Moreover, this procedure does not abolish Parliamentary control, but enables Parliament to step in and veto the action of the Minister if in any case he has acted in an unfair or injudicious manner. The fact that the Trade

Boards Act is acknowledged to have worked well constitutes, in my opinion, good reason why its application to other trades, where needed, should be made easier and more expeditious. It was admittedly an experiment, and the procedure of provisional Order, being cumbersome and dilatory, has retarded its extension. Again, the war, of course, has diverted attention for a long time from social reforms of this character. Nevertheless, the necessity for a wide extension of this principle is really urgent. Before the war half a million women in the country were paid less than 13s. a week—in many cases less. It is true that rates have risen owing to the war. Still some, not employed on war work, are being paid very low rates of wages. After the war grave dislocation is bound to ensue and wages may slump with most undesirable social consequences, unless machinery is established to adjust matters on a just and humane basis. I feel that the state of affairs after the war may produce most lamentable results, unless machinery is in existence to take up the case of women and to adjust wages on a fair basis, and not simply on the old method of paying them just what they are able to command. These women, in the main, are unorganised. They are not in the fortunate position of many of the skilled artisans, and I feel that, as the problem will arise undoubtedly with great urgency, we must be prepared to meet it."

As here indicated, wages in distribution advanced very little during the war, and in the absence of effective organisation it was felt that a Trade Board was absolutely necessary.

The declaration of the Government to extend the Trade Boards Act to cover distribution was warmly welcomed by the members of our Union, and the following Resolution was unanimously adopted by the Easter Conference, 1919:

1919.

"The annual general meeting welcomes the announcement that the Labour Minister has decided to set up a Trade Board under the Trade Boards Act for the whole of the Distributive Trades with a view to dealing with the extremely low rates of wages paid to a large number of those employed in same."

"Seeing that the Distributive Trades are almost entirely of a home and domestic character and do not compete in the world's market, it is of opinion that there is no excuse for the low wages being paid."

"It is strongly of opinion that one Board for the whole of distribution should be set up with Sub-Committees for the various sections and that any rates of wages fixed as a minimum should be based on a normal working week of 48 hours or less."

Discussion in the Press and Employers' Associations.

During all this long period of agitation to get the Distributive Trades under the Trade Board system the question was very much discussed, not only in the columns of the trade press, but in the public press as well. Many Traders' Associations throughout the country discussed the question at their various meetings.

Employers Consulted.

When the Government decided to extend the Trade Board system to Distribution, the Ministry of Labour consulted the leading Employers' Associations, such as the Grocers' Federation, the Drapers' Chamber of Trade, and the National Chamber of Trade. Several meetings were held between the Minister and the Employers' Associations, and two conferences were held, at which representatives of various Employers' Associations and Workers Trade Unions were present.

One Board or a Number.

No opposition came from any Employers' Association to the establishment of Trade Boards at those conferences, with the one exception of the Chemical and Drug Trade, which erroneously believed at that time, it was possible to have an Industrial Council for the Drug Trade. The state of organisation, however, did not warrant such an assumption. Since

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then the Drug Trade has decided in favour of coming under a Trade Board. At those conferences shop assistants' representatives urged one Board for Distribution with committees to deal with sections. In this they were joined by the National Chamber of Trade Employers' Associations in the main, however, preferred to have separate Trade Boards for each trade. The Ministry, in deciding to set up a number of Boards for Distribution, followed the line suggested by the Employers.

Trade Boards Welcomed by Employers.

Employers at this period did not seem averse to the setting up of Trade Boards. Trade Boards were, apparently, welcomed. Trade was brisk, and the workers were organising in our Union to the extent of 2,000 new members a week for some considerable time.

Wage Negotiations Rife.

During the period from 1918 to 1920 wage negotiations were being conducted all over the country. Dissatisfaction was rife amongst the workers owing to the low wages operating, despite the high cost and continually rising cost of living.

Positive Evidence of Low Wages Prevalent in 1913.

As an Approved Society under the National Health Insurance Act, we had, in 1913, on our books 1,117 women over 21 years of age whose wages were below 2s. a day, and the Employers were compelled, by the Act, to pay the full amount of Health Insurance. The number of women members insured through our Union at that time was 18,655. Since such a large number of women over 21 years of age were receiving wages below 2s. a day it is fair to assume that a considerable proportion, if not most, of those under 21 years of age, were receiving even less. There was no way of recording the low wages of those under 21 years of age. Unfortunately, since the amendment of the Health Insurance Act, 1918, the low wages records are not available for the Approved Societies, and so we are unable to give the number over 21 years of age receiving less than 2s. a day since that date.

This evidence of the low wages prevalent in 1913 is indisputable. No statements on the part of employers can possibly refute this.

It is well to remember, also, in connection with this particular piece of evidence, that since it was necessary for those who became Approved for Health Insurance purposes with the Union to take up Union membership as well, this made it impossible for large numbers of the lower paid distributive employees to become Approved through the Union, since they could not, out of the very inadequate wage paid, pay the membership contribution. This number, therefore, by no means represents anything like a fair proportion of women over 21 years of age who, at that time, were receiving wages below 2s. per day. It is, however, sufficient to indicate what a serious proportion, even amongst the better paid type of distributive employee, were receiving shockingly low wages.

Discontent Prevalent.

During the war 65 per cent. of our men members were swept into the armed forces of the Crown. This denuded our branches of many of the most active members, and over 100 branches had to be closed. The return of the men from the Army saw renewed activity. This could be largely accounted for by the treatment meted out to ex-sailors and soldiers.

See Schedule marked "C."

Schedule "C" will show the rates of wages offered to those men who had served their country. They naturally resented this treatment, and dissatisfaction was so rife that the Union was driven to increase its outdoor staff in order to cope with the demands for the services of Union Officials to negotiate wage-settlements on behalf of members.

The annual reports of the Union for years 1918 (pages 31, 32, 33, 34 and 35), 1919 (pages 35, 36, 37, 38, 39, 40 and 41), and 1920 (pages 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44) will show to what an extent wage negotiations were prosecuted, resulting in a gain of nearly 7 million pounds sterling increased wages

per annum for our members. In numerous cases withdrawal of labour was only averted at the last moment when strike notices were actually expiring.

Employers Stave off Wage Settlements on Grounds that Trade Boards would soon be Operating.

After the decision of the Government to set up Trade Boards for Distribution employers used this as an argument for staving off wage settlements, contending that, as a Trade Board was likely to be set up soon, it was better to await the establishment of the Trade Board. Trouble was only averted, in many of the districts, by temporary agreements, pending the setting up of a Trade Board.

Changed Attitude of Some Employers.

It will be seen that the low rates of wages operating in Distribution during and since the war caused grave dissatisfaction and unrest, so much so that apparently the Employers considered that a Trade Board was necessary, and would probably offer the best method of dealing with the wage question. Since, however, the industrial situation has somewhat changed there has been a change on the part of some Employers, and the workers feel that these Employers simply desire to take advantage of present trade depression to exploit the needs of the unemployed.

Opposition of Large Firms.

The opposition seems to have originated in the Incorporated Association of Retail Distributors. This body represents mainly the large general establishments in the West End of London.

Multiplicity of Rates Contention.

The bone of their contentions seems to be against the multiplicity of Trade Boards for Distribution, with a multiplicity of wage rates, and their alternative is the fixing of one national minimum.

The following quotation from the speech of Mr. Roberts, in the House of Commons, on the 17th of June, 1918, on the second reading of the Trade Boards Bill, deals with the question of one national minimum:

One National Minimum.

"But before leaving the Bill I would like to make a few observations on a point which we have been pressed to include in the Bill. It has been strongly represented to us that Parliament should fix a national minimum wage. This principle was the subject of a good deal of discussion when the Corn Production Bill was before the House. Whatever may be said in respect of any one industry, surely it must be seen that it is difficult for Parliament to agree upon any one figure which may be adaptable to every one of our industries or all the industries which are likely to come within the purview of the trade boards. I have been immensely attracted by the idea, which accords with a sense of justice, but on closer examination of grave difficulties that present themselves, it raises highly controversial questions as to the relationship of men's and women's wages, and it also raises, in an intense form, the question of the principle on which a national minimum wage should be based. The demand for fixing a minimum national wage arises from the feeling that every worker should be assured of a reasonable living wage. That, I believe, is how the demand originated, and I believe that everybody in this House will agree that every worker is entitled to a reasonable minimum wage."

"The question arises whether the wage shall be sufficient to maintain the individual or a family, a large or a small family, or a family of average size. Such diverse views are advanced on the whole subject that there is no chance of agreement in the community such as to justify Parliament to sanction, at this stage, one view or the other. Therefore, we aim at the gradual improvement of the conditions in our industries, recognising that we cannot accomplish all this by a mere stroke of the pen. The best method appears to be to bring the representative employers and workpeople together, and to set them

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the task of improving their own conditions. Parliament has not the information regarding the conditions of all industries. Statutory figures are in the highest degree inelastic, and can only be changed by further legislation; and meanwhile, irreparable damage might be done. The Trade Board system is flexible, and allows ready adaptability to changing conditions and the prompt correction of errors. Therefore, we feel, however strong the sentiment may be in favour of the fixation of a national minimum wage, that it is far better and more expeditious to leave the fixing of the wages to trade boards and the various industries. The trade boards might ask power to be given to them to so fix rates that they would rise gradually, and allow the trades time to adapt themselves to the new conditions. That is the principle on which we have worked in our trade union experience—recognising that firms may have contracts that they have made upon the existing wage standards, and that to impose great advance upon them would be most unjust to them; at the same time, we have generally been able to compromise and make an arrangement whereby the advances, mutually agreed upon, were brought into operation by degrees."

We do not desire a multiplicity of Trade Boards. We have been against that from the very outset. The multiplicity of Trade Boards would be the outcome of the Employers own suggestions.

So far as the multiplicity of rates is concerned, that operates now, not because of Trade Board regulations, but because of the practice of firms in fixing wages by individual bargaining. Thus, a firm's pay sheets would show a marked difference in the rate of wages operating even amongst the assistants in one department doing similar work, and greater still between different firms and sections of distribution. To fix a national minimum wage would, we fear, be of little value to the workers in Distribution, because there is the danger that the rate would be based on the least-skilled and worst paid occupation in the country.

One Board for the Distributive Trade.

We think the whole difficulty could be got over by one Board, or at most two or three Boards, for the Distributive Trades, because there would be practically no need for differentiation in fixing the rates for the lower grade of workers, and sub-divisions of the Board could deal with rates for the skilled sections of workers.

Case of Old Workers.

In the minds of many of the Employers, judging by the statements of the trade press, they seem to be labouring under a misapprehension as to the powers of a Trade Board to fix special rates for types of workers which could very well come under the category of "sub-normal." They seem concerned about old workers particularly. So far as we know, there are comparatively few old workers in Distribution, but the Trade Boards put a very liberal interpretation on the term "sub-normal," and the Administrative Committee of a Trade Board would always be willing to give the most careful and serious consideration to specific cases. The whole desire in administering the Trade Board rates is to do so in a way that would create the least possible hardship to the individual worker and the individual employer.

Inspection.

Another ground of objection seems to be on the question of inspection. Some Employers hold ludicrous views regarding inspection. They conjure up in their minds thoughts of a score or more inspectors invading their premises to find out whether the proper rates are being paid covering a score or more Trade Boards. This is obviously absurd when it is known that there are only some thirty Inspectors covering the whole of the United Kingdom and dealing with a variety of trades. Inspection in the Distributive Trades need hold out no terrors to the honest employer. Inspection should be very easy as the complications of piece-work would not arise in Distributive establishments.

No Machinery for Regulation of Wages.

So far the desirability of a Trade Board as a means of securing a reasonable minimum wage rate for those employed in Distribution has been clearly shown. One other reason for Trade Board protection of employed persons in Distribution is that there is no adequate machinery existing for the effective regulation of wages throughout the Trade. Neither the Employers nor the Employees are effectively organised. Until within the last two or three years what Employers' Organisations there were had no power to deal with the conditions of employment of employees.

During the serious period of unrest during 1920 some of these organisations secured power from their members to meet representatives of the Union and come to agreement. While these agreements had a steady effect upon the position, and covered quite a considerable number of firms, it still left the greater part of Distribution without any means of regulating the conditions of employment.

The Employers' Associations are, for the most part, purely protective and consultative bodies, and, even so, have only a minority of employers affiliated to them.

Refusal to Renew Agreements.

During this year a number of Employers' Associations who had concluded agreements with the Union have refused to renew them and have left the Union to negotiate any fresh agreements with the individual firms. This has been the case with two Associations in the north of England.

No Power to Insist that Agreements be Observed.

In the case of another agreement a minimum wage scale and regulations with respect to other conditions of employment was embodied. This agreement was not, however, operated by all the members of the Employers' Organisation concerned, and only, in fact, for the most part, where the Union had a majority of the staff members. The Employers' Organisation had no power to insist that the agreement should be observed by its members, and the Union only where the staffs were sufficiently organised.

Hostility to Organisation of Employees.

While some of the Employers' Associations indicated a feeling of good will towards the Union, as already mentioned, they only represented a small minority of the Employers. A large majority of Employers, among them some members of the Associations who had indicated goodwill towards organisation among the employees, frequently expressed in an open manner their hostility to organisation on the part of their employees, but more frequently opposed it in a subtle manner. This has naturally hampered and hindered anything approaching effective organisation, and, to some extent, accounts for the fact that there is no adequate machinery for the effective regulation of wages and other conditions of employment throughout Distribution.

Conditions of Employment Vary.

The result is that the conditions of employment vary in a most violent manner, both in the same section of Distribution, in the same class of trade, and even in different firms in the same town and the same street. Here and there a considerate employer, refusing to take advantage of the necessity of those seeking employment, pays up to a reasonable standard fixed by himself. For the most part, however, wages and conditions of employment are fixed by individual bargaining, tempered, to some extent, by the custom of the trade.

Distribution a Parasitic Service.

As a large proportion of those employed in Distribution are women and young people, in the case of women—this employment being looked upon only as an interlude between school and marriage, accompanied, in most cases, by a desire to live at home—employers are offered the services of these women and young people at a nominal rate, not even sufficient to maintain them. Parents and guardians have, up to now, paid a large part of the wages bill of the employers, since the difference between what they

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receive by way of wages and the cost of maintenance is met by them. The result is that, in the case of those women who have to maintain themselves, without the assistance of parents and guardians, are kept down by this competition to a wage insufficient to maintain them independently, and, in turn, the men who work with them, particularly in the drapery trade, are dragged down also, since they are driven, by necessity, to accept, through individual bargaining, the low wages offered. In this respect Distribution is a parasitic service, not maintaining itself, so far, at least, as the payment of services rendered to a large section of the employees is concerned.

Employees Desire Standard of Comfort at Least Comparable with Sweated Industries.

It is this position which a large number of employees desire to continue, while the employees are desirous that a minimum wage, at least sufficient to maintain them in a reasonable standard of comfort, should be established, one comparable, at least, with wages now being paid in what were, a few years ago, spoken of as "sweated industries." At present the wages paid to large numbers of employees in Distribution is far below this, and as there is neither effective organisation on the part of the employers or employees, and no immediate prospect of same, the application of the Trade Boards Acts seems the only method of capably dealing with the situation.

In the matter of low wages and ineffective organisation both points are proved—are, in fact, self-evident—and the desirability of Trade Boards being set up at once to remedy the bad conditions operating in respect to a very large proportion of the employees clearly indicated.

It has been urged that employers and employees can best deal with the conditions of employment without the operation of the Trade Boards Acts.

No Effective Organisation of Employers or Employees.

With this proposition we are in general agreement providing there is effective organisation on both sides. But, in view of the fact that a large proportion of those employed in Distribution are women and young people, that both open and subtle means are exercised on the part of a large number of employers to prevent their employees becoming organised, and that many Employers' Associations have no power to deal with the conditions of employment, that others, such as the Incorporated Association of Retail Distributors, while formulating wage scales for the staffs of the large firms affiliated to that body, refuse to negotiate, in any way, with the Trade Union representing in many cases a majority of these staffs, it is mere sophistry to urge that, under these circumstances, conditions of employment in Distribution can be independently regulated by negotiations between employers and employees.

Can Withdraw Operation of Act if Conditions Altered and Act Unnecessary.

The speedy application of the Trade Boards Acts to the whole of Distribution is urgently needed. Whenever, in the opinion of the Minister of Labour, the conditions of employment have been so altered as to render the application of the Trade Boards Acts to any trade unnecessary, he can withdraw the operation of the Acts. If, therefore, the employers were serious in urging the direct negotiations between employer and employee as the right and proper method of dealing with the conditions of employment they would encourage and not hinder the organisation of their employees in their Trade Union. The fact that so many do everything possible to hinder this would indicate that they desire things to remain as they are, with all its attendant social evils to a very large proportion of those employed in Distribution.

The only Boards Operating in Distribution.

The Minister of Labour has given notice of intention to set up a number of boards to cover various sections of the Distributive Trades. The only Board set up and operating is the Milk Distributive Trade Board. A Grocery Trade Board has been set up since June, 1920. Rates were proposed in September

and November, altered at the Objection stage in February, 1921, and sent to the Minister of Labour with these alterations. The Minister of Labour referred these rates back for further consideration, when they were again altered and again sent to the Minister. Entirely new rates were proposed in August of this year, confirmed by the Board at the Objection stage in November, when less than one-half of one per cent. of employers lodged objection. Less than two per cent. of the employers had objected to those of last year. Up to date no confirmation, even of these agreed rates to which less than one-half of one per cent. of the employers have objected, has been received from the Minister of Labour.

The notices of intention to set up boards have not been acted upon and the Distributive Trades remain with all the deplorable conditions of employment as bad as ever.

Investigators Dismissed.

A number of investigators have been dismissed and there is a growing feeling throughout the country in the minds of the Distributive employees that once again their hopes of some improvement in the conditions of their employment will be falsified.

Suggested Amendments.

Our experience with respect to the application of the Trade Boards Acts to Distribution has led to the feeling, (1) That amendment is needed to provide for more rapid fixing and confirmation by the Ministry of rates of wages, (2) That if more than three appointed persons are on any Board, those in excess of three shall be appointed from an equal number of employers and employed, so that these might act as expert advisers to the appointed persons, (3) That as the result of the Portsmouth prosecutions it should be made obligatory upon magistrates, in all prosecutions, to order the payment of back monies which should have been paid in accordance with Trade Board rates, and that this Order for the payment of back monies should be made, whether a fine is added or not.

In view of the fact that the conditions of employment throughout the whole of distribution for a large proportion of the employees clearly indicate very low wages being paid, and other conditions not even comparable with those in what were, prior to the Trade Boards being applied to them, considered "sweated industries," and for the other reasons urged, such as the absence of effective organisation, it is hoped that the whole of distribution will, in the immediate future, be brought under the operation of the Trade Boards Acts.

STATEMENT OF EVIDENCE ON BEHALF OF THE WORKERS' SIDE, GROCERY AND PROVISIONS TRADE BOARD (ENGLAND AND WALES).

A Desire for Minimum Wage and Regulation of Conditions of Employment.

For some years, certainly for the last decade, there has been a growing feeling amongst those employed in the grocery trade in favour of the establishment of a minimum wage. This feeling has been intensified as the result of the war, since during and since the war a considerable number of women have been introduced and retained as employees in the grocery trade. In addition, there is a large number of young people employed under 18 years of age. Except to a very limited extent, no effective machinery exists to regulate the conditions of employment. Except for young people under 18 years of age, there is no legal limitation to the hours of labour, and for these the Shop Hours Act places a limitation of 74 hours per week, including meal times.

Difficulty of Organisation.

While during the last decade organisation amongst grocery employees has increased, it is still of such a very partial character that it cannot claim to have any power beyond a very limited extent, mostly in the larger towns and cities. Apart from those employed by large private and the multiple shop firms, together with those employed by the Co-operative

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Societies, great difficulty has been experienced in organisation, due, largely, first to the very scattered nature of the employment in the smaller shops and, secondly, because of the very low wages paid in the same establishments.

An Unprotected Occupation During the War.

During the war practically the whole of the male assistants over 18 and under 45 years of age, unless physically unfit, were taken for the Army, the grocery trade being an unprotected occupation. The boys, as they reached 18 years of age, were compelled to join up. Women substitutes largely took their place at much lower wages, plus a number of older men who had failed to find employment in the trade previously on account of their age.

The result of this was that trade union organisation amongst this section of workers was very much weakened during the war, and wages were not advanced as in many other occupations.

As the result of inquiries made 10 or 12 years ago, the very low wages being paid was disclosed. During the next three or four years, some considerable improvement was effected on behalf of those organised. This improvement largely disappeared during the war owing to the absence of the men, and a strong feeling in favour of not only the grocery trade, but the whole of the distributive trades being brought under the Trade Boards Acts developed.

Evidence of Low Wages submitted to Government.

Deputations to the Board of Trade in 1916—and subsequently to the Ministry of Labour, after the Trade Board Administration had been transferred to that Ministry—placed indisputable evidence before both Departments, clearly indicating the very low wages being paid to a large proportion of those employed in the grocery trade. This information was capable of verification, and we have every reason to believe that the investigation officers of the Ministry of Labour were convinced of its accuracy.

It is felt by the workers' side of the Grocery Trade Board that both reasons for the establishment of a Trade Board for the grocery trade, viz., low wages for a large proportion and ineffective organisation, have been clearly proven.

Unrest among Ex-Service Men on their Return.

Since the Armistice towards the end of 1918, and the return of the men to the trade, there has been a continually growing feeling of unrest and dissatisfaction. This was largely caused on account of them finding that poor as was their position prior to going into the Army, it was relatively worsened on their return by two factors, first, because the women had been accepting lower wages, secondly, because of the rapidly increasing cost of living.

No Foreign Competition to fear.

That there was no genuine economic reason for low wages in the grocery trade, can be shown by two facts, first, there is little or no foreign competition so far as the grocery and provision trade is concerned. It is almost entirely a home or domestic market which is served, and the fear that trade might be lost as a result of foreign competition on account of wages being improved, cannot hold to any appreciable degree. The fear of injury to the trade through losing any opportunities of trade in the world's market so often urged in the case of productive trades, cannot apply to a home trade such as grocery and provisions.

Profits allow for Adequate Wages.

Secondly, the profits which have been and are being made in the grocery trade, indicate that without any appreciable increase in the price of commodities to the public much better wages than are at present being paid to a large proportion of the employees could be afforded.

Dividends of Co-operative Societies.

In this connection, too, in so far as it applies to the co-operative societies, the "Co-operative News" stated, during September, that no less a sum than 26 million pounds was distributed to co-operative members last year in the shape of dividend. It is interesting to note that had only a quarter of this been distributed amongst the co-operative employees by way of increased wages, it would have enabled each one to have been paid about 14s. per week more than they were. This has particular application to the grocery trade, since the grocery departments are usually by far the largest conducted by co-operative societies. It must be remembered, too, that these dividends by way of rebate upon purchases, was distributed after paying generally 5 per cent. upon the capital invested, rent, rates and taxes, wages and all other overhead charges, while at the same time large sums were placed to reserve.

Variation of Wages.

Not only are the wages low for a large proportion of those employed in the grocery trade, but these vary greatly for similar work. If anything, there has been greater variation both between firm and firm since the war than previously, due to the disturbance which took place, and partially as the result of the introduction of a large number of women substitutes. This again has led to a strong feeling of dissatisfaction. Ever since, however, the Grocery Trade Board was set up, the very hope of this body fixing at least a minimum rate, has had the effect of allaying unrest.

Dilatory Tactics of Employers and Ministry, a Disturbing Effect.

Unfortunately, the long delay which has taken place, and the repeated referring back of the rates to the Board by the Minister when asked to confirm same, is having a disastrous and disturbing effect among the employees. The Board was set up in June, 1920, and had its first meeting in July of that year. In September proposed rates for men assistants were carried by the Board, against the unanimous vote of the workers who considered them insufficient on account of the high and rapidly increasing cost of living at that time, and in October proposed rates for women assistants were agreed to. In November proposed rates for male and female clerks and male and female cash, desk workers were carried, again against the unanimous vote of the workers who felt them to be inadequate in view of the still rising cost of living.

The Objection Stage. Substantial Alterations made in Original Proposals.

The next meeting, in February this year, the Objections to the proposed rates were before the Board. Although less than 2 per cent. of the employers lodged objections, the proposed rates which were those of employers in the previous September and November, supported by the Appointed Members, against the unanimous vote of the workers, these proposed rates were very seriously altered by way of modification. Young people 14 and 15 years of age who require protection most were entirely eliminated. The proposed rates for those 16 and 17 were substantially altered. The whole of the rates and ages over 21 years of age in the rural area were deleted, and the population of places which should come into rural area raised from 5,000 to 10,000. To these very substantial alterations upon the employers' own proposals, the support of the appointed persons was given. The arguments, however, used by the employers were, not that the original proposals were in any way wrong, or the form of such proposals in any way inaccurate, but that the cost of living had fallen in the interval and that serious modifications ought to be made because of this.

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Minister Unable to Confirm Rates.

When the altered proposed rates were sent to the Minister of Labour for confirmation, he stated that these alterations were too substantial for him to be able to confirm without fresh proposals going out at least for those rates which had been substantially altered. This afforded exactly the delay which apparently the employers had hoped to secure.

Fresh Proposals Carried on the Board.

At the meeting in March, that part of the original proposed rates which had not been substantially altered and were confirmable were again sent to the Minister, and fresh proposals carried to deal with that part where confirmation was impossible, because the alteration had been too substantial.

Employers' Appeal to Minister.—Proposals Sent Back to the Board.

As it appeared that this method was likely to overcome, at least partially, the difficulty which had arisen, the employers' side withdrew from the Board, and subsequently appealed to the Minister of Labour. In consequence, the Minister felt unable to confirm either that part which was confirmable or to go forward with the new proposals necessary in connection with that part of the rates which had been too substantially altered, and all the proposals were sent back to the Board for reconsideration. That part, however, which was confirmable was again carried at a meeting of the Board in May, and sent back to the Minister for confirmation.

Other Rates forwarded to Minister.—Employers again Appeal to the Minister.

On the 31st of May and 1st June rates for clerks and cash desk workers were considered and, with certain modifications, again sent forward to the Minister of Labour for confirmation. Again the Minister of Labour was approached by the employers appealing for non-confirmation of all the rates, on account of the fall in the cost of living which had taken place since these rates were first put forward in September, 1920.

Contrast between Workers and Employers' Tactics.

During the interval the cost of living had continued to advance till November, but no application had been made on the part of the workers for revision of the rates to meet this. The workers' side, therefore, felt that the employers should, now that the cost of living had fallen, be prepared to stand by rates which were their own.

Minister Delays in Informing Board as to his Decision.

The Board met again in July, expecting that the Minister would either have confirmed or referred the rates back to the Board for reconsideration. The Minister, however, had neither confirmed or rejected the rates, and apart from a discussion on certain matters connected with the trade, no business could be done, and a resolution, regretting that the Minister had not confirmed or rejected or communicated with the Board in any way, was carried.

Minister Refers Rates back to the Board for Reconsideration.

The Board met again in August, after the Minister had, as the result of the appeal of the employers, referred the whole of the rates again for reconsideration by the Board.

Agreed Rates Arrived at.

On this occasion fresh proposed rates were, on the second day, reached by agreement, and the Chairman, Mr. W. A. Willis, LL.B., expressed his pleasure, and trusted the rates would now be confirmed and become operative without further delay. It was also agreed that the Board should meet again, at as early a date as possible, to consider the objections so as to enable the rates, if confirmed by the Minister, to operate before Christmas.

Majority of Employers Withdraw from Agreement, Still Seeking Delay.

Unfortunately, when the Board met on November 15th, the employers immediately moved a series of resolutions attempting to upset the rates agreed upon between all parties at the previous meeting, among them one that the rates should not be confirmed until after the report of the Committee of Inquiry had been issued.

Small Percentage of Objections.

It is interesting to note that on this occasion less than one-half of one per cent. of employers had lodged suggestions to the much reduced proposed rates.

Some Employers True to Agreement.

It is only fair to state that at this Board meeting the representatives of the Co-operative movement, together with another employer, voted, together with the workers and appointed persons, in favour of sending the agreed rates forward to the Minister for confirmation. Evidently they felt in honour bound to stand by the rates which had previously been unanimously agreed to.

No Confirmation of Rates Yet.

Unfortunately, so far, no confirmation of the rates by the Minister has been published, and 18 months of effort on the part of the Grocery Trade Board is still in jeopardy. It is constant delays of this character which unduly try the patience of the employers.

Employers Play for Delay.

During the 18 months' sitting of the Grocery and Provisions Trade Board (England and Wales), while the employers' side was constantly playing for time, utilising the machinery of the Board for delay in fixing rates, employers outside were using the Trade Board as an excuse for not adopting the trade union programme. In November of last year, a goodly number of negotiations were pending, and in order to prevent open rupture the employers' side of the Grocery Board expressed a hope that firms in general would operate the rates then proposed forthwith. This was done by a number of multiple firms.

Trade Board used as an Excuse for delaying Trade Union Settlements.

Mr. Cahill, the spokesman for the employers, said in his opening statement that numerous agreements entered into between the employers and the trade union were intended to be tentative until and pending the decision of the Trade Board and, unfortunately, while no rates proposed by the Board have yet been confirmed by the Minister, these agreements have, in some cases, expired, and the associations with whom they were made are refusing to enter into fresh agreements, referring the union to the individual firms. The following is an example culled from "The Grocer" of December 3rd, report of the Nottingham Grocers' Association:—

"A letter was read from the secretary of the Shop Assistants' Union requesting the association to meet a deputation from that body with a view to discussing the wage question. After considerable discussion, Mr. Howson moved that a reply be sent that, in the opinion of the association, no good could be done by the proposed meeting, and calling attention to the fact that the association's former letter was not to be regarded as an intimation that it was intended to reduce wages, but was merely a formal withdrawal of the arrangement for the protection of the association's members."

Employers' Testimony to Union Officials' services in preventing open rupture.

Unfortunately, this delay is fermenting trouble and discontent. Mr. Cahill, in the same statement, said:—

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"The employers cannot but feel that these unions have been of inestimable benefit, not only to the workers, but also to the employers, and they desire to place on record their sincere appreciation and gratitude to the trade unions concerned in their own trade. . . . Apart from this, the intervention of the unions has proved of the greatest benefit in facilitating business and maintaining good relations between the employers and their men."

Trade Union Agreements now abandoned. Embittered feelings aroused.

It is regrettable that the delay in confirming rates by the Minister has led to the abandonment of agreements come to by negotiation on the part of the unions, though nothing has taken their place, and except where individual firms have been induced to continue the agreement, the employees are feeling very bitter and are likely to show their discontent in a very marked manner unless either a rate is fixed or fresh agreements come to.

The Status of the Trade.

In the same statement, also, Mr. Cahill said, on behalf of the employers, that the employers desire junior rates such as will attract the best class of youth or girl into the trade, as they feel keenly the trade must be one of good social status if it is to preserve its previous position. At the same time, with respect to hours, he proposed, on behalf of the employers, a 48-hour working week.

We mention these points because, at the Trade Board meeting in November, at the objection stage, the employers practically threw all their original proposals to the wind and only endeavoured to secure further delay.

At the same Board meeting, the question of hours was discussed, the employers entirely changing their position, urging that a 48-hour week presented certain difficulties.

The Hours Question.

Within the past few weeks, the hours question has arisen in the trade press. During the war the shopping habits of the public entirely changed, due, in no small measure, to the policy of the Government for economy in light and fuel. In a very large number of towns, 6 o'clock closing became almost universal, and has continued ever since. The 48-hours week became a practice in trade union settlements, as the attached agreements will show. On the Grocery Trade Board the employers' side suggested, from the very outset, a 48-hours week. Rates of wages on this Board have been based on a 48-hour week, and no objection was taken to a 48-hour week until a few weeks ago. Any attempt to extend the hours of labour will meet with stern opposition on the part of organised workers. They have no desire to return to the condition of affairs that existed prior to the war, and we believe that the best employers have also no desire to revert to old bad conditions. They realise that long hours are bad economically, and have a very detrimental effect on the health and the physical fitness of the assistants. Even the present Shop Hours Act, limited as it is in its character, yet provides the means whereby the traders themselves can easily arrange for the closing hours to be regulated within a 48-hour week.

Under the Shops Act, closing orders can be made not earlier than 7 o'clock on five days of the week, or 1 o'clock on the half-holiday. If, therefore, closing orders are secured for 7 o'clock on four days of the week, 1 o'clock for the half-holiday, and 8 o'clock for the late night, and assuming that the shop opens at 8.30 a.m., with two hours, as suggested, for meals, this would give the actual hours (48) as follows:—

	Dinner.	Tea.	—
	Hours.	Hour.	Hours.
Monday, 8.30 a.m. to 7 p.m. ...	1½	½	8½
Tuesday, 8.30 a.m. to 7 p.m. ...	1½	½	8½
Wednesday, 8.30 a.m. to 7 p.m. ...	1½	½	8½
Thursday, 8.30 a.m. to 1 p.m. ...	—	—	4½
Friday, 8.30 a.m. to 7 p.m. ...	1½	½	8½
Saturday, 8.30 a.m. to 8 p.m. ...	1½	½	9½
Total number of hours worked ...	...	...	48

In some districts the late night would probably be Friday rather than Saturday, and, of course, the half-holiday varies. In all probability some amendment to the Shops Act will now be found desirable, and surely the Trade Board is the body which could deal with this question and make useful proposals for amending legislation. The Shop Assistants' Union would like to see the 7 o'clock limitation as the earliest hour removed, since 6 o'clock closing on the early days of the week, which began during the war, has continued in many provincial places and is still operating. It would be well to be able to put the seal, by way of closing order, upon those hours. In many Northern towns, the half-holiday begins at 12 mid-day instead of 1 o'clock; while, on account of many big firms paying their workpeople earlier in the week, Friday instead of Saturday is becoming the late night.

We might here state that the Shop Assistants' Union has been urging an amendment to the Shops Act which would enable the traders to close at an earlier hour than 7 o'clock by a majority vote, and that the shop assistants, as in New South Wales, who have been resident and working in a given district for a certain period should be allowed to vote.

The weakness of the present Act is that individuals with small shops, the owners of which may be employed in some other occupation, can veto, by their votes, the votes of employers employing hundreds on their staffs, and thus the closing regulation for the neighbourhood is jeopardised. At present, and for 40 years past, the big general stores do not, in the main, employ their staffs beyond a 48-hour week. The co-operative stores, catering for working-class custom, while many have a 48-hour week, some districts enjoy a 44-hour week. From this it will be seen that the needs of the public do not demand anything beyond a 48-hour working week.

At the same Board meeting the question of apprenticeship was referred to an Administration Committee, and it is well that at least something should be said respecting this matter.

The Apprenticeship or Learners' Question.

Within recent months there has been a desperate attempt made to revive the apprenticeship system. Apart from a few remote country districts and one or two multiple firms, the apprenticeship system has been practically a dead letter in distribution for the last two decades at least. For many years there has been lamentations on the part of traders and on the part of the trade press over the dearth of learners. The real reason behind this dearth was the fact that parents and guardians were not so anxious as previously to send young persons into distribution, an occupation where wages were low and hours were long. It was universally recognised that the old-time chance of an assistant becoming an employer was fading away. The multiple firms, limited liability companies, and co-operative societies had practically sounded the death knell to the prospects of assistants starting business on their own account.

Our contention is that distribution, if it is to attract and retain smart, young people, must offer sufficient inducements comparable to other occupations in the shape of wages, hours, and conditions generally. We, as unions, are not averse to an apprenticeship system. Our main concern is that the employers

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shall not use it merely as a means of securing cheap juvenile labour, and that a proper apprenticeship scheme shall be drawn up whereby the apprentice can be guaranteed proper instruction and adequate remuneration.

We have always taken a very keen interest in technical education for those employed in distribution. Our desire has been to raise the status of the trade. Over 20 years ago our members took part in the establishment of the first technical class for grocers' assistants in this country at the Harriot Watt College, Edinburgh. During the war we were closely associated with the London County Council in the setting up of grocery classes for women who entered the grocery trade to take the place of men called to the Colours, and we have had a Joint Committee with the Drapers' Chamber of Trade and other bodies for learners' classes at the Central School of Arts and Crafts, so that it will be seen that we are with those employers who desire to see assistants well trained, but we also desire to see it accompanied by conditions which will make the occupation a desirable one from every point of view.

The following were the agreed rates as sent forward for confirmation at the meeting of the Board in November:—

MALE WORKERS.

PORTERS.

	Scale A per week.	Scale B per week.	Scale C per week.
Workers 24 years of age and upwards.	s. d. 48 0	s. d. 55 0	s. d. 56 6
Workers 23 and under 24 years	47 6	53 0	55 0
" 22 " 23 "	47 0	51 6	53 0
" 21 " 22 "	46 0	48 6	50 6
" 20 " 21 "	40 6	52 6	44 0
" 19 " 20 "	34 0	36 6	37 6
" 18 " 19 "	28 0	30 0	31 6
" 17 " 18 "	22 6	24 0	25 0
" 16 " 17 "	18 0	20 0	20 6

SHOP ASSISTANTS and all OTHER WORKERS, except PORTERS (excluding vehicle workers and persons employed in commercial travelling).

Workers 25 years of age and upwards.	51 0	61 0	63 0
Workers 24 and under 25 years	50 6	59 6	61 0
" 23 " 24 "	50 0	57 6	59 6
" 22 " 23 "	49 6	56 0	57 6
" 21 " 22 "	48 0	53 0	55 0
" 20 " 21 "	41 0	44 6	46 6
" 19 " 20 "	35 0	37 0	38 6
" 18 " 19 "	29 0	30 6	32 6
" 17 " 18 "	23 6	25 0	26 0
" 16 " 17 "	19 0	20 6	21 6

FEMALE WORKERS.

PORTERS.

Workers 23 years of age and upwards.	31 6	36 0	37 0
Workers 22 and under 23 years	31 0	34 0	35 0
" 21 " 22 "	30 6	32 0	33 6
" 20 " 21 "	28 0	30 0	31 6
" 19 " 20 "	25 6	27 0	29 0
" 18 " 19 "	23 6	25 0	26 6
" 17 " 18 "	18 0	19 6	20 0
" 16 " 17 "	14 6	16 0	16 6

SHOP ASSISTANTS and all OTHER WORKERS, except PORTERS (excluding charwomen, vehicle workers, and persons employed in commercial travelling).

Workers 24 years of age and over.	s. d. 33 0	s. d. 39 6	s. d. 41 0
Workers 23 and under 24 years	32 6	37 6	39 6
" 22 " 23 "	32 0	36 6	37 6
" 21 " 22 "	31 6	35 0	36 0
" 20 " 21 "	29 0	31 6	32 6
" 19 " 20 "	26 6	29 0	30 0
" 18 " 19 "	24 0	25 6	27 0
" 17 " 18 "	18 6	20 0	20 6
" 16 " 17 "	15 0	16 6	17 0

Rates Agreed between Employers and Workers now before the Minister for Confirmation.

It is significant that these rates, particularly for women at 18 and for men at 21 years of age, are much lower than those now being paid in what were considered "sweated industries" and brought under 1918 Trade Boards Act.

It has generally been considered by the Trade Boards that a wage sufficient to independently maintain herself should be guaranteed to a woman 18 years of age, and sufficient to a man at 21 years of age to enable him to marry.

Rates Compared with other Trade Boards.

The rates being paid to women by the Retail Bespoke Tailoring Board, the Paper Box Trade Board—two trades which were brought under the 1909 Trade Boards Act—at age 18 is 37s.; to women in the tin box trade at 18 years of age, 36s.; to women in the paper bag trade, 40s. at 18 years of age; while the wage fixed, but not yet confirmed, for women at 18 years of age in the Grocery and Provision Trade Board (England and Wales) varies from 23s. 6d. to 27s., being anything from 16s. 6d. to 10s. per week less than is paid to women at 18 years of age in the so-called sweated trades.

In the case of men at 21 years of age, the rates fixed by the Grocery Trade Board (England and Wales), but not yet confirmed, vary from 46s. in the case of porters in Area (A) to 55s. for counter assistants in Area (C), viz., the Metropolis. The wages paid to men at 21 years of age in the toy trade is 64s.; tobacco trade, 61s. 6d.; stamped and pressed metalware, 66s.; stampers and burnishers, after two years' experience, 68s.; again showing a general disadvantage of, say, 5s. to 14s. against those employed in the grocery trade.

Declaration of Appointed Members.

These low rates fixed for the grocery, but not yet confirmed by the Minister, were partially explained by a declaration on the part of the appointed persons, which was as follows:—

"In view of certain misunderstandings which have come to their notice, the appointed members wish it to be understood that, in voting for the rates proposed and fixed by the Trade Board, they have felt obliged to keep in mind the capabilities of the least fortunately placed shops in the poorest districts of each area. They have not considered it their duty, nor, indeed, is it within their power, to enforce standard rates, and their rates ought not to be quoted in trade negotiations or any arbitration proceedings as evidence of their opinion of the rates which should rule throughout the trade."

While it is evident that in the case of the Grocery and Provision Trade Board (England and Wales) the rates that have been fixed are extremely low, lower even than those which were previously known as sweated industries, the workers' side would draw the attention of the Committee to the fact that it was generally understood that the very function of the Trade Board was to at least secure a reasonable

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standard of comfort for the workers in any trade which came under its operation. That they believed to be the very reason for the existence of the Trade Board Act.

Rates too Low to be Injurious to the Trade.

It does not believe that these rates could, in any way, injure the least fortunate placed grocery and provision dealer in any part of the country. In this respect, we would like to quote W. Addington Willis, LL.B., in his "Practical Guide to the Operation of the Trade Boards Acts," page 60, where he says:

"But the necessary improvement of a rate of pay in the trade, ought not to be stopped or hindered out of consideration of a few inferior businesses which have hitherto existed on underpaid labour, and which are, and will be, incapable of paying the rate appropriate to workers in the trade generally."

Rates not Comparable with Rates Fixed for Sweated Industries.

It will thus be seen that the rates fixed, but so long delayed in being confirmed, are not even comparable with those now being paid in what were previously known as sweated industries, and are only such as were considered, by the Board, capable of being paid by the least fortunately placed shops in the poorest districts of each area.

Dislocation of Industry Objection.

It is being urged by the employers, at the present moment, that these rates should not be confirmed because of the dislocation of industry which has followed as a result of the war. This very position, however, which is now urged by the employers as a reason for not confirming the Grocery Trade Board rates by the Minister of Labour, is the very reason which led the Government to amend the Trade Boards Act in 1918, and so make it possible for the Grocery and Provision Trade to come under its protection.

Minister of Labour's Speech in the House, June, 1918.

The speech of the then Minister of Labour, Mr. G. Roberts, when introducing the Amending Bill, is very significant. The following quotation is from the OFFICIAL REPORT of the House of Commons, on Monday, 17th June, 1918. Mr. Roberts said:—

"Undoubtedly great dislocation of industry will follow the war, and that renders it particularly necessary that rapidly adjustable machinery should be available for setting up Boards in certain industries. I think this applies with particular force to the case of women. Many groups of women during the war have been able to elevate wage conditions to a more reasonable standard than heretofore, and it would be extremely undesirable, and undoubtedly would have a large number of undesirable social aspects, if they were to lapse back into the conditions which prevailed before the war. Moreover, there are other groups who have not, despite war conditions, been able to raise their status to anything which may be regarded as satisfactory. Therefore, it seems to make it more desirable that we should provide machinery to adjust wages to a reasonable basis, and in more accord with the spirit of our times."

Certainly the rates fixed and awaiting confirmation for the Grocery Trade, are of a most modest character and on a most reasonable basis, are, in fact, "in accord with the spirit of our times" as suggested by Mr. Roberts, when moving the second reading of the Trade Boards Amending Bill.

Ineffective Organisation on Both Sides.

It is well-known that organisation, both on the part of the employers and the employees, is ineffective for regulating the conditions of employment

in the grocery and provision trade of the country. Trade Boards were first set up in those trades where these two factors existed—low wages and ineffective organisation. They are the very reasons for the existence and extension of the Trade Boards Acts. The effect of a Trade Board is to fix a minimum which can be paid by the least fortunately placed employer in any trade, and to leave to individual or trade union action, the securing of something better for the more efficient workers employed in the highly capitalised and organised firms.

Merit Worth More.

As the minimum fixed is very low, it will enable the more efficient to secure something better by way of merit and bring them nearer to the wages paid to artisans and others in skilled trades, at the present time.

Improve the Status of the Trade.

It may possibly check the failures of other occupations coming into the grocery trade to the detriment of those who have been properly trained and taught the business. But this will not be by any means a bad thing for the grocery and provision trade. It will do what Mr. Cahill stated the employers desire, maintain and improve the status of the trade.

Publicity Desirable.

The workers' side of the Grocery Trade Board are quite willing for the proceedings of the Board to be made public. They feel that had this been the case during the last eighteen months, it would probably have drawn public attention to the regrettable and extraordinary delays which have taken place. The public would have desired to expedite matters, if only on account of public expense.

Colonial Example.

It has been stated that opposition has been shown to the Wages Boards of Australia and New Zealand. If so, it is evidently confined to a very small minority, because there is no indication that the Industrial, Conciliation and Arbitration Acts of Australia and New Zealand are seriously opposed. They are being constantly extended, amended and improved, and would seem to have become a settled question in these Colonies.

It should be added that when Mr. E. Aves, Commissioner on the Wages Board, Industrial Conciliation and Arbitration Acts of Australia and New Zealand reported to the British Government in 1906 he did so strongly in their favour, and the original Trade Boards Act of 1909 was partially the outcome of his report.

Democratic Control.

From the workers' point of view, the setting up and operating of a Trade Board for the grocery and provision trade is the only general application of democracy to it. For the first time, it enables employers and employees to come together and discuss matters of common interest to both, as well as to deal with the conditions of employment, and put it a bottom by way of a minimum. On this foundation it ought to be possible, with ordinary good will, to lift the trade for all concerned from the terrible plight into which it has fallen.

That the proposed rates now fixed by the Board and awaiting confirmation by the Minister show this to be the case is proved by the fact that they are not comparable for women at 18 years of age and men at 21 years of age to those paid to men and women at the same age in trades which, up to the application of the Trade Boards Act, were considered sweated industries.

The Trade Board does afford a means by which this discredit to the trade can be removed.

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[Continued.]

The Area Question.

The workers' side feels that the present method of fixing areas according to population and varying rates along those lines is quite unsatisfactory. Certain places with a comparatively small population under a local authority, but within an industrial area, are subject to the conditions and cost of living of that industrial area. If areas are to be fixed at all, they should be fixed in such a way as to secure, at least, an equal standard of comfort for all those employed in the trade. If a satisfactory method of fixing the areas can be found, it is then felt there is no need for district committees, since they would lead to unnecessary delay and expense without any compensating advantage.

Blighted Hopes.

The statements here set out represent some of the views held by the workers' side of the Grocery and Provisions Trade Board (England and Wales) as arising out of the unfortunate experience of its nearly 18 months' existence. The extraordinary delay in getting any rates confirmed and operating is rapidly destroying the faith of the workers in the hopes held out by the Government when introducing the Amending Bill in 1918. When the Board was set up, the workers were led to believe that at least some improvement in their working conditions was about to be made. These hopes have now been so long postponed that bitter disappointment is taking their place. It is beginning to be felt that had they have relied entirely upon the growing power of their

Unions and concentrated their efforts during the past year and half upon increasing that strength more would have been gained than has been the case.

It is, therefore, urged that the Committee should draw the attention of the Minister of Labour to the unfortunate feeling created in the minds of those constituting the workers' side, with a view, if possible, of getting the rates fixed, confirmed, and operating at as early a date as possible.

SCHEDULE "A."

PROFITS IN THE GROCERY TRADE.

(Handed in—not printed.)

SCHEDULE "B."

CASES SUBMITTED IN EVIDENCE TO MINISTRY OF LABOUR, FEBRUARY, 1917.

FIGURES SUBMITTED TO MINISTER OF LABOUR, FEBRUARY, 1917.

(Various Branches.)

We give here a few particulars including extracts from letters received from branches.

Firm of Drapers, Neath.—Female staff. (Living out.)

Age	...	16	18	27	28	21	20	27	23
Experience	...	2½ years	3 years	8 years	16 months	12 months	6 months	8 years	8 months
Wages	...	3s.	4s.	12s.	10s.	5s. 6d.	9s.	12s.	10s.

Drapery Manageress.—Full responsibility, wage 12s. a week, commission averaging 4s. 6d. Trade turning out £77.

Drapery Firm.—60 hours a week, 2 years' experience, age 18, wage 1s. a week and teas.
 " " 11½ hours a day. Various deductions as fines. 11s. a week.

Dressmakers, Aberdeen.—(After having paid a premium for apprenticeship.)

Age	...	20	21	21	25	30
Wage	...	5s.	7s. 6d.	8s.	10s.	14s.

"One firm in Dumfermline is extensively engaging girls for their grocery shops and branches, and is binding these girls by written agreement that they will work till the end of the war, also that they cannot leave and take a situation in any other shop within three miles, fixing these girls with the radius agreement. He also reserves the right to dismiss any of these girls. The wages paid to these girls are 8s. with an increase of 1s. every three months."

Scunthorpe Branch.

"We have full knowledge of shop girls working in this town who are paid at the rate of 1s., 1s. 6d., 2s., and 2s. 6d. per week. A few weeks ago I observed an advertisement in the window of a Registry Office which read as follows: 'Scunthorpe, Shop Assistant, age 18, wages 5s. weekly.' In order to give this publicity I reported this to the Trades Council."

Rotherham Branch.

"It may interest you to know that I have been in touch with some of . . . (Rotherham Branch) women employees this last week.

"I find that they are receiving 9s. per week wages for a week of about 70 hours inclusive of meal times."

Women Grocers.—Result of inquiry. Average wage received in the few cases reported, 12s. a week, varying from 5s. to 24s.

Bazaar Workers.—22 women in bazaar at Derby, 75 hours a week, ages 23 to 31, average wages, 8s. 4d. None higher than 10s.

Proprietors of 1d. and 6d. bazaars who came into competition with drapers are perhaps the worst offenders. We give below a few particulars.

Swansea.

Age	...	21	21	22	24	24
Wage	...	5s. 9d.	7s. 9d.	5s. 9d.	6s. 9d.	10s.

Sunderland Branch.

The four names are of four women employed by the same firm having about 10 shops in various parts of this town, employing two or three girls in each shop.

We have been trying to organise them for some time, but now that the firm has got to know and has told them they will not employ anyone in the union, and unless they withdraw their membership they will be dismissed on Saturday. The girls are wavering, and do not know what to do. I have been trying to get them to continue with us, and have promised that the union will stand by them if they are dismissed. I find that these girls work 8.30 a.m. to 9 p.m., and in some shops to 10 p.m., also on Sundays, and get 5s. to 8s. per week.

20 December, 1921.]

Mr. JOHN TURNER.

[Continued.]

I have also been told that the firm has been paying full State Insurance, but they have told them that if they can pay contributions to the union they can pay their own State contributions, and so are going to rob them of another 3d. per week from their wages.

Firm of Drapers, Sunderland.

Age	...	...	21	21	17
Wage	...	...	10s.	5s.	6s.

Extracted from forms received 1916.

Trade.	Position.	Age.	Wage.
WOMEN.			
Mantles	Alterations	21	s. d. 10 0
Sewing machines	Saleswoman and book-keeper.	21	12 0
Pawnbrokers	Assistant	21	8 0
Boots	"	22	8 0
Grocery	"	22	16 0
Provisions	"	24	16 0
Jewellery	First saleswoman	24	15 0
Drapery	Cashier	24	7 6
Millinery show room	Assistant	24	12 0
Confectionery	Manageress	24	10 0
(and board).			
Grocery	Assistant	25	18 0
Drapery	"	26	18 0
Grocery	"	26	18 0
Confectionery	"	26	16 0
Boots	Head assistant	27	15 0
Grocery	Assistant	28	10 0
Fancy leather goods	First hand	45	17 0
Stationery and fancy goods.	Assistant	18	10 0
Drapery	"	19	10 0
(and tea).			
Druggist	"	19	13 0
Ironmongery	"	19	12 0
Millinery	"	19	10 0
"	Second hand	20	9 0
Florist	Assistant	20	19 0
MEN.			
Grocery	Assistant	25	17 0
Ironmongery	Clerk and stock-keeper.	32	16 0

Cases which might be specially noted:—

- , —, Drapery cashier, age 24, 7s. 6d.
- , Sunderland, jewellery and drapery assistant, 1st saleswoman, age 24, 15s. a week.
- , Birmingham, fancy leather goods, 1st hand (after buyer), age 45, 17s. a week.

Extract from communication; December, 1916.

Chemists, Bridgwater, Paignton, etc. Wages paid to girls, 5s., 6s., 8s., 9s.

REPORT RE CONFECTIONERY TRADE IN GLASGOW.

Women.				
Experience.		Age.		Wage.
3 months	...	...	17	12s.
1 year	...	...	18	13s.
1 year	...	...	18	10s.
1 year, 4 months	...	...	19	12s.
9 months	...	...	20	17s.
4 months	...	...	21	13s.
1 year, 6 months	...	...	21	14s.
2 years	...	...	21	16s.
9 months	...	...	21	14s.

Women.

Experience.	Age.	Wage.
11 months	...	21
4 years	...	22
8 months	...	22
4 years	...	22
6 months	...	22
3 years, 6 months	...	22
3 years	...	23
4 years	...	23
8 months	...	23
1 year	...	23
2 years, 6 months	...	23
5 years	...	23
4 years	...	23
8 years	...	24
3 years	...	24
9 years, 6 months	...	24
7 years	...	24
3 weeks	...	24
1 year, 4 months	...	25
6 years	...	25
2 years	...	25
5 years, 6 months	...	25
3 years, 6 months	...	25
6 years	...	25
4 years	...	26
9 years	...	26
12 years	...	27
8 years	...	28
8 years	...	28
2 years, 9 months	...	28
12 years	...	28
8 years	...	28
4 years	...	29
9 years	...	29
10 years	...	29
6 years, 9 months	...	29
14 years	...	29
6 years	...	30
11 years	...	30
6 years	...	30

SCHEDULE C.

WAGES 1918 AND 1919.

FIGURES GIVEN IN NEGOTIATIONS.

EXTRACTS FROM CORRESPONDENCE.

WAGES OFFERED TO MEN RETURNED FROM THE ARMY, ETC.

Firm of Wholesale Grocers,
Kings Lynn,
February 21st, 1919.

DEAR —,

In reply to your letter of February 18th, we propose to reinstate you (any way for the present) at High Street as provision hand. You are, of course, still aware that although wages have gone up a considerable height, yet it is still more economical for us to employ girls rather than men; and although we have no wish to take advantage of an unfortunate position, yet common sense compels us to offer a wage which is compatible with the coming fall in prices and consequent loss of profit.

We go out of our way to give this explanation, and we trust that you will accept it in the spirit in which it is given.

The wage we propose to pay is 30s. per week. Should you not feel able to accept this, please notify us per return.

20 December, 1921.]

Mr. JOHN TURNER.

[Continued.]

Copy from Stockport letter.

Can you supply me with any information as to the salary being paid to managers of shops of Messrs. —? The one in our town is actually being paid 5s. per week less than when he enlisted.

I hope, therefore, you will endeavour to give me this, so that he may know exactly his position. Present wages, 60s. Thanking you in anticipation.

Yours sincerely,

DEAR SIR,

I beg to place my case before your notice, and to take a few moments to consider. Some time since I wrote you asking Union's scale of pay, and I received it. On receipt of same I wrote to my firm for rise of pay, and this has not been granted.

I am a branch manager with seven staff, and responsible for about £8,000 stock. I have eight years with this firm; this is the third shop I have been manager of (the other two were temporary), and my wages now are only £2 8s. When I was demobilised I accepted that amount because I did not know the union scale.

I therefore now look to the union for advice. Trusting to hear from you at your earliest convenience.

Yours faithfully,

Provision Merchants,
Princes' Street, Edinburgh,
October 23rd, 1919.

Sixty-five out of a total staff of 95 went into the Army.

Eleven killed. Those who returned have had to go on strike to secure a living wage. Until recently were working for 23s., 34s., 38s. and 40s. a week, and received advance of from 2s. to 5s. a week.

Fancy Warehousemen, etc., Plymouth.

Position.	Age.	Wage.
Warehousemen	16	12s.
Clerk	46	25s.
Packer	50	30s.
"	21	23s.
"	63	28s.

General Stores, Packers, Warehousemen, etc.

Years with firm.	Wage.
35	30s.
31	40s.
30	40s.
27	40s.
24	50s.
22	45s.
20	35s.
16	35s.
8	25s.
15	35s.
18	35s.
22	25s.
19	36s.

25s. to 28s. offered on return from Army.

Information obtained at staff meeting, Textile Trade.

I was engaged by above firm in May, 1895, at 24s. per week (dinner and tea). I am now getting £2 (eight rises of 2s. each in 23 years).

Do I deserve a 25 per cent. increase of wages? I will leave you to judge.

Get others to be frank with you, and you will be surprised at the clerical wages in this house.

Other firms.

Men returned from the Army being paid £30 per annum less than other men who had not served in the War.

In one firm a system operates under which wages advanced to £90 per annum living-in, and then an additional £10 was given for staff to live out.

To a woman member of the Staff of ———, Yarmouth.

February, 1919.

In thanking you for your services during the War period, we herewith enclose the final war bonus. Please note that no more monthly payments will be made.

The wages, however, have been adjusted according to the individual worker's abilities and speed in turning out work.

In these days of higher wages and shorter hours work must be speeded up and better time kept, or the wages will exceed the workroom earnings, and ultimately lead to the closing down of the making up departments.

It is hoped you will do your best to avert this.

Your future wage will be 12s. per week.

Firm of Confectioners, etc., Plymouth.

3 employees 16 years of age,	11	0	per week and tea.
1 employee 17 " " "	10	0	" " "
1 employee 17 " " "	11	0	" " "
3 employees 18 " " "	"	"	" " "
1 receives	10	0	" " "
1 " " " " "	11	0	" " "
1 " " " " "	14	0	" " "
8 employees 10 years of age	"	"	" " "
2 receive	9	0	" " "
4 " " " " "	10	0	" " "
1 " " " " "	11	9	" " "
1 " " " " "	22	6	" " "
3 employees 20 years of age	"	"	" " "
1 receives	12	0	" " "
1 " " " " "	16	0	" " "
1 " " " " "	17	3	" " "
2 employees 21 years of age	"	"	" " "
1 receives	12	0	" " "
1 " " " " "	20	0	" " "
2 employees 24 years of age,	12	0	" " "
2 employees 25 " " "	"	"	" " "
1 receives	11	0	" " "
1 " " " " "	20	0	" " "
1 employee 26 years of age,	12	0	" " "
1 employee 27 " " "	12	0	" " "
2 employees 28 " " "	"	"	" " "
1 receives	12	0	" " "
1 " " " " "	13	0	" " "

Firm of Grocers, Southport (Women).

Age	52	30	24	23	19	17	16	16	15	15	—
Wage	15/-	14/-	14/-	14/-	12/-	11/-	10/-	8/-	8/-	8/-	—
Age	18	18	26	27	22	23	21	19	18	17	20
Wage	11/-	11/-	26/-	23/-	22/-	21/-	19/-	18/-	18/-	16/-	18/-

Bonus given bringing total to varying amounts up to 21/-.

20 December, 1921.]

MR. JOHN TURNER.

[Continued.]

Extract from Membership Forms of Women in South Wales, 1918 and 1919 (various trades).

Age	...	16	21	16	20	20	24	23	32	30	22	19
Wage	...	9/-	30/-	8/-	16/-	25/-	20/-	20/-	24/-	34/-	12/-	15/-
Age	...	19	19	18	23	22	27	23	17	27	19	24
Wage	...	10/-	10/-	12/6	12/-	8/-	18/-	13/9	5/6	12/-	4/-	12/6
Age	...	21	19	19	16	16	20	19	20	17	20	19
Wage	...	8/6	6/-	16/3	10/-	13/-	10/-	16/-	14/-	10/-	19/6	17/6
Age	...	16	16	17	17	26	28	25	16	23	23	25
Wage	...	10/-	10/-	8/-	8/-	22/-	28/-	20/-	10/-	12/6	20/-	12/6
Age	...	22	18	26	15	25	21	21	29	19	18	18
Wage	...	10/-	10/-	12/-	12/-	22/6	22/-	22/6	17/-	13/-	11/-	10/-

SCHEDULE D.

GROCERY TRADE (MEN).

AGREEMENTS BETWEEN NATIONAL AMALGAMATED UNION
OF SHOP ASSISTANTS, WAREHOUSEMEN, AND CLERKS
AND EMPLOYERS.

(Not printed.)

SCHEDULE E.

Low Wages.—THE RESULT OF 1921 INQUIRY BY THE
NATIONAL AMALGAMATED UNION OF SHOP ASSISTANTS,
WAREHOUSEMEN, AND CLERKS.

GROCERY TRADE (MEN).

1921 Inquiry.

Em- ployer.	Town.	Position.	Age.	Wage.
2	Wakefield ...	Assistant ...	53	s. d. 65 0
3	Buxton ...	...	16	16 0
4	Portsmouth ...	Clerk ...	23	43 6
5	...	Assistant ...	18	25 0
6	Aberdeen ...	"	27	50 0
7	Weston ...	"	18	20 0
8	...	"	18	20 0
9	...	"	20	30 0
10	...	"	20	35 0
11	Carnarvon ...	"	21	42 0
12	"	"	31	50 0
13	"	"	33	55 0
14	Brighton ...	Warehouseman...	20	45 0
		Bacon dryer ...	52	56 0
		Warehouseman...	56	48 0
		"	46	52 0
		"	36	48 0
		"	34	45 0
		"	49	48 0
		"	58	46 0
15	Chatham ...	"	19	24 0
16	Bournemouth ...	Bacon washer ...	51	45 0
17	Inverurie ...	Vau-salesman ...	31	45 0
		"	46	45 0
		Salesman ...	28	48 0
19	Inverness ...	Warehouseman...	33	30 0
20	"	Assistant ...	30	50 0
		"	41	53 0
		"	20	35 0
		"	23	40 0
21	"	"	26	50 0
22	"	"	46	30 0
23	Aberdeen ...	Under-Manager ...	21	40 0
24	"	Assistant ...	27	40 0
		"	27	50 0
25	"	For. mau ...	25	47 6
26	London ...	Assistant ...	26	47 6
		"	33	55 0
		"	20	20 0
27	"	"	40	48 0

Em- ployer.	Town.	Position.	Age.	Wage.
28	London ...	Assistant ...	21	s. d. 35 0
		"	...	40 42 0
		"	...	65 45 6
		"	...	35 40 0
		"	...	24 43 0
		"	...	23 30 0
		"	...	21 25 0
		"	...	33 33 0
29	Blackpool ...	Manager ...	—	50 0
30	...	1st hand...	...	23 43 3
		Canvasser ...	21	45 0
31	Wick ...	Counter hand ...	19	15 0
33	...	Assistant ...	18	28 0
34	Bolton...	Warehouseman ..	44	55 0
35	Manchester ...	Provision hand ...	24	50 0
36	Sloane Street, W.	Porter ...	32	32 0
37	Kew Gardens ...	Assistant ...	21	25 0
38	...	"	...	19 32 0
		"	...	23 40 0
39	City Road ...	"	...	28 45 0
		"	...	20 38 0
40	Blackfriars ...	"	...	26 42 0
41	...	Salesman ...	28	48 0

GROCERY TRADE (WOMEN).

1921 Inquiry.

Em- ployer.	Town.	Position.	Age.	Wage.
				s. d.
42	Dundee ...	Assistant ...	18	24 0
43	Inverness ...	Bookkeeper ...	24	32 0
		"	18	25 0
		Typist ...	17	18 0
44	"	Assistant ...	18	18 0
45	London ...	"	22	28 0
		Clerk ...	22	18 0
		"	19	14 0
46	Wakefield ...	Assistant ...	18	25 0
		"	19	28 0
47	Yarmouth ...	Clerk and ...	30	30 0
		Cashier.		
48	Wigan...	Assistant ...	18	24 0
49	London ...	"	27	38 0
		"	22	35 0
51	Stockton ...	"	19	26 8
52	Manchester ...	Assistant ...	17	16 0
53	...	"	33	35 0
		"	26	35 0
		"	17	12 0
		"	16	10 0
54	...	"	16	15 0
55	Kentish Town ...	"	24	25 0
56	...	"	18	20 0
57	Chatham ...	"	30	30 0
58	Bolton ...	"	20	30 0

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Mr. JOHN TURNER.

[Continued.]

GROCERY TRADE (WOMEN).

1921 Inquiry.

Em- ployer.	Town.	Position.	Age.	Wage.
				<i>s. d.</i>
58a	Manchester ...	Assistant ...	22	35 0
59	... ..	Clerk ...	19	25 0
	... ..	Assistant ...	21	35 0
60	... ..	Ledger Clerk ...	21	32 0
	... ..	Assistant ...	22	22 0
61	Coatbridge ...	"	23	32 0
62	Liverpool ...	"	16	15 0
	... ..	"	21	28 0
63	... ..	Clerkess ...	21	25 0
	... ..	Cashier ...	21	25 0
	... ..	"	23	25 0
64	... ..	Assistant ...	26	31 6
	... ..	"	26	35 0
	... ..	"	20	21 9
	... ..	"	20	21 9
	... ..	"	21	26 0
	... ..	"	19	20 6
	... ..	Cash desk ...	26	34 0
	... ..	"	24	32 6
	... ..	Clerk ...	22	28 6
	... ..	"	33	39 0
	... ..	"	25	40 0
65	Kew Gardens...	Assistant ...	20	20 0
66	Manchester ...	"	23	25 0
67	"	"	23	18 0

1921 Inquiry.

DRAPEY TRADE (WOMEN).

Em- ployer.	Town.	Position.	Age.	Wage.
				<i>s. d.</i>
65	Bishop's Stort- ford.	1st Sales-woman	24	27 0
66	Liverpool ...	Assistant ...	17	14 6
67	... ..	"	19	22 0
68	... ..	"	23	24 0
69	Peterhead ...	"	21	30 0
	... ..	"	23	30 0
	... ..	"	22	27 6
	... ..	First hand ...	27	30 0
70	"	Assistant ...	19	18 6
	... ..	"	17	21 0
	... ..	"	15	10 0
	... ..	"	18	15 0
	... ..	"	20	23 6
	... ..	Charge hand ...	37	50 0
	... ..	Assistant ...	17	17 0
	... ..	"	20	22 6
71	"	"	22	25 0
72	Glasgow ...	"	17	12 0
	... ..	"	17	12 0
	... ..	"	15	10 0
	... ..	"	14	10 0
	... ..	"	15	14 0
	... ..	"	16	15 0
	... ..	"	17	16 0
	... ..	"	18	20 0
	... ..	"	19	20 0
	... ..	"	17	20 0
	... ..	"	18	24 0
	... ..	"	19	28 0
	... ..	"	19	28 0
73	"	"	18	35 0
	... ..	"	26	40 0
74	... ..	Manageress ...	22	43 0
	... ..	Assistant ...	19	22 0
	... ..	"	18	22 0
	... ..	"	17	16 0
75	... ..	"	14	8 3
76	Swansea ...	"	19	20 0
77	... ..	Manageress ...	24	42 0
78	Glasgow ...	Clerk ...	16	15 0

1921 Inquiry.

DRAPEY TRADE (WOMEN).

Em- ployer.	Town.	Position.	Age.	Wage.
				<i>s. d.</i>
79	Newcastle ...	Assistant ...	16	14 0
80	Seaham Harbour	"	18	10 0
81	... ..	"	16	4 0
	... ..	"	18	23 0
	... ..	"	25	38 0
	... ..	"	25	38 0
	... ..	Manageress ...	27	43 0
82	... ..	Assistant ...	21	30 0
83	... ..	Head Sales ...	26	30 0
84	... ..	Apprentice ...	16	9 0
85	Glasgow ...	Assistant ...	24	42 0
86	Liverpool ...	"	20	21 0
	... ..	"	dinner and tea.	
87	Cardiff ...	"	19	15 0
88	Edinburgh ...	"	26	40 0
89	Swansea ...	"	17	10 0
90	Walworth Road, S.E.	"	22	10 0
	... ..	"	and Living in.	
91	Dundee ...	"	30	30 0
92	It is the practice with this firm to pay no wages to women assistants. After they served three years as apprentice without wages they are then allowed a small commission on sales, but no regular wages are paid to the women.			
93	After the women have served three years as apprentice without wages, they are paid various rates from 2s. per week upwards, rising annually by 1s. until they reach an average wage of 12s. per week.			
	These firms are the leading drapers in Cornwall and it appears to be the usual custom to get apprentices the first three years for nothing and it is quite common to expect the employees to spend all their wages with the firm (after they are out of their apprenticeship). The last time I was in Cambourne I was informed of a firm there who paid as low as 1s. 6d. per week to assistants, and the staff were expected to take their wages out in goods.			
94	Cheltenham ...	Cashier ...	21	15 6
	... ..	Assistant ...	19	14 6
	... ..	"	19	5 6
95	Liverpool ...	"	21	24 0
	... ..	"	21	20 0
	... ..	"	25	30 0
	... ..	"	28	30 0
	... ..	"	28	25 0
	... ..	"	17	10 0
	... ..	"	14	10 0
	... ..	"	20	24 0
	... ..	"	23?	30 0
	... ..	"	26	24 0
	... ..	Charge hand ...	44	30 0
	... ..	Assistant ...	28	35 0
	... ..	"	21	20 0
	... ..	"	38	30 0
	... ..	"	17	12 6
	... ..	"	—	10 0
	... ..	"	32	25 0
	... ..	Cashier ...	14	10 0
	... ..	Charge hand ...	26	30 0
	... ..	Assistant ...	14	10 0
96	"	"	18	15 0
	... ..	"	26	23 0
	... ..	"	21	18 0
	... ..	"	17	9 0
	... ..	"	16	8 0
	... ..	"	20	21 0
97	Aberdeen ...	Cash Girl ...	—	30 0
	... ..	Assistant ...	18	20 0
98	Crewe ...	"	17	10 0
	... ..	"	17	12 0
	... ..	"	17	9 6
	... ..	"	18	14 0
	... ..	"	18	16 0

20 December, 1921.]

Mr. JOHN TURNER.

[Continued.]

1921 Inquiry.

DRAPEY TRADE (WOMEN).

Em- ployer.	Town.	Position.	Age.	Wage.
98	Crewe ..	Assistant	18	s. d. 10 0
	"	"	18	11 0
	"	"	19	11 0
	"	"	19	11 6
	"	"	19	10 6
	"	"	20	19 6
	"	"	20	14 0
	"	"	21	19 0
	"	"	21	17 0
	"	"	22	23 0
	"	"	23	18 0
	"	"	24	24 0

1921 Inquiry.

DRAPEY TRADE (MEN).

Em- ployer.	Town.	Position.	Age.	Wage.
99	Newcastle	Assistant	16	s. d. 10 0
100	Peterhead	Manager	27	34 0
101	Glasgow	"	47	69 0
102	London	Packer	60	40 0
		Despatch	35	42 6
		"	29	40 0
		"	60	40 0
103	Wick	Assistant	19	25 0
104	Edinburgh	"	23	35 0
105	Carnarvon	"	46	50 0
106	Manchester	Manager	28	55 0
107	Liverpool	Assistant	32	50 0
108	Aberdeen	"	—	50 0
109	Inverurie	"	24	52 6

1921 Inquiry.

BOOT TRADE (MEN).

Em- ployer.	Town.	Position.	Age.	Wage.
110	Liverpool	Assistant	24	s. d. 50 0
111	Inverness	"	26	47 6
112	Birkenhead	Relief Manager	27	45 0
113	Liverpool	Manager	40	60 0
114	Peterhead	Assistant	18	22 6

1921 Inquiry.

BOOT TRADE (WOMEN).

Em- ployer.	Town.	Position.	Age.	Wage.
115	Carlisle	1st hand	21	s. d. 13 0
		2nd "	18	14 0
		3rd "	16	12 0
Manager, 45s. per week, 2 per cent. commission on all takings. Average of total remuneration per week, £3 15s. With the above schedule of wages branch is a copy of the Company's report, which shows fully paid-up capital of £103,697, and that the Directors propose to write off the goodwill, £10,000, to pay a final dividend of 6 per cent., making 20 per cent. for the year, and to carry forward £15,747.				

1921 Inquiry.

BOOT TRADE (WOMEN).

Em- ployer.	Town.	Position.	Age.	Wage.
116	Hebburn	Assistant	16	s. d. 13 0
117	Sheffield	Manageress	26	40 0
118	Carnarvon	Assistant	17	14 6
		"	24	32 6
119	Manchester	"	21	26 0
120	"	"	18	26 6
121	Sheffield	"	19	15 0
122	Coatbridge	Charge hand	18	32 0
		Assistant	19	16 0
		"	24	25 0
		"	17	14 0
		"	15	10 0
		"	15	12 0
123	Plymouth	Branch manageress, responsible for cash and stock from 8.30 a.m. to 3 p.m. (without any relief for meals), receives £1 per week without any commission. She pays 18s. per week for board and lodgings, 2s. per week left for clothes, etc.		
This firm have four or five branches in the district, but all employees are paid in proportion to the above; all say they are too poor to join the Union. The firm have been fined several times for violation of "Shop Acts."				
124	—	Manageress	24	35 0
		Assistant	19	20 0
125	Swansea	1st hand	25	25 0
		Assistant	18	23 6
126	Birkenhead	"	19	16 0
		"	19	24 0
127	Peterhead	"	20	15 0
128	"	"	42	28 0
129	Liverpool	"	22	17 0
		"	25	25 0

1921 Inquiry.

BAKING AND CONFECTIONERY TRADE (WOMEN).

Em- ployer.	Town.	Position.	Age.	Wage.
130	Cupar, Fife	Assistant	30	s. d. 14 6
		"	16	10 0
131	Inverness	Manageress	20	25 0
132	Aberdeen	Assistant	25	18 0
		"	21	22 6
		"	22	20 6
		"	21	24 0
133	Middlesex	"	16	10 0
134	Plymouth	"	17	6 0
		"	18	3 0
		"	41	15 0
				Dinner and Tea.
136	Liverpool	"	24	25 0

1921 Inquiry.

TOBACCONIST TRADE (WOMEN).

Em- ployer.	Town.	Position.	Age.	Wage.
144	London	Assistant	27	s. d. 25 0
		"	23	25 0
		"	17	25 0
		Manageress	21	26 0
		"	24	26 0
		Assistant	31	25 0
		Manageress	23	26 0
		Assistant	38	25 0
		Manageress	23	26 0
		"	30	26 0

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[Continued.]

1921 Inquiry.

TOBACCONIST TRADE (WOMEN)—cont.

Em- ployer.	Town.	Position.	Age.	Wage.
144	London	Manageress	25	s. d. 26 0
		"	20	26 0
		"	28	35 0
		"	27	26 0
		Assistant	29	22 0
		"	24	22 0
		"	24	25 0
		"	18	23 0
		"	17	26 0
		"	26	26 0
		"	32	26 0
		"	21	26 0
		"	31	26 0
		"	24	26 0
		"	28	25 0
		"	36	25 0
		"	28	25 0
		"	20	25 0
		Manageress	25	26 0
		"	20	26 0
		"	33	26 0
		"	27	26 0
		"	27	26 0
		"	38	26 0
145	Liverpool	Assistant	23	20 0
		"	20	20 0
		"	21	20 0
		Manageress	29	25 0

1921 Inquiry.

FISH AND POULTRY TRADE (MEN).

Em- ployer.	Town.	Position.	Age.	Wage.
146	Eastbourne	Blockman	28	s. d. 50 0
		Assistant	18	24 0
		Foreman	41	50 0
147	"	Blockman	38	50 0
		Poulterer	34	50 0
148	"	Blockman	33	45 0
		"	30	40 0
149	"	"	66	40 0
		Assistant	30	35 0
150	"	Curman	38	45 0
		Poulterer	37	55 0
151	Grimsby	Blockman	34	55 0
152	Eastbourne	Assistant	22	30 0
		Blockman	28	55 0
153	"	"	18	26 6
		"	44	57 6
		Warehouseman	41	47 6
154	"	Assistant	64	45 0
		"	43	50 0
		"	40	45 0
		"	44	50 0
155	"	"	40	50 0
		"	39	55 0
156	London	"	51	40 0
157	Sloane Street, London.	"	57	50 0
		"	43	50 0
158	Leadenhall	"	18	25 0
159	London	"	35	55 0
160	Leadenhall	"	24	38 6
161	London	"	25	35 0
162	London	"	33	35 0
163	London	"	32	40 0
		"	43	35 0
		"	40	35 0
		"	53	40 0
		"	30	35 0
		"	27	35 0

1921 Inquiry.

MEAT TRADE (WOMEN).

Em- ployer.	Town.	Position.	Age.	Wage.
164	Aberdeen	Assistant	32	s. d. 30 0
		"	27	30 9½
		"	32	30 0
		"	32	33 1
		"	20	30 0
		"	24	30 0
		"	24	30 0
		"	28	30 0
		"	28	39 8½
		"	30	45 0
165	Hull	Manageress	30	45 0

1921 Inquiry.

PAWNBROKING TRADE (MEN).

Em- ployer.	Town.	Position.	Age.	Wage.
166	London	Assistant	22	s. d. 33 0
		Clerk	24	45 0
		2nd hand	28	50 0
		"	29	55 0
		Cashier	27	30 0
		Assistant	25	50 0
		"	20	45 0
167	London	"	24	55 0
		"	19	36 6

1921 Inquiry.

IRONMONGERY TRADE (MEN).

Em- ployer.	Town.	Position.	Age.	Wage.
168	Aberdeen	Assistant	17	s. d. 10 0
		"	18	12 0
169	"	"	18	20 0
		"	30	25 0
	"	"	50	55 0
		"	23	45 0
	"	"	29	40 0
		"	22	30 0
170	"	"	22	25 0
171	"	"	42	50 0
172	"	"	27	55 0
	"	"	21	25 0
		"	21	25 0
	"	"	14	10 0
		"	17	12 0
	"	"	18	17 0
		"	24	50 0
	"	"	35	55 0
		"	25	40 0
173	"	"	28	35 0
174	...	Assistant buyer.	and	21 25 0
175	Aberdeen	Assistant	21	25 0
		"	16	14 0
	"	"	17	16 0
		"	20	0
	"	"	27	6
		"	18	22 0
	"	"	30	32 0
		"	22	28 0
176	Wick	"	22	25 0
177	"	"	21	25 0
178	Carnarvon	"	42	55 0
		"	32	50 0
	"	"	40	55 0
		"	25	40 0
179	Amman...	"	24	43 6
		"	24	43 6

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[Continued.]

Trade: Boots.

Employer: 180, Plymouth.—Branch manageress responsible for cash and stock from 8.30 a.m. to 8 p.m. (without any relief or meals) receives £1 per week without any commission. She pays 18s. per week for board and lodgings, 2s. per week left for clothes, etc. This firm have four or five branches in the district, but all employees are paid in proportion to the above, all say they are too poor to join the Union. The firm has been fined several times for violation of "Shops Act."

Employer: 181, Carlisle.—Manager, 45s. per week, with 2 per cent. commission on all takings. Average of total remuneration per week—£5 15s. The above schedule of wages from branch is a copy of the company's report which shows fully paid-up capital at £103,697, and that the directors propose to write off the goodwill—£10,000—to pay a final dividend 6 per cent., making 20 per cent. for the year and to carry forward £15,747.

Trade: Drapery.

Employer: 182, Truro and Redruth.—It is the practice with this firm to pay no wages to the women assistants, after they have served three years as apprentices without wages, they are then allowed a small commission on sales, but no regular wages are paid to the women.

Employer: 183, Cornwall.—After the women have served three years as apprentices without wages, they are paid various rates from 2s. per week upwards, rising annually by 1s. until they reach an average wage of 12s. per week. These firms are the leading drapers in Cornwall, and it appears to be the usual custom to get apprentices the first three years for nothing, and it is quite common to expect the employees to spend all their wages with the firm (after they are out of their apprenticeship). The last time I was in Camborne I was informed of a firm there who paid as low as 1s. 6d. per week to assistants and the staff were expected to take their wages out in goods.

Employer: 184, Glasgow.—Extract taken from letter received from Glasgow drapery branch, dated 4th May, 1921: "This member has been offered a situation by —, Glasgow, at a salary of £2 per week. Mr. — has been employed in the best houses in Glasgow, and has had 46 years' experience as a salesman. When he protested that this was not a living wage, informed that a woman could be got for 30s."

SCHEDULE F.

1. Typical Settlement, 1914.
2. Specimen cases of firms refusing or delaying negotiations on the plea that a Trade Board would deal with wages.
3. Disputes, 1919 and 1920.

Typical Settlement, 1914.

Scale adopted by a Co-operative Society, July, 1914.

1. Scale of wages for boys and juniors.

Age ...	15	16	17	18	19	20
Experience ...	1 yr.	2 yrs.	3 yrs.	4 yrs.	5 yrs.	6 yrs.
Wage...	8s.	10s.	12s.	16s.	20s.	22s.

2. Minimum wage for all male employees 21 years of age, 26s.

3. Advances to be made at the rate of 2s. per week per annum for four years in the case of men, as follows:—

Age ...	21	22	23	24
Experience ...	7 yrs.	8 yrs.	9 yrs.	10 yrs.
Wage...	28s.	30s.	32s.	34s.

4. Scale of wages for girls and female shop assistants:—

Age ...	15	16	17	18	19	20
Experience ...	1 yr.	2 yrs.	3 yrs.	4 yrs.	5 yrs.	6 yrs.
Wage...	7s.	9s.	11s.	13s.	15s.	17s.

5. Advances to be made at the rate of 1s. per week per annum for four years in the case of women, as follows:—

Age ...	21	22	23	24
Experience ...	7 yrs.	8 yrs.	9 yrs.	10 yrs.
Wage...	18s.	19s.	20s.	21s.

6. Minimum wage for branch managers (men in charge of branches and heads of departments), 58s., to be increased according to responsibility and/or length of service.

7. Minimum wage for branch manageresses (women in charge of branches and heads of departments), 24s., to be increased according to responsibility and/or length of service.

Specimen cases of firms who refused or delayed negotiations on the plea that a Trade Board would deal with the wages question.

— Stores, July 10th, 1919.

We are in receipt of your letters of the 7th and 9th inst. with reference to the question of wages in certain towns in South Wales, and we may say we are awaiting the decision of the Trade Board in connection with the matter.

November 29th, 1919.

We are in receipt of your letter of the 26th and are dealing with the matter to which you refer. Meantime, we are still awaiting the decision of the Trade Board.

A firm of wholesale grocers, Hull, June, 1919.

You doubtless know that the Government have organised a Trade Board, and we await their decision.

A firm of provision merchants, Bournemouth, July, 1919.

In face of the Wages Board about to be set up, I am not prepared to express any views on the schedule you enclosed.

A family stores, Osneystry, 14th May, 1920.

It is certain that are long a Trade Board will be established which will probably arrange the matter on a national basis: for these reasons we think that undue pressure should not be exercised at this present time.

A firm of provision merchants, Oldham Road, March, 1919.

The whole consideration of the question ought to be left until this (Trade Board rates) is decided.

30th June, 1920.

John Turner, Esq., General Secretary,
The National Amalgamated Union of Shop
Assistants, Warehousemen & Clerks,
Dilke House, Malet Street, W.C.

DEAR SIR,

With reference to your letter of the 18th inst., ref. L/52, on the subject of the minimum wage scale and the decision of my association to submit the question to arbitration under the Industrial Courts Act, 1919, I have to inform you that this communication was considered at length by a special meeting of the association held yesterday.

In reply, I was directed to state that the association does not propose to submit the matter to arbitration on the scale which was adopted at your Easter Conference at Glasgow, but that they are only prepared

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[Continued.]

to submit the matter to the Industrial Court on the rates of wages now obtaining. Further, I am to point out that the Trade Board for the Grocery and Provisions trade has now been established and that the first meeting of that body is to take place on July 20th, and in view of this, the association suggests that your union should reconsider the matter with a view to bringing the subject before the new Board.

Yours faithfully,

Secretary.

Disputes, 1919 and 1920.

To obtain any satisfaction in negotiations our members had to cease work in the following cases:—

- (a) London Tea Warehouse.
- (b) London Stores.
- (c) Dairy, Edinburgh.
- (d) Hairdressers, Glasgow.
- (e) Dressmakers, Huntley.
- (f) Stores, Aberdeen.
- (g) West-End Dressmakers.
- (h) Drapers, London.
- (i) Wolverhampton.
- (j) Portobello.
- (k) Aberdeen Dressmakers.
- (l) Dundee Dressmakers.
- (m) Falkirk, Stirling, Bannockburn Dressmakers.
- (n) Aberdeen Seed Trade.
- (o) Aberdeen.
- (p) Peterhead Drapery Trade.
- (q) West Calder.
- (r) Grocers, South Wales Branches, Ballot taken.

Some thousands of members were involved in the above disputes.

In most of the cases a settlement was reached after cessation of work, but in some instances, notably (h) and (i), even these extreme measures did not enable the members concerned to effectually remove the causes of grievance.

SCHEDULE G.

PROFITS IN THE DRAPERY TRADE.

(Handed in—not printed.)

7145. *Chairman:* You are General Secretary of the National Amalgamated Union of Shop Assistants, Warehousemen, and Clerks?—Yes.

7146. You come here to speak on behalf of the Union?—Yes.

7147. You are also, I think, Chairman of the Workers' Side on the Grocery Trade Board for England and Wales?—Yes.

7148. And you have given us a separate statement on behalf of the Union on that Trade Board?—Yes.

7149. You go first into the history of the movement and the method of Trade Boards for distributive trades?—That is so.

7150. And you refer to a pamphlet which has been published on minimum wages. I see the edition which I have is dated 1913. I suppose the first edition was earlier than that?—I think it was 1911.

7151. And you refer to the small wages then existing; that is in pre-war times?—Which have relatively remained the same, I might say; perhaps relatively they are worse now.

7152. You mean relatively to the cost of living?—To the cost of living, I mean.

7153. I was struck by the table on page 16 of the book giving an extract from the Board of Trade returns on cost of living for 1912. I see they take the middle zone of London as 100?—Yes.

7154. And they give the figures for other important towns?—I think I ought to say, as far as we could learn, as a result of the war, and probably partly due to rationing, the cost of living was made more uniform than is shown here in 1912.

7155. That is really what I was going to ask you. You think that the cost is to-day more nearly a uniform figure?—It is much more uniform now than it was then.

7156. That would apply, I suppose, as between the larger towns and cities, but would you say the same of the smaller towns and the country districts?—I would rather wait to get further evidence before I could express a definite opinion, because the question of rent would come in in country districts, as it did then. I am not quite sure about the variation between the cost of living—I should say, the cost of living as far as food is concerned is quite as great in the country districts as in the towns, and it is the rent which would make the variation. In fact, the cost of food is sometimes greater, paradoxical as it may sound, in the country. So much food is imported now, and if you want to get tinned goods in a country district—and most people do now require some tinned goods, tinned milk, tinned fruits, salmon, canned goods as the Americans would call them—they are higher in the country districts than in the towns.

7157. I can understand that. On the other hand, I suppose such things as eggs or milk might be cheaper?—Yes, milk would probably be cheaper. With regard to eggs it rather depends upon the season and how the local supply is. Again, if they have to have a reserve of imported eggs, they would be as dear or dearer in the country district at certain periods than in the towns.

7158. But your proposed rates on the Grocery Board do differ: they are divided, I think, into three scales?—Yes, that was carried in opposition to the request and the desire of the Workers' Side. We felt that there was greater uniformity—and we still feel that—in the cost of living than is shown in those areas and in those rates.

7159. But not complete uniformity?—Not complete uniformity, no. On that point I would like to say one word. If you are referring now to the question of areas, I think the method of defining the areas is wrong. They take population—I have set that out in my statement—but you will find that small places adjoining industrial towns are quite as high for the cost of living; in fact, they are suburbs, often, of the larger town, but the local authority is really still an independent local authority adjoining an industrial town, and the cost of living is identical with the town. Mostly you will find that a very serious drop in the proposed rate is made because the population is under a separate local authority, and because the population is under ten thousand. Without any relation necessary to the cost of living the rate is lower. I have had that strikingly brought to my notice from our branch at Batley, where the adjoining township, Birstal, I think it is—I am not quite sure of the name—an adjoining township quite close by, only a tram ride away, with a population of less than ten thousand has that serious drop if the rates are adopted.

7160. There is always a boundary question in everything, but how otherwise would you differentiate between the districts?—Our organisation was represented on the Reconstruction Committee for Furniture Removing, the warehousemen and the clerks, and they take industrial areas to define the rates, and I think it is much more equitable to take industrial areas irrespective of the question of the number of the population which there may be under a local authority than it is to take the arbitrary line of population, which may or may not have any reference to the cost of living.

7161. But where should we find an instance of the division into industrial areas?—Well, they did it, and that can be taken as a rough example. I was not on that Reconstruction Committee except at the beginning; perhaps Mr. Hoffman could explain how they did the industrial areas on the Furniture Removing. Mr. Hoffman was representing our Organisation on the Furniture Removing, and he can probably tell you the areas. (Mr. Hoffman): They

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[Continued.]

would take South Wales—the whole of the coalfields of South Wales, as an industrial area; the district round the manufacturing portion of Lancashire would be mapped out as another area, and the Clyde would be mapped out as another.

7162. Then what did they do with the country areas?—In between?

7163. The non-industrial areas?—They were included in that area.

7164. They were included in an area of their own?—In an area of their own.

7165. Were they anything like the building trade areas?—I am not acquainted with the building trade areas, so I cannot say.

7166. *Lord Weir*: That really means two divisions instead of three?—(*Mr. Turner*): There were three. (*Mr. Hoffman*): The Metropolitan, the industrial areas, and the rest of the country. (*Mr. Turner*): My contention was that the population is not a sound basis for varying the rates of wages. South Wales has been mentioned by *Mr. Hoffman*. At some of the small places in the coalfield the cost of living is identical with a town where the population would be, say, 15,000 or 20,000 or 30,000; there is no real difference. Even the rent is practically fixed by the same competition in the small place to secure houses as it is in the larger town, and there is no variation.

7167. *Mr. Bell*: Are you acquainted at all with the Manchester area?—Not very intimately. I know Manchester fairly well.

7168. Do you know the small place, Failsworth, which is sandwiched between Manchester and Oldham?—I do not know the place very well.

7169. Your contention is that the cost of living would be more or less equal in the two places?—I do not know enough about the two districts to answer that. Probably *Mr. Robinson*, who comes from the Manchester district, could answer that definitely.

7170. If I reminded you that Manchester, Failsworth, Hollinwood and Oldham are so close together that you walk out of one place into the others?—I know the Lancashire and Yorkshire Railway.

7171. A stranger would not know he had left Manchester and entered Failsworth. Under those circumstances your opinion is that the cost of living would be similar?—Not quite that; that was not quite the point I was trying to make. My point is that in an industrial area the population is not a sound basis on which to vary the rates in the way it is done on the Grocery Trade Board. We have had so many complaints from branches of ours in the country, where the assistants are affected, who have called our attention to this weakness, if I may so describe it, in fixing the area that I felt bound to bring it to the notice of the Committee.

7172. *Chairman*: I think your suggestion goes on the lines *Mr. Bell* is putting to you, that all these places would be in the industrial area?—As I say, I am not well enough acquainted with the Manchester-Failsworth district to express a definite opinion, but I do think that taking an industrial area as such, apart from the question of population, would be a sounder basis for fixing any varying rates of wages.

7173. You would have to put the boundary somewhere?—Oh, quite.

7174. You would have to call the area the area of certain Local Government districts in order to define it?—Yes. I am not quite well enough acquainted with how they managed on the furniture removing, but it has been done.

7175. I suppose you may do it by zones at certain distances from the centre?—The zones of industrial towns would certainly be divided; I have mentioned that before, but I do not like to give a dogmatic view about it. I only feel that the present method is so unsatisfactory that a more satisfactory one could be found.

7176. *Mr. Pugh*: Is this a variation of the minimum we are discussing?—Yes.

7177. *Chairman*: And instead of having minima for the three classes, such as are referred to in the Grocery Trade Board rates, you should have minima for these other three classes?—Yes.

7178. *Mr. Poulton*: You think that that is quite feasible to work out?—Well, it has been done on one, and if it has been done for the furniture removing I feel it could be worked out more satisfactorily. I quite agree that whatever we might get at on this question of variation, there would be certain to be some anomalies in different parts; but I feel that that would get nearer to a fair application of it.

7179. *Chairman*: I have the rate for the building trades, and there there is an elaborate list of places and a statement as to which exactly they come under.—Oh, yes.

7180. But your suggestion, I think, is rather simpler than that. Now I go on with the history. You refer to the resolution passed by the Union in 1914 in favour of applying the Trade Boards Acts, and again in 1916 to a deputation to the Board of Trade in that year, and to a deputation to the Minister of Labour in 1917, to the resolution of your Annual General Meeting in 1917, and again in 1918; and all those matters resulted in a declaration by the Government of the day of the intention of amending the Trade Boards Act so as to make it possible to cover the distributive trades?—That is so.

7181. Then came the Act of 1918, as we know, and you extract a statement by *Mr. Roberts*, the then Minister of Labour, on the question.—That was to show that when the Government were amending the Trade Boards Act they were anticipating a condition very similar to what we have at the present moment.

7182. That is a fall in wages after the war was over?—Yes.

7183. And a risk of dislocation of trade?—That is so.

7184. And your point, as I understand it, is that the Government had this very prospect in view when they passed the Act of 1918?—There are two things in this statement, *Mr. Roberts'* speech, which stand out, I think, very strongly. The first is that they were wanting to expedite the working of the Trade Boards, which had previously given, quite naturally, some dissatisfaction, and, secondly, that it was for the purpose, after having expedited the working of the Act, of meeting the very situation that we are now in.

7185. *Lord Weir*: You say in connection with that that they wanted to amend the 1909 Act. I do not quite understand the emphasis you put on amending the Act; was it simply to make it easier to establish a Trade Board?—Well, there had been some difficulty, as you will have seen from the evidence submitted to you. We had asked that it should be applied under the 1909 Act, and when the Board of Trade was approached on this matter, *Mr. Runciman*, who was President of the Board of Trade at that time, stated that he felt that a *prima facie* case had been made out, but he told *Mr. Beaton*, who was, I think, President of the Scottish Trade Union Congress that year, and was accompanying the deputation from Scotland, that the Government were contemplating legislation; and by suggestion, at any rate, the President hinted that they should wait till the Act was further amended, when distribution would be brought under it—that have come under the 1909 Act, but that was the plea with which we were met when we went by deputation on various occasions to different Ministers—that the Act was about to be amended, and, as you will notice here, it was to be expedited to meet this very situation that we are now in. Therefore we understood that we must wait until the Act had been amended before we could hope that it would apply to distribution.

7186. You felt all the time that you had a perfect claim under the 1909 Act to have a Trade Board?—We did, yes. We felt that the evidence that we submitted proved our case; in fact, it was admitted, as I say, by *Mr. Runciman* that a *prima facie* case

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[Continued.]

was made out, but, in view of the pending amendment, it would be still easier, as it were, to deal with the matter when the Act was amended. That is what we took to be the case.

7187. I still do not quite see how it would be easier?—I do not think anyone would misunderstand. You generally have difficulties in getting these Acts applied. You must remember that it had been in operation from 1909; it had then been in operation six or seven years, and only some eight or nine trades had been brought under it. In view of the proposed or intended amendment of the Act, it was a very excellent excuse, I take it, in the mouths of the Ministers, for further delay. I mean, we were not at all fobbed off from our belief that we should come under the 1909 Act, and we were given that hint, and we went on with our efforts to get the Act amended, feeling it would facilitate our coming under it.

7188. *Chairman*: The Minister may have meant that it would be easier to make an Order of the Minister of Labour under the Act of 1918 than to get a Provisional Order under the 1909 Act?—Yes, there are the Special Orders which are mentioned in the extract I am speaking of, giving facilities under the Act.

7189. *Mr. Poulton*: And the application is wider, is it not, in the second clause?—Yes; there are two points now that warrant the Minister of Labour giving notice of intention to apply the Act. Before it was only the bad conditions, but now it is lack of organisation on either or both sides. Even if the conditions are not proved to be extremely bad, if there is lack of organisation the Trade Board can be set up so that there can be the joint discussion on matters affecting the trade.

7190. *Chairman*: You must also have regard to the rate of wages even under the Act of 1918?—Yes, but that is not specific now for wages only. The two factors are there.

7191. *Mr. Poulton*: But I take it the point you wish to make here is that, although there is another Act, your organisation for many years prior to that Act, felt that the industry was such that it needed the help of the law to bring up these low-paid districts?—We had become quite convinced of that, and the reason I have put in the resolutions which were carried is as indicating the firm and growing conviction of our members in this matter.

7192. *Chairman*: What is the size of your union now?—About 100,000 members.

7193. Out of how many workers in the trades which you represent?—I should say there are nearly 1,000,000 eligible, but, of course, there are different organisations catering for them too.

7194. You have only about 10 per cent. in your union?—That is right, and we do not cater for the whole of those employed in distribution. We do not take the transport men or the men on the vans, the vehicle workers. Our membership is mainly amongst the retail salesmen and saleswomen, but we take all; we take from the managers down to the porters and the packers and the apprentices. Our membership is mainly amongst branch shop managers and the salesmen and saleswomen.

7195. Then, in 1919, you passed a resolution welcoming the decision to set up a Trade Board. Then you refer to discussions, the consultation of the employers, and then you pass to the question whether there shall be one Trade Board or more. I think ultimately it was found impossible to set up under the Act one Trade Board for all the distributive trades or for a group of them?—I think it was felt that it was, to use an American term, that they would be biting off more than they could chew if they attempted it.

7196. But apart from that, the Act speaks of the setting up of a Trade Board for a trade?—I think that there was a little doubt as to what constitutes a trade. We feel that distribution is rather a service than a trade, and we felt then, and we still feel, that from many points of view it would have been

better if an effort had been made, large as it was, to have one Board, and have sub-committees dealing with the special sections of distribution. We do not think distribution is, in the sense in which it was mentioned in the first Act of 1909, a trade in that sense; that is, a productive trade was most thought of in the 1909 Act; but really distribution is a national service, and there is a great similarity running through the question of salesmanship in any of those—I am thinking at the moment only of the salespeople. Probably there are numbers of others, but, at any rate, that is in my mind. Since the rates applicable to salespeople, whether in the ironmongery or the drapery or the grocery, do not vary very greatly—they do vary, but not very largely—it would have been possible to have had one Trade Board with sub-committees to deal with the different classes.

7197. Reserving, I suppose, to the Trade Board itself the ultimate decision as to the rates?—That is so.

7198. *Mr. Pugh*: Do you think that a Trade Board such as you suggest would get rid of what appears to be a difficulty of varying rates for the same occupations? That seems to be a very considerable ground of grievance; what is your view?—You mean the three different variations?

7199. If I may take a specific occupation, that of a porter, it has been stated that a porter coming under one Trade Board may be paid at a different rate from a porter coming under another Trade Board, and that these men may be working in a large establishment such as the multiple shop, and that this is attributed to having different Trade Boards for different branches or sections of the distributive trades?—Well, there is only one Trade Board operating in distribution at present, so that that cannot possibly be correct. What I would say is this, that there is greater variety—and, in fact, that is the unfortunate position, I suppose, of every occupation which is unorganised—in every section of distribution than there is between the different sections. There are greater varieties of wages being paid in the grocery trade than there would be between the grocery and the drapery as two trades. You see, there is only one distributive Board operating—the Milk Distributive Board.

7200. *Chairman*: Your point is that there ought not to be, and need not be, that variety; that the nature of the occupation of a salesman in a grocer's shop is much the same as that of a salesman in a draper's shop?—Yes. We have been able, as proof of that, to get our agreements with the large stores, such as the Army and Navy Stores, which covers every range of salesmanship and every kind of porter.

7201. There would be a special difficulty there if there were different rates for different distributive trades?—Yes; and what holds good with an isolated case, like the Army and Navy Stores, could be applicable almost to the whole of distribution.

7202. Have you ever thought of a division, of a grouping of distributive trades, whether they could be collected into two or three groups at the most?—Yes, that has been discussed, and I have mentioned it in my statement, and I should say one Board, or at the most, two or three. The reason for that was that we felt that the grocery and provision trade—dealing, perhaps, with milk as well in that case, and greengrocery, fishmongers, poulterers, butchers; all the food trades, so to speak—should be put on the one side, and the dry goods, as the Americans would call them, on the other, including drapery, furnishing, outfitting, and then perhaps another group for any miscellaneous trades which were not covered by those two. That was the alternative that we put forward when we were told that there could not be one Board, or that it was so difficult that they could not have one Board. That was our alternative.

7203. *Mr. Poulton*: I take it that there would be a sort of governing body, who would delegate their authority as was necessary in the varying sections of your industry, and they would report ultimately to the governing body for confirmation of what they had arrived at?—If you had the three it would not

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matter very much, except this, that when Sir Robert Horne was seen by a deputation on this matter, he assured us that whatever number of Boards were set up it would be necessary to co-ordinate them, probably by the Chairman of each Board forming a co-ordinating committee, and perhaps, I take it, one each from the employers and workers of each. So that if there had been three there would have been a co-ordinating committee between the three. But the three were suggested when we were told that it was too unwieldy to have one, and they were not quite sure of the legal position, and many other difficulties that were urged, quite legitimately. We then put forward an alternative that they should take, as I say, the grocery and food trades on the one hand, the dry goods on the other, and a group for any miscellaneous trades which might be left out. That was given as perhaps a useful suggestion as an alternative.

7204. But the experience of your association apart from Trade Boards is confirmed, is it not, by what you state on the top of page 6, that you still believe you might have had one body dealing with the whole matter, only that the Department preferred to adopt the line suggested by the employers?—Yes. I think it is stated here that the National Chamber of Trade, which is a very important employers' association, representative of all phases of distribution, mostly from the smaller provincial towns where distribution is not so specialised as it is in the large cities, have joined with us in the desire for the Trade Board. I think the Ministry found the pressure of the sectional Drapers' Associations—say, the Ironmongers' Association, the Grocers' Federation, the Drapers' Chamber of Trade—each employers' association feeling that they were so important that they ought to have a separate Board; I think they found this pressed so strongly that they abandoned at a certain stage the proposal for one Trade Board. I think that had a great deal to do with it.

7205. *Chairman*: They went in for self-determination?—That is so; and, of course, I may say that the very imperfection of the organisation of both sides, particularly amongst the employers, where in the larger towns their organisations are sectionalised very sharply, made them stand for that position rather strongly. They each felt that their section ought to have a separate Board. Of course, there is really no end as to where it could go in distribution as to the number of the Boards. It is almost endless. The employers' organisations are getting to such a point that if each of them were going to have a separate Trade Board, I am afraid it would run into hundreds.

7206. *Lord Weir*: That tendency to go to a very large number of small Boards is, in your opinion, crystallising the anomalies in remuneration for exactly the same grade of work?—Yes, it would. Really there is no essential difference, as I say, in salesmanship between the different phases of distribution, but each Board would find itself working out very much the same as the others in spite of their asserting probably at the beginning that the differences were very great. I am reminded that so far as our own Union scale is concerned, we do not differentiate between the different sections. We lay down a national minimum which covers them all.

7207. *Dame Adelaide Anderson*: Do you cover wholesale and retail indifferently?—Yes.

7208. There are not varying problems for wholesale and retail distribution?—Not so far as minimum wage is concerned.

7209. I suppose you would not press very far that description, rather than definition, of national service as distinguishing the distributive trade from productive trades?—I only wanted to make the point that distribution is rather a service than a trade in the sense in which it was intended in the 1909 Act, which dealt really with production.

7210. As coming nearer to the person than the production does?—It is not producing something fresh; it is the manipulation of something that is already produced.

7211. *Chairman*: It is commerce and not industry?—Well, yes.

7212. *Dame Adelaide Anderson*: Of course, all manufacture in a sense is movement—is transport.—I know in the last analysis that is so.

7213. But you say it is at one end of the scale rather than at the other?—We do, yes. The word "trade" in the sense in which it was meant in the 1909 Act was when by the manipulation you get a new form coming out from that process. There is no new form of sugar because you wrap it up in a lb. bag instead of having it in a 2 cwt. bag. It is still sugar.

7214. *Chairman*: I think, apart from this question of one Board, you say that the employers generally welcomed the setting up of the Trade Boards?—Well, yes. You see, the stage at which the Government began to move after the Amending Act of 1918 was at a period when advances of wages were being asked for and the condition of the labour market was such that they could not resist them, and there is no doubt that the Trade Board was welcomed by them, because it would steady any increase of wages.

7215. The question of downward tendencies was not present to their minds, apparently?—They were not anticipating it quite so quickly, I think.

7216. *Mr. Pugh*: There is one point on the single Trade Board: The question has been raised before this Committee of district committees in addition to a single Board. What is your view as to the value of district committees, having regard to different conditions even in areas such as you have suggested just now?—Well, I feel that district committees, as far as I can make out, would be, not the fifth wheel, but, if I may put it so, the tenth wheel of the coach. They would in every way hinder the progress of the Board, and would be of very little, if any, value. They would merely emphasise certain local conditions without being of any value to the general application of the Trade Board system to the trade.

7217. Then you do not advocate district committees?—Not at all. I should say that, to my mind, they are not only useless, but rather harmful.

7218. Then how do you provide to get before the Trade Board, or the central body, if I may term it so, the conditions and the opinions of the more outside districts, particularly with regard to rural areas?—I may say the Ministry of Labour look after that very keenly and see that all phases of the trade are represented on the Board. I am speaking now of the only Board with which I have intimate acquaintance, the Grocery and Provision Trade Board (England and Wales), and we have had every form of employer and every part of the country represented on that Board.

7219. And you think there is no substantial ground for complaint?—I do not think so at all, none whatever. I may say that all the accentuated peculiarities of certain districts, which have undoubtedly been in existence on account of the unfortunate industrial depression, which has been accentuated in certain districts, has been emphasised very strongly upon that Board.

7220. *Lord Weir*: Do you mean that you have in view the fixing of two minima, one applicable to the cheapest area of living in the country, and then you would propose for any more expensive place extras on that; is that your view?—Well, no, on the contrary I have taken the perhaps rather rough method of the Furniture Removing and Warehousing Interim Committee as a method, which, perhaps, might be a little more carefully thought out, but which was more likely to bring what I believe is desired. What any organised body on behalf of its members requires or strives for is an equal standard of comfort for its members. I believe that the effort that is put forward, and I believe the intention of the Trade Board to any trades, is to secure to the workers at least a reasonable minimum standard of comfort, and, if possible, an equal standard of comfort for them all. Now, if it can be shown that there are varying costs of living, and they can be

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made, I think it is only reasonable that they should be made. I do not think that there is the variation there was before the war. That tended to a uniformity. It tended that way; I do not say it has entirely blotted out the variations, but to take the population as the method by which you reach that equal standard of comfort, I am convinced is wrong. Whatever other method you may have, I am convinced that is the wrong one, and I think the other method which was applied by the Furniture Removing Interim Committee comes much nearer the intention, as I believe the intention to be, of securing an equal standard of comfort. That is why I put it forward as an alternative.

7221. *Mrs. Lyttelton*: Did you mean area committees instead of district committees?—No.

7222. You simply meant the division into these areas?—Yes, that you should have your Trade Board dealing with the whole of that, but if a method can be found by which you can have areas—

7223. Vary the minimum in those areas?—If it is really found to be necessary; and as I say, to my mind the war brought about a greater uniformity than previously. But if there is to be a variation, and as there is an intention to get an equal standard for all, you would have in that case to get a new method. Certain it is that the population method is not a sound one.

7224. *Chairman*: There is some difference between the country places and the big towns, and your area proposal would to some extent meet that?—That is so.

7225. *Lord Weir*: That is embodied in your own schemes, I believe, where you have a perfectly definite extra for London?—That is so; that is the Union's attitude. We know that London, with all that happened in the war on account of rent, is higher than anywhere else. We know that the cost of living in London is highest, and we have always had a higher rate for London, but we have not had any variation outside that, because, as I say, we felt it was tending to uniformity outside London.

7226. *Chairman*: Now you go to the evidence in favour of there having been very low wages in the distributive trades in past times, and you refer to the evidence which you had in your books in 1913. At that time there was a record kept of people who received less than 2s. a day.—There was a very excellent piece of information which one could obtain under the old Health Insurance Act. I believe that for purposes of administration, to simplify the administration, that is not now available; but I want you to remember, if you will, that this only applies to those over 21 years of age, and that a very large number, a large proportion of those engaged in distribution, and particularly in retail distribution, are young people under 21 of whom no record is shown here at all, that of our total women membership at that time the majority would be under 21 years of age; the total number of women in our approved section was 18,655, and we only had a record of those over 21 years of age; that of those over 21 there were 1,117 over 21 years whose wages were below 2s. a day.

7227. Out of the 18,600?—That is so, and the majority of the 18,000 were under 21, of whom no record could be obtained.

7228. Is that so? I see you give that as a figure of those over 21?—No.

7229. Yes?—Yes, I am sorry; I am afraid that is an error.

7230. Which is the error?—The error is that it is 18,000. I believe it was a much smaller number. I cannot say that we have the numbers under 21; I am only speaking of the general knowledge of trade with respect to that. It can, of course, be got by going through the records which we keep; we could find the exact percentage and the exact number, and if I might be allowed that reservation here, I should like to reserve further evidence on that until I have made further inquiry. This is a report from our Health Insurance Department, and I was discussing

this with the insurance manager, and he told me that he could not give me the number of those who were over 21 and those who were under 21; but I see that apparently in giving it here he has mentioned that they were over 21.

7231. *Mr. Poulton*: But apart from the Health Insurance statistics, you are quite satisfied, I presume, from your statement, as to the very low wages paid to a tremendous proportion of your membership at that period of time?—Yes. There is one other factor that must also be seriously remembered, that a very large proportion can never join our Union at the present time. In some cases they receive no wages at all; for the first few years that they are in the trade they go as learners; and then for a year or two after that their wages are only a few shillings a week—3s. or 4s. or 5s. or 6s. or 7s. a week—out of which it is quite impossible for them to pay a contribution to the Union, and therefore a large proportion at the present moment of those engaged in distribution it is impossible to think of organising. They could not possibly pay their contribution. Therefore, the only ones whom we have any record of are those whose wages are higher than is general. They were those who could afford to join our Organisation.

7232. *Chairman*: I suppose in the war wages did go up?—Oh, yes; but very slowly indeed, and not at all in keeping with the increased cost of living, and only in 1918, just before the Armistice, when the cost had risen so sharply, and when amongst our members there was very great unrest, were we able to secure some modification for them. Where they were unorganised a strange anomaly arose. Sometimes they found on account of the shortage of labour they had to pay a fresh assistant coming in a higher rate than they were paying the others. Those who had remained in continuous employment had very little advance indeed; perhaps the usual moderate advances as in houses where they gave annual increments on wages, and in most cases those increases had not been much larger than they would have been had there been no war.

7233. *Dame Adelaide Anderson*: Did the learners at that time get paid anything at all? Was there a change there owing to the difficulty of meeting the cost of living?—During the war?

7234. Yes?—I do not think that was altered.

7235. They still went on earning nothing?—Yes, and still are.

7236. *Mr. Poulton*: They still are?—Oh, yes.

7237. *Lord Weir*: At what age do you expect them, if I might so put it, to join the union?—We think that 16 years of age would be quite young enough to make a start, but they are recruited even now from between 13 and 14 years of age. You see the school-leaving age in many districts has not been raised, because the Fisher Act, except where they have schemes prepared, is not operating, and I believe the leaving age in many cases in the provincial places where no scheme has been prepared, still remains at about 13 years and four months on the average. Immediately they leave school they start work, and very often part of the time before they leave school they are employed for running errands, and so on; as soon as they leave school they go there the whole time.

7238. *Chairman*: Do you mean they go for nothing?—In many cases, yes. I wanted to supplement and go a little farther on that, except that another question was interpolated; but there was just the same chaos in the question of the learners in distribution as a whole as there was in everything else. Some employers make it a point of honour that they pay something from the first day that they can get the employment, and they make a progressive payment. Others get the employees for nothing.

7239. Are you speaking now of apprentices or learners?—I may say that except for a few country districts our peculiar form of apprenticeships—it is not really apprenticeship at all, though some of the firms have attempted to introduce apprenticeship—has been dead for 50 years.

7240. As regards the distributive trade?—Yes.

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7241. Then why should a boy who is not an apprentice run errands? It is not the sort of thing he wants to do?—It is not so much the boys; it is more the girls. In many cases they live in, and parents are glad to get their girls put into what they think is a respectable calling, particularly in the drapery trade. Evidence has been submitted which will bear that out, and they are prepared for them to go in some of these country districts for three years for nothing.

7242. That must be to learn the trade?—No more learning the trade than those who go in and are paid; in fact I should say it is rather with the firms who pay that the person who goes there would learn much more than the other.

7243. Still the purpose must be to learn the trade?—The purpose, yes, that is so; but what I want to point out is that there is nothing special to learn.

7244. In the drapery?—Very little; just the usual necessary knowledge. I am speaking now of the ordinary phases through which one who enters the drapery trade goes, and about which our Mr. Hoffman, if he submits his evidence later, as he has had experience in the drapery trade, will be able to tell you much more accurately than I could. I can speak of the grocery trade.

7245. You are speaking of distributive trades?—I am speaking of distributive trades in general now—that the girls particularly have been allowed to go, where they live-in, at any rate, and in some cases they get board and lodging; and in other cases board only where they sleep at home; and in other cases they are paid perhaps 1s. or 2s. a week for the first year, and 3s. or 4s. the next, and so on. Then at the end of the period of service with the firm they are getting very little more than that; they generally have to leave at the end of the period and seek a situation in the open market, and leave home if they want to be able to get anything like a reasonable wage.

7246. Lord Weir: Does that apply to a substantial percentage?—It applies to a very substantial extent indeed.

7247. Supposing we take the trade you know most about?—Not so much the grocery trade, because before the war in the whole country there were only about 15,000 females, and some of those would be in the old Census as shopkeepers; they did not discriminate between the shopkeeper and the assistants in the Census.

7248. I was thinking of young people?—I think in the 1911 Census there were 19,000 women employed in the grocery trade altogether, which would include a great many women who keep little grocery shops; but during the war, of course, women came in much more quickly.

7249. I was asking about the young people in the grocery trade—the percentage of young people who are not paid?—No, there would not be so many people in the grocery trade.

7250. So that among the males there would be none?—Amongst the males there would be none; that is so.

7251. And among the girls you think a small percentage?—Perhaps amongst the girls a certain percentage, but it would be very small. I do not think it applies very much to the grocery trade. If you remember, I made the qualification with regard to the grocery trade when I spoke of those who come for nothing.

7252. Now come to the drapery trade. With regard to the young girls who are not paid, have you any idea what percentage?—I have not.

7253. I want to get a picture of the condition of things?—I should think probably a matter of 5 or 10 per cent. of the girls, who up to quite recently have gone into the grocery trade, have gone in with no wages at all at the beginning; and then you would get a larger percentage who received just a shilling or two, probably where they live-in.

7254. Chairman: You said up till quite recently. Has that state of things altered?—Yes, the war undoubtedly made a considerable alteration. Girls did

not go into the trade so readily for nothing as they had done previously, although it still operates to some extent—to a smaller extent than before.

7255. Mr. Pugh: Is the tendency to revert to the original position now?—Yes, the tendency at the moment, with trade being so bad, is that parents would be very glad indeed to get their children somewhere as they get to 13 or 14 years of age, even if they only got their board and lodging.

7256. Mrs. Lyttelton: As I understand, you think the ability to join the Union is some kind of test of the time when they are beginning to get decent wages. Can you give us any idea of what is the average age—and I think this was the object of Lord Weir's question—at which the young female enters the Union?—Well, we have members so young in cases where during the war they were earning wages, that we had associate members under 16.

7257. And now?—Under the Trade Union Act you can only take them as Trade Union members at 16 years of age. We have an associate section and they can transfer into the Union.

7258. But have you a very large number of members under 16?—No. Our associates during the war went up to about 3,000 or 4,000, but they are now down to a few hundreds. That is an indication of the difference; they cannot afford to pay. A change has taken place. That only just comes to my mind; it more or less strengthens the reply I gave to Mr. Pugh with respect to the present tendency.

7259. Chairman: Then you refer to the returning soldiers at the end of the war, and you have given us some samples of offers of employment to them at rates which you represent as low?—Yes.

7260. In one case 30s. a week, in another case 25s., in another case 12s. a week. If we print the schedule with your evidence, you probably would wish the actual names to be omitted?—I have no desire that the names should necessarily appear; I am only anxious that the evidence should be there. We only give the names as a matter of good faith. Might I also say that at the period when these men were returning from the war in the early part of 1919, and later, the cost of living was in the early part of 1919 120 per cent over pre-war, and you would have to cut those wages in half and a little less to get a pre-war idea as to the value of the wages.

7261. You were able, in a good many cases, to secure better wages for these men?—Yes. There were, I am sorry to say, some disputes as the result of this, men returning and finding actual money wages as much as they were before they went to the war, and made applications for increases which were refused. In cases where they were in the Unions, they would, of course, ask the Union to intervene on their behalf, which we did, and in one or two cases it led to disputes, the men withdrawing their labour, because they felt it was quite impossible to live. Perhaps the worst phase of it is that when these men, old servants who came back, had been driven into dispute, the new men who were taken on were taken on at a wage which was relatively to the increased cost of living, somewhere near the wages they were paid pre-war, which had been refused to the men who had given earlier service to the firms and had given service to their country in the war.

7262. At all events, you intervened and did your best?—Yes, and in a number of cases were successful, and in others unsuccessful.

7263. Then you say that some of the employers postponed their answer in view of the probability that the Board would be set up?—Yes. We were constantly being met with that about that time. The employers said, "Well now, we have sent someone on; we have arranged with one of our representatives to go to a meeting which had been called by the Government with respect to the Trade Board." Perhaps they would make a compromise; they might in some cases increase it, and in either case they would say: "Now you must wait and see what the Trade Board is going to do." A large number of employers used the fact of the Trade Board being about to be set up as a reason for not increasing the rates.

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7264. Then you quote from the speech of Mr. Roberts, the Minister of Labour in June, 1919, dealing with the proposal for one national minimum wage. He criticised that with great force, and you are in agreement with what he said then?—Yes, I may say that I served on the Joint Industrial Committee, and this matter was discussed on the Committee, which brought forward its report, and we were driven, after long discussions, to take the view that the Trade Board was the only machinery that we could rely upon to secure the establishment of a minimum rate of pay. We did not abandon entirely the idea of a national minimum wage for adults, but we were driven to this conclusion, that even if a national minimum wage were set up, it would only be one to secure to adults a national minimum below which the Trade Boards could not go, which is quite another view. It would stabilise nationally a minimum for adults at 21, below which the Trade Boards would not be able to go. The conclusion we were driven to was that it was rather to strengthen the position of the Trade Boards.

7265. Still, I gather you agree with what Mr. Roberts says, the difficulty of fixing one rate for all the trades?—The difficulty was so great that we recommended on that committee that there should be an inquiry, because we felt so insecure, if I may say so, that we felt an inquiry ought to be made into the whole question.

7266. You are speaking now of the Industrial Conference?—Yes. I was on Committee No. 2, which dealt with the question of wages and hours, and I am afraid—though it is purely an expression of opinion—that this is being used by employers who, if you had a national minimum to-morrow, would urge—or, if it was being proposed, that would be better—would urge that it would be impossible if this was confronting them at the moment. It is urged now, because the Trade Board is confronting them; but if it was the national minimum that was confronting them, they would be as opposed to the national minimum, or perhaps more so, than they are even to the Trade Board at the moment.

7267. It is fair to say that not many employers suggested a national minimum before this Committee—one employer did?—One rather powerful organisation of large stores has been most arduous in using that argument through the trade Press, and with other employers' associations; and we feel that it is not sincere.

7268. Mrs. Lyttelton: You mean they feel that it is a lesser evil than a Trade Board?—No; we feel it is put forward because they think there is no prospect of it coming into operation.

7269. Mr. Poulton: And therefore would prevent other work being done which might be of value to employees?—Yes, quite so. It is a blocking motion.

7270. You have already discussed the question of one Board for the distributive trade, and you refer to the old workers, and you say that the Trade Boards put a liberal interpretation on the term "subnormal." I do not follow that observation of yours?—They can apply for exemption from the rate.

7271. Not for subnormal workers; only those who are ill or under some physical deficiency?—Well, they are generally spoken of as subnormal.

7272. Oh! no; we use the word subnormal in a different way.—Then I withdraw the term if that is so. It has been so used on the Grocery Trade Board; in fact, it was used in this way, that subnormal was intended to mean somebody who was suffering from some physical or mental incapacity.

7273. I see. Then you used the term in a different way to that in which we have used it?—Yes. I am only using the term in the sense which it has been used on the Trade Board of which I have been speaking.

7274. I follow what you say; but will you now deal with persons who may be thought of as subnormal; that is, slow workers, people who have no physical defect, but who are still very much slower workers than the ordinary worker? Is there a way of dealing with them?—I think the Grocery Trade Board has

been far too inclined to deal with those people; in fact, the rates which have been fixed have assumed that all persons other than subnormal persons of the character that you have described will receive wages on account of merit higher than that fixed by the Grocery Trade Board. Two points have led to extremely low rates which have been proposed on the Grocery Trade Board, and which have been fixed by the Grocery Trade Board; one that there were there workers who were not specially marked out for merit, ordinary workers if one might so describe them, slow workers, and the other that they have always had to keep in mind the smallest shopkeeper who was least favourably placed, and what he could afford to pay, and that—and I shall have to call your attention to it—probably makes for the exceedingly low wages fixed by both Boards, which are lower in Scotland than on the English and Welsh Boards. For women at 18 years of age in Scotland the rates are less than half for women porters than the rate at 18 which is now paid in what were previously known as sweated occupations. That is an indication of what I should call the terribly low wages which have been fixed by the Grocery Trade Board to meet the very complaint that you are now urging—not quite so low in the English and Welsh. There we have rates from 25s. to 28s. 6d. at 18 included in one of the schedules set out before you, and marked so that you can see them more readily; you will see what they are at 18 and 21. That is in the Grocery Trade Board: it is special evidence on their part, but it is arising now on the general evidence. Those rates have been fixed by the Trade Board to meet that very class of worker which you are now describing, and they have urged, of course, that salespeople are not only paid at a fixed wage, but are paid higher wages for merit, which is perfectly true; they are paid on commission to stimulate them in their sales, and that is subnormal to the low rate which has been fixed, or to meet the very worker who could not show any special ability.

7275. In fact you tried to make it a real minimum affecting everybody without prejudicing those who receive a higher rate?—That is so.

7276. Lord Weir: The meaning of it is that it is not only a minimum rate, but it is a rate which, in the fixing of it, you hope will be paid to the minimum percentage of the trade?—Yes, unless there is some physical incapacity which makes it even lower than that.

7277. Mr. Poulton: And then you find no difficulty in meeting those cases?—None whatever. It has been proposed to set up a joint committee to deal with those matters.

7278. In practice you see no difficulty in dealing with those matters?—None whatever. We should take each case on its merits.

7279. Mr. Pugh: In fixing your wages, how do you deal with those special cases which have been placed before the Committee, such as seaside resorts where the trade is almost entirely seasonal? Do you find any difficulty in regard to those particular areas?—No special difficulty. The hours question is a little different there: the Shops Act has a special clause exempting from the half-holiday for four months as a maximum on condition that the employer gives 14 days' holiday with full pay, but there are very few seaside places which have taken advantage of it. I doubt whether there are half-a-dozen. That is a fairly good indication that there is not much in it.

7280. The matter is one quite within the capacity of the Trade Board to deal with—I think so, if it so desired, but there is no evidence that it has been brought to the notice of the Trade Board that there has been any special difficulty. There would be special conditions during July, August, and September in seaside places, there is no doubt, but, as I say, the Shops Act does contain a special clause suspending the half-holiday up to four months. One or two places have it for only one or two months, one or two have it for three months, but I do not know of any that have had it for the full four

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months; and the fact that there are only a small number which have applied for it at all indicates, to my mind, that this is no very insuperable difficulty.

7281. *Chairman*: Of course they would have to pay overtime?—Yes, they would have to pay overtime upon that, and considering that the seaside trade brings a very good harvest to the shopkeepers, I think they should share that harvest with those whose work makes it possible. I think it is very equitable that it should be so. They are forfeiting in that case their half-holiday; and I may say that in the case of the Shops Act it is one of those cases where it seems impossible to be able to enforce it, because the local authority are the people who have to enforce the Shops Act, and it is very difficult to get a local authority to take up a case for an individual who has not received the 14 days' holiday with pay; but it is in the Act. That was the intention of those who promoted it. On the other hand, the Trade Board secures to the person who does the extra work, the extra pay.

7282. It is said, and there is something in it, that in those places the working out of season is very slack indeed?—In those cases the staff is dismissed every year. We have our members who go to a seaside place and return from it after the season is over. In popular seaside resorts there is probably a 50 per cent. increase in the number of assistants in the shops during the season.

7283. *Mr. MacCallum Scott*: Is there a corresponding decrease in employment in some of the large towns from which people go to the seaside?—Yes, because those assistants who go to the seaside are coming from those places. As the change of population takes place, they apply for a position at the seaside, and they are not replaced in the town. That is really what takes place, and it is through the free play of economic law, I take it.

7284. *Chairman*: Then you say that there is not at present any effective organisation for regulating wages?—That is so.

7285. That means, I suppose, that your Union does not cover the greater part of those employed in the distributive trades?—Unfortunately not.

7286. *Mr. Poulton*: May I ask a question on the point of inspection. Do you think that this view which some of the employers hold is due to the fact that the work is comparatively new, and that they have not yet got into the procedure and the effective working of the Trade Board, or is it due to absolute opposition to any one coming into their place at all?—I think there is probably a combination of reasons for it. You see many of the distributive establishments have just for the first time had the dressmakers and milliners—I am thinking now of the drapery trade—brought under the Trade Board, and it is something new to them. Then the employers themselves, although they stood for separate Trade Boards, are complaining of the rates which will arise out of the separate Trade Boards.

7287. Which they themselves separated?—Yes, which they themselves stood for; and that is, unfortunately, the case of the employers right through this whole question of the Trade Boards: they have largely by their own action created the very problematical difficulties which they afterwards say are so great. Undoubtedly, if the picture which is drawn by some of the employers were true, of the large number of Trade Boards that they are going to have in the big stores, it would be possible that there would be some considerable difficulty over the question of inspection, but even then I am confident that after all the different Trade Boards are set up there will be such a common denominator, so to speak, for the rate of wages for the sales people at least (about whom I can speak best), that an inspector would find no very great difficulty in doing the work; but I have mentioned in my statement how fanciful this difficulty is, as you will realise when you remember that for the whole of the Trade Board work of this country there are, I understand, only about 30 inspectors; so that I do not think our stores will get any special attention. If they are able to pay them an annual visit, they will be very busy.

7288. *Mr. Pugh*: The point seems to be that while you may inspect large stores, it is impossible, under present conditions, to inspect the very large number of smaller businesses. Can that be met in any way by utilising the inspectorate which I think has to operate in connection with the Shop Hours Act under the local authority?—I do not think so. Our experience of the Shop Hours inspectors is not a happy one. There are very few of them. They are under local authorities—and it would be, I am sure, bad that your inspectors who have to inspect shops should be under the control of local authorities—and those who have been appointed, for instance, by the London County Council are now given other duties which I should say take up 85 per cent. to 90 per cent. of their time, so that they are fully occupied, and more than fully occupied, and the shops inspection is quite a minor part of their duties now. Here and there, I believe, there is an odd shops inspector who is confined to that work; I think Dublin has one, or had one—I think he is still there—and there may be one or two other local authorities, but they are very few, and I am afraid that the local authorities would resent any additional expense being placed upon them. I think the control of the inspectorate is a duty which the Ministry of Labour should have, if it is going to continue to have the administration of the Trade Boards Act.

7289. *Mr. Poulton*: It was put forward here as one of the ways by which inspection could be minimised, that is to say, by which a multiplicity of inspectors coming into a place could be avoided, that they could well perform the functions of the two positions and save two individuals coming in?—I consider that one inspector can do the whole distribution quite easily, and also can quite understand all the technicalities of dressmaking and millinery quite easily, and most of the other domestic trades which are associated around distribution, and carried on in some cases by distributive firms.

7290. Because of the lack of piecework?—There is no piecework in it; it is very simple. It is a question of pay and age, and is very simple of verification. But I have another view—it may not be shared by all—that the workers' organisations will be the watch-dogs with respect to this matter—that they will save the expense of inspectors to a large extent. I should like to see the Unions given the same powers with respect to any infraction of the Trade Board rates by employers as they had, to take the employers to the Munitions Courts. I think it would get over a great deal of the difficulty of public expense, and it would be more effective. The workers affected would turn more readily to those whom they knew in their trade—their fellow workers in the trade, even if they were not members of the organisation—than they would write to the public authority or apply for a proper inspector to come. That is my view for what it is worth—that that would be the best method to get the Acts properly applied, and it would certainly save public expense. I do not think that any inspectorate, unless it is very numerous, can hope to be effective by itself, and I think that the Unions should therefore be encouraged and helped by giving them the necessary powers to do the work.

7291. Have you sufficiently developed that view to enable you to give us an outline of how you consider that would be done? Would it be done by any local officer who might go in and have a right to demand to have a look at the books, or should it be under proper regulations by authority of the executive officers of the Union?—I should think myself that the Trade Union official, either the local or national official, would be the proper one for the complaint to reach. National inspectors who would go round and have the power, as you say, to enter and to inspect upon complaints which would reach the Union through the workers affected, would be a very effective method. I think you would require both.

7292. *Mr. Pugh*: As far as the Union is concerned, you rely upon reports from workers as to the failure to apply the Act?—Yes, that is so.

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7293. *Mr. Bell*: Supposing the Union were given power to prosecute, how would you get evidence sufficient to satisfy the Court?—I think the onus of proof would have to be on the part of the employer that he paid the worker. You could not, of course, take the prosecution unless the worker was prepared to come into Court to state that he or she was not receiving the rate.

7294. So that ultimately your view would be that the wage book would have to be produced?—Quite so.

7295. Have you thought at all of extending that so that the representative of the workers—not to call him a Trade Union official, although in most cases it might be a Trade Union official, but a representative chosen by the workers—should have the right to inspect that wage book?—I think that would be a very excellent idea. It would be like the check-weighman of the miners.

7296. Have you got shop committees in the distributing trades?—In some cases where we are organised.

7297. Then it would be a practical possibility for the representative of the shop committee to have the right to see the wage book, would it not?—It would.

7298. As is done in Germany, for instance, under the Workers' Councils?—Yes.

7299. *Chairman*: I do not quite follow the need of that. I expect it is my fault. If a worker is paid less than the Trade Board rate, he goes to the Union and says: "I am paid less than the Trade Board rate and am prepared to swear to it." Is not that enough?—The criticism that is offered is that it might be a little difficult to prove the case if the employer stated that he was paying it. You would want some proof of the two statements.

7300. Of course, once the employer came into Court he would have to produce his book; but I thought it was suggested that at any time the workers should be entitled to see the wage book. Is that what is suggested?—No, what is suggested is that, say, the Secretary of the Shop Committee—we have Shop Committees in some houses where we are well organised—should have the right to inspect the wages book, and see whether the whole of the staff were receiving the appropriate rate; and I think it would be a very good thing if that were the case.

Mr. Pugh: It would be really to prevent things going into Court. Our experience in organised trade is that there is no difficulty in seeing a wages book if there is any dispute as to whether the workman is receiving the wage or not. The suggestion is that that might equally be applied to trades coming under the Trade Boards if there were a representative of the shop committee similar to what there is in the ordinary industries.

7301. *Lord Weir*: Is it not the case that really in practice the larger establishments where you might reasonably expect to find Shop Committees, are the very establishments where you are not going to have evasion, and where you do not have evasion?—No, I do not think we shall have any trouble at all with them.

7302. The real difficulty in inspection is connected entirely with the small, out-of-the-way places?—No, I would not go quite so far as that.

7303. I mean the places where there is no question of a Shop Committee?—Here, I think the hint from Mr. Pugh is a very good one, that in all the houses such as you speak of—the large business houses—no prosecution would be necessary; it is merely necessary that it should be brought to the notice of the firm and it would be complied with at once; it would be an error rather than an intention. I have no hesitation in saying that that would work. We have that wherever we have agreements; our Shop Committee does exactly what is being suggested now. If a member at a certain age is not getting the wage fixed by the agreement for that age—perhaps they have overlooked the age—and if it is brought to the notice of the Committee they may communicate (if it is in London) with Mr. Hoffman, or with myself, or sometimes without doing that the

Committee go straight to the secretary or manager in cases where they have access at once to him, and his attention is called to it and it is put right straight away. I am sure that that would happen in most cases where we have Shop Committees, but even to avoid the necessity of their going to the manager for fear it might be thought that that were a little too interfering, it might be an advantage if they could have access to the wages book to make sure, because that might obviate their going to the manager or secretary, and would make quite certain that the wage was being paid.

7304. *Dame Adelaide Anderson*: Would you think that there was a risk of strained relations if any special power over and above that natural one were given to the Union officials to prosecute?—I do not think so.

7305. I mean you have a Trade Board, with negotiations between both sides. If one side were given special powers against the other side, other than the natural one of negotiation and agreement, and fair access to the documents, might it not militate against the making of harmonious agreements in the Trade Board?—I do not think so. With the big firms where they are quite prepared to face all these matters and deal with them as business matters, it does not lead to that strained relationship which it does in the case of the smaller firms, with perhaps 10 or 12 men, where (without wanting to be at all unfair), perhaps they consider themselves little Tsars who can do just as they like, and to dare to ask a question is looked upon as almost an impertinence on the part of those whom they employ.

7306. But I was asking more about the extra right to prosecute, which I think was suggested, so as to obviate the necessity for an independent impartial inspector. Of course, in Factory Act prosecutions it is practically only the inspector who prosecutes, but there is this negotiating power with the Trade Unions?—I think there must be inspectors. I am convinced of that; but what I feel is that the best policy, and the one which would be more effective even than a large body of inspectors, would be that supplementing the appropriate number of inspectors to deal with the matter who have powers of inspection, the organisations of the workers themselves must be alive to see that the Trade Board rates are paid. That is really what I feel. It must be an agreed settlement, and in the main will probably be more effective, and will involve no public expense in watching over and seeing that these rates are operative.

7307. *Chairman*: Do you mean that every Union which has a member in any shop or any place should be entitled to see the books?—I think that would be a good thing if it were possible.

7308. It would create considerable difficulties, would it not?—I was not thinking of that. May I just say that I was not urging that at first; my point which I wanted to make, and which I was trying to make just now, was that the many organisations and the many branches of large organisations, and the members of these organisations alive to their own interests, would be bound to be able to accomplish more in seeing that the rates are paid than even a considerable increase of the inspectorate, which would be a public expense.

7309. I know that that is your general statement, but I wanted to bring you down to the details of it. What you suggest really is that every Union which has any member in a shop should have a right to see the books, is it?—I had not gone as far as that. I should want to think over that question a little carefully before I can give a considered opinion.

7310. That is why I put it to you?—I have not sufficiently thought over it, as I say, to be able to give an opinion, but the point I was striving to make when I first made this remark was that the Unions have no definite power. They had with respect to the munitions of war. They could take a case into Court. The Minister of Labour is the prosecutor in these cases.

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7311. I suppose the member can?—The member has power, yes, but what I want to point out is that the member is so isolated, and frequently so weak, that he has to suffer what he feels to be a wrong, unless he can turn to somebody perhaps nearer to him than even an inspector of a public authority.

7312. I suppose the Union could support the member in prosecuting?—It could do that, yes. It is not quite clear whether the Union can. Certainly with respect to the dressmakers we have taken cases into Court on their behalf, and have won them, but I think the Ministry of Labour takes the view that they should be left to initiate the prosecution. I think that the Union should have a definite status, so to speak, in this matter.

7313. Even in cases where proceedings were taken by the Union, were they not taken in the name of the member?—Yes, they would be bound to be.

7314. That could be done to-day?—Yes, it can be done, but I feel that a further recognition of the right of the Unions to do so on behalf of the members would be one of the best things to see that the Trade Board rates were operated.

7315. *Lord Weir*: As a matter of fact, to-day you really have the whole force of the Union operating in support of its members; is not that so?—Yes.

7316. I mean any member who goes to the union gets his case very fairly dealt with, surely?—Yes, but as I say, suppose we report a case to the Minister of Labour, it takes a considerable time; it is so slow and it is really unsatisfactory. This is a point which arises on this question of inspection. I do not want to see a huge increase of public expense, especially just now—no one does—but we want to see that rates, when they are fixed and confirmed, are paid, and I feel that no reasonable increase in the number of inspectors could be as effective in that direction as the widespread organised assistance of other workers would be.

7317. *Chairman*: I suppose, as the Acts get better known, people will be more ready to enforce their rates?—Yes.

7318. And with the assistance of the trade unions will be more able to do so?—That is so.

7319. Really in the end you think that that may be a greater sanction to the Acts than inspection?—Yes. There are two points; I want to say that the fear of the employers with respect to the inspectors is not well founded, and, secondly, that I think that the workers themselves can hope to see their rights enforced more through their unions than they can through inspectors.

7320. *Mr. Bell*: I think you would agree that it would be much more easy for the Trade Boards to fix rates than to get those rates paid after they are fixed; so that that would drive you to some efficient system of inspection?—Quite so.

7321. Or some other method which would secure the payment of the rates when once they have been fixed?—Yes.

7322. I want to ask you a question with regard to the good feeling which was referred to. If on the side of the workpeople there were some organisation which could secure the payment of the rates fixed, are you not of the opinion that that would tend to good feeling?—I believe it would, because if all the employers could feel that it was being applied and operated by all the rest of the employers, it would remove a good deal of the feeling of irritation on their part which they feel if they are not sure that the rates are being paid.

7323. Will you agree that the difficulty will not be with the large stores employing a large number of workpeople so much as with the small shops where there are only two or three employed?—Two or three, or perhaps a larger number than that—what I will describe as firms which are trying to beat their way, some of them of very considerable importance, but very strongly competing firms.

7324. Supposing that some organisation representing the workpeople were given the power to enforce the payment of these rates where they have found evasion, would that tend to keep cases out of Court

and also tend, I will not say to compel, but to induce the employers loyally to carry out the decisions of the Trade Board?—I think a good many employers would risk whether an inspector came along or not. The employer would take chances as to whether he did not come out best, so to speak, in running the risk if it were only the inspectors who were going to see to the enforcement of the rate, but if he knows that every assistant is on the alert, and that the organised workers have certain rights to take action, he is much more likely to comply and pay the rates, and I should like to see encouraged, as far as possible, anything that the unions can do in that direction.

7325. *Lord Weir*: Would not that presuppose that this union worker in question is working for a wage which is an evasion of the Act? Do you mean that this tentative worker, of whom you speak as being on the alert, is working at a lower wage than the Trade Board rate?—No, but, for instance, he may know of cases. The workers do not always look after their own interests. You may get workers who do not even know what rate of pay should be paid for their age, although the rates have been posted up, and all the rest of it. On the other hand, there is a considerable percentage, naturally, who feel that their own position is menaced by a low wage, and if the feeling were encouraged among the workers that it was their duty to deal with questions of that sort, I am confident, as I say, that payment of the rates generally would be more thorough than it would be if it were left just to inspectors.

7326. The difficulty is, of course, that it is the unorganised part of the trade where evasion would be greatest, and that is the most difficult part to get at?—That is quite true. That is a very serious difficulty.

7327. *Mr. Poulton*: Assuming that the improved machinery about which we have been talking were brought into existence, and that the official, as representing the employee, was unable to adjust the matter—I can quite understand that sometimes it might be a question merely of a *bona fide* oversight—then in order to get over the difficulty raised by Dame Adelaide Anderson about the inspectorate, would it not be worth considering as an alternative method that the inspector should take the prosecution, if there is to be a prosecution, rather than the official?—I think that in itself would still require a considerable increase of inspectors, and I may be wrong, but I feel that as far as possible the organised workers should conduct their own case, so to speak—that it would be healthy from every point of view that that should be encouraged.

7328. *Mrs. Lyttelton*: Do you suggest that the prosecution taken by the union officials should be paid for by the Government?—No.

7329. You think that the union should pay itself?—Yes, that should become—and it really is—part of the function of the Trade Union to see that the proper rates are paid; and the workers engaged should be their own guardians of their own rates, which, I think, is a healthy thing to do.

7330. *Chairman*: There is nothing new in that. They can do that to-day.—Quite so.

7331. *Dame Adelaide Anderson*: That has been going on for years in the productive industry, has it not?—It has.

7332. *Chairman*: The only thing in this that is new to me is the suggestion that was not made by you, but was rather put into your mouth, and that was that the union should have a right to look into the books of every tradesman in the country. That was what was suggested?—That was not what I suggested.

7333. No, I know.—But I do not know that it is altogether bad.

7334. You mean to say that the union should have all the powers of a Government inspector, and should be entitled to go round from place to place and see every man's books. Is that what you are really asking?—I would not go so far as that. I would not like to commit myself so far as that.

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7335. I did not think you would.—I am turning this over in my mind as I sit here, and not wanting to commit myself without looking all round it. But we are asking for legislation which will give the union on behalf of its members, or the member himself if he wishes to do it, the power to inspect the books of the big multiple companies who have their managers guaranteed, and who, when there is a shortage of the stock, dismiss them without the power of their examining the books to satisfy themselves that the shortage is an accurate and true one. The union, on behalf of its members, has been able to get the privilege (as it is at present) of inspecting the books in one or two cases, and we have found errors which have put the matter right.

7336. That is, you have inspected them by agreement?—Yes, but do you not see the terrible injustice which might ensue if we had not access to the books and the right to inspect the books? Those men are dismissed and black-listed unless they will pay to the guarantee society whatever the shortage is, although it may be a false shortage and not a true one.

7337. Of course we are getting far away from Trade Boards now?—My only point is this, that you seem to be, if I may say so, a little alarmed at the idea of the union inspecting books. I was remembering our union's desire on another matter to inspect the books of the different firms.

7338. Do not say I am alarmed. I am surprised, that is all. I want to finish this part of the evidence before the adjournment if we can. I think you next say that there is no sufficient machinery now to secure a minimum wage. That is without the Trade Boards, I suppose?—That is it; there is no effective machinery, but partial only.

7339. You say that some employers who had concluded agreements with the union have refused to renew them, and have left the union.—That is so; they have left the employers' association in some cases.

7340. —have left the union to negotiate fresh agreements with individual firms?—That is so with two large associations on the retail side in the Manchester area, with their offices in Manchester. The Manchester and Salford Grocers' Association and the wholesalers with whom we had agreements with our members in both cases referred us to their individual members for settlement, and we have been able to secure it in some cases with the individual members, and in others not. It means that the old collective arrangement has broken down. They feel that the changed situation gives them the balance of advantage now by making individual bargaining.

7341. So that is a further reason for— For the desire for a Trade Board; that is so. It leads to great variety of payments. Only when your organisation is fairly strong are you able to maintain reasonable rates.

7342. That leads to great variations in the conditions of employment?—That is so.

7343. Then you say that many of those employed in the trade of distribution are women and young people, and that therefore they do not get wages sufficient to maintain them, and they rely upon help from their parents?—That is so.

7344. That is not altogether wrong, is it, in every case?—No, I do not suggest it is in every case; but I think it applies much more to the distributive trades than to any other. I should think that the exploitation of young people is now greater in distribution than in any other occupation in the country, and it goes on to an age when they ought to be self-supporting. During the very first years of learning something one would expect that there should be some support, but I feel that distribution can afford to pay at least to a woman of 18 years of age, after she has had two years' experience, a sufficient wage to enable her to be self-maintaining. I draw attention to the very bad effect which that has upon the other workers, because those young women who are being partly maintained by their parents are such bad competitors against the young women who have no parents or guardians to fall back upon. It keeps the wage

down for all of them; it keeps the wage below the self-maintaining point; and it is because of the fact that there is such a large number of women and young people in distribution that we feel a Trade Board to be absolutely necessary.

7345. Mr. Pugh: Is your trade affected by the question of parents who keep their children at school, say, up to 16 or 17 years of age, and then seek to put them into distributive trades? I think your wage rate starts at 14 years of age, does it not?—Yes. Well, we do not put forward a rate until 16 years of age, and the Trade Board is not fixing any rates until the workers reach 16 years of age, I am sorry to say. We wish they could have done in the Trade Board.

7345a. Have you any difficulty with regard to the rate to be paid to young people who may have been kept at school, say, for a couple of years longer, entering the trade at 17 or 18 years of age? That is one very great difficulty which has been put before us: that you cannot start them at the rate which should be paid at 17 or 18 years of age; yet, of course, you are not allowed to start them at the commencing rate paid to the girl or boy of 16 years of age?—I am afraid that in the first place the number of those who enter the distributive trades of the kind that you speak of is very small indeed, and that it is one which is being used for pointing out the difficulties of new entrants. I believe that in Australia new entrants to a trade are allowed three months, if I remember rightly; the rate for the new entrant has to be fixed between the court and the union and the employer, and at the end of six months the new entrant has to go on to the appropriate rate. I think if there is any difficulty as to new entrants into the trade that can be overcome even by the Trade Board. The Trade Board can deal with that according to age.

7346. Has it power to do so under the Act, having regard to the definite wages which have to be paid according to the rate?—Upon that particular point I am not quite sure. As they deal with questions of apprenticeship, I take it that they have power.

7347. Chairman: Some Trade Boards have fixed the rate of learners according not to age, but the length of employment.—I am reminded that the Scottish Grocery Board has made that arrangement for new entrants. Of course, they are not confirmed yet, they are only fixed, but they have made that arrangement subject to the confirmation of the Minister of Labour. What I mean is that when you come to examine the difficulties which are being put forward by the employers, those difficulties evaporate to a very large extent. They may be quite sincere and honest in the belief that those difficulties would arise, but they are not true. I wish that the school age could be raised to 16 years, so that there would be none entering the trade before 16 years. I think it is wrong to exploit child labour in the way in which it is exploited, particularly in the cheap bazaars and places of that sort, where they are paid atrociously low wages, and are frequently worked long hours. I think that the school and the playground is the proper place for children up to 16 years of age, but it is not so at present. The Fisher Act, which would have given to local authorities power to carry the age up to 15, is not operating yet, and we have to face the fact that at the moment, at any rate, they can enter the distributive trade at even 13 years, or 13 years and 4 months in many cases, and if there are the late entrants to whom you refer when you speak of rates being fixed at 17 and 18 years of age, remember that as far as regards the only Board, the Milk Distributive Board, which has yet come in, the Grocery Trade Board is not fixing anything below 16 years of age for England and Wales.

7348. The point which I think Mr. Pugh was putting to you does arise upon the scale of the Grocery Trade Board. A boy of 16 years of age must get 18s. per week. Supposing he does not enter the trade until he is 17 years of age, he may have no experience and no special capacity, but you must pay him 22s. 6d. per week from the beginning because of his age, not because of his value, and so if he is 18

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years of age he must have 28s. per week. I am taking Scale A for the moment. It has been put to us by a good many witnesses that those rates do prevent the employment of learners if they happen to be over the lowest age?—I think your Committee should press for figures with respect to this matter. I should like to know the number of young people over 17 years of age who enter the grocery trade—I am talking now only of grocery.

7349. Of course we cannot have the figures with regard to the grocery trade, because the rate is not yet in operation. There may be none. I am thinking of other trades.—I think those who put this forward should be pressed for what number of people they speak for. I venture to say that it would be a fraction of 1 per cent. I know the grocery trade very intimately; I worked in it for over 20 years as an apprentice, an assistant, and a manager; and cases are very rare indeed where any lad enters the grocery trade at over 17 years of age. Here and there you will get the failures from other trades coming in, but, as I say, compared with the whole they will be very small indeed in number, not sufficient to make any serious difficulty to the trade. Of course, for a younger man who has tried his hand, for instance, at engineering—I could not imagine it, but supposing he has done so—and he is now between 17 and 18 years of age, and he comes to the grocery trade—as I say, having regard to the conditions of the engineering trade I could not imagine that he would do so, but suppose for the purpose of argument that he did—I cannot see any very great hardship in the employer who wanted particularly to engage this special youth having to pay the appropriate rate in the grocery trade.

7350. The case put to us is not the case of an employer wanting to engage a special youth, it is the case of a special youth wanting employment, and being unable to get it because of these high rates.—I can only say, then, that I do not think any hardship would be imposed on the grocery trade—and I am only speaking at the moment for that trade—by the very rare cases which would occur of such an application being refused.

7351. *Mr. Bell:* This would not apply so much to boys as to girls, would it, because a boy of 18 years of age has much more strength than a boy of 16 years of age, and his strength might obtain him a situation against a boy of 16 years, and his strength, of course, might warrant the employer in giving him the higher rate?—What I feel is this, that these rates are not the rates which are being paid to boys at the same age in unskilled operations. Ordinary labourers at that age are receiving double this money, and I cannot see that it is any hardship in the grocery trade.

7352. *Chairman:* You are not dealing with the point.—Perhaps I am not quite clear upon it.

7353. It is not a question of hardship to the grocery trade, it is that these young people do not get employment at all. We have had letters from inspectors to say, "I cannot get a single one of my young people into any trade in the place because of these rates."—Of what age are those?

7354. I cannot tell you off-hand; I have sent for the letter. I should like you to look at it.

Mr. Pugh: I suggest that it does not occur very much in the grocery trade.

Witness: I think you are discussing hypothetical cases which do not occur.

7355. *Chairman:* No, it is not hypothetical, it is just the other way. Perhaps I am wrong in putting them to you, because, as Mr. Pugh reminds me, they do not occur in your trade. I only put it because it occurred to my mind, but really it is not a matter with which you are able to deal, because those cases do not occur in the distributive trades. But they are not hypothetical, but real cases which I have in my mind.—Only hypothetical so far as distribution is concerned?

7356. Well, they are not cases which occur in distribution.

7357. *Mr. Poulton:* There have been cases on the women's side. Objections have been raised here, and the extreme cases I remember are those of girls who are apparently kept at school at great sacrifice, as we are told, to give them a superior and better education, and then when the parents want them to have some training on the women's side in the drapery, millinery, or dressmaking trade they have found that they cannot come in, because the employers cannot afford to pay the rate as the girls had had no experience and had had no knowledge of the trade.—I can only say that I should think myself that if they are children of special education the parents must be suffering from some mental disability if they would dream of putting highly educated children like that into the distributive trade.

7358. *Mr. Bell:* May I put it to you in this way? Supposing there is a vacancy in one of the shops for a girl, and the work which is required can be done equally well by a girl of 16 as by a girl of 18, will the fact of the rate being fixed at 16 and fixed at a much higher rate at 18 keep the girl of 18 out of employment so long as there are girls of 16 available?—I think it is very possible that it will, but that will operate whether they are new entrants or others. The simplicity of most of the junior work in distribution is such that I have known lads come into the provision trade, and within six weeks they have been put on to what was considered a man's work. Nowadays in the grocery trade, with its highly specialised conditions, there is no question of skill left. The mysteries of the trade which there used to be, and which were hinted at a little earlier in the evidence, have gone.

7359. *Lord Weir:* If there is no question of skill left, why do you carry the grading of your labour up to 28 years of age?—Because the employers insist on it, and we are not strong enough to resist it; that is the reason.

7360. It has nothing to do with skill?—The only thing that arises is this: there is no doubt that in positions of responsibility questions of judgment arise in which experience is valuable, but for the ordinary assistant under the Grocery Trade Board we on the workers' side tried to keep the minimum at 21 years of age, but the employers went, as it were, behind us to the appointed persons, and to get over the difficulty of getting a reasonable wage at 21 years of age offered to carry it up rather higher at 25 years of age. It has been the custom in distribution to have annual increments in some of the large houses, and it is a partial custom of the trade to carry on higher rates.

7361. *Lord Weir:* And now you make it a statutory custom?—That is what is being done, not at our request on the workers' side. You see, the rates that are being fixed there are so low, even at that age, that I know nothing that justifies it at all. I know of only one other profession in which a man is not considered to be fully qualified before he is 25 years of age; I think that is the case with a surgeon; he cannot practise as a surgeon until he is 25 years of age; but then, having become a surgeon, it carries very high professional fees. The rate of wages here that is being fixed on the Grocery Trade Board for shop assistants as such at 25 years of age is such as would be earned in many unskilled occupations at 18 and 21 years of age, and it is really inflicting a double apprenticeship to put such low rates as that upon the assistant.

7362. *Chairman:* Your evidence is getting very far away from the matters into which we are enquiring. We are not revising rates fixed by the Trade Board.—May I come back to the question of new entrants. I do not want it to be felt that we are resisting, or at any rate that I am resisting, any proposal for arrangements being made for new entrants. I do not wish that impression to go out. I think if a Trade Board considers that it is desirable, it should have the power to make some arrangement for a lower rate to be paid for a probationary period.

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It is done in Australia, and it is done in some Trade Boards here, and apparently can be operated.

7365. *Mr. Poulton*: You see no objection, I take it, to making the Act so elastic that you meet those cases?—Yes, apparently it can be done. It has not been raised, strange to say, on the Grocery Trade Board, because the question of apprenticeship, a very important question which has been discussed in committee as well, was deferred.

7366. *Chairman*: Then is there anything else in your statement which you would like to emphasise? You deal with the standard of comfort; I think you have spoken on that. Then you deal with the effective organisation of employers and employees, and after that you say that the application of the Act can be withdrawn if conditions are altered. I am not sure that it is very readily done?—No, but provision is made in the amending Act, and in the Whitley Report it was specially referred to. My point is this, that in many cases the employers are urging that they would prefer to have a Joint Standing Industrial Council. We agree if the organisation is sufficiently effective to make that possible. Unfortunately, a considerable number of distributive employers have not been favourable to organisation on the part of their employees. We have had many cases of victimisation, because they dared to hold membership with our Union. We say in reply to the employer that the Trade Board will actually continue to operate as long as there is not effective organisation on both sides, and the conditions are bad; but that if, as the result of the operation of the Trade Board, conditions are improved, and organisation on both sides has improved to the point where it can maintain those conditions, they can then have the Joint Standing Industrial Council which they say they prefer. That is the point which I wish to make in that part of the evidence.

7365. If the Minister of Labour so decides?—Yes, quite so, and I take it, as it suggests, that if he felt convinced that the conditions had been so improved he would raise no objection.

7366. *Lord Weir*: If you have a Trade Board for the distributive trade, and that Trade Board carries out what you might call the full regulation of wages and conditions, will that not really be harmful ultimately to organisation?—That has been argued pro and con a good deal.

7367. I want to know your view?—I think only experience can show whether that is true or not. In any case I feel in justice that since I am convinced that only the Trade Board can lift up those at the bottom in distribution and give them something approaching what is paid to other workers in other occupations, whether it affects the organisation of the workers or not we must press for a Trade Board, particularly in view of the fact that such a large number of women and children are engaged in distribution whom we could hardly hope to get organised at least for another half century.

7368. *Mr. Bell*: So that you would agree that the objects for which the organisation exists are more important than the organisation itself?—Quite so.

7369. *Chairman*: Then you have a few practical suggestions at the end. You suggest that amendment is needed to provide for more rapid fixing and confirmation by the Ministry of rates of wages. I think we have heard a good deal upon that, and we need not trouble you further on it. Then you suggest that if more than three appointed persons are on any Board, those in excess of three shall be appointed from the number of employers and employed. I think that only applies to the Grocery Board; there are very few others with more than three Appointed Members.—I gave that as a suggestion of my own, arising out of my own experience. I feel that perhaps it would be well if in all cases appointed persons had one from each side to advise them.

7370. You do not mean one from the members of the Board on each side, but one on each side from outside?—I would not mind at all which it was, as long as it was there. What I have felt is this: that negotiations have gone on on the Board, and the appointed persons have been seen first by the

employers—they take precedence—and an impression has been left upon the appointed persons which no evidence or argument could entirely remove. When the workers' side have had their interview, I have felt that that impression—and in some cases I am of the opinion that it was quite an erroneous impression—could never have been left upon the minds of the appointed persons had there been someone present who could, from the workers' side, have made the situation clear to the appointed persons.

7371. You mean to say that they should not see either side alone?—I think it would be a good thing. I will not say that they should not see either side alone, but, at any rate, that they should have, if I may say so, the confidential advice and guidance of those who do know, before they allowed their minds to get so impressed.

7372. *Mr. Pugh*: What do you think of an appeal from the Board to an outside authority, such as the Industrial Court?—In what circumstances?

7373. I think the principle is rather this, that instead of the Appointed Members you should have a chairman, and then if there were any points upon which the Trade Board could not agree, you should have an outside body such as the Industrial Court to refer the difference to?—My point of view with respect to that is this: as I say, I do not know that I am right, but I feel that the appointed persons do occupy a position in the Trade Board which it perhaps would not be altogether wise, from a public point of view, to remove. If I understand it aright, I take the appointed persons to be those who more or less represent the public. These rates are going to be paid by the public. It is not quite the same as arbitration, although it is somewhat analogous to arbitration, and it is this very element of the appointed persons which makes the difference between this and ordinary arbitration, and therefore I myself would not like to see the element of the appointed persons entirely removed from the Trade Boards. That is only an individual opinion. I do feel that there are weaknesses in it; I have felt it, of course, in my own experience; but I would like to find a way by which any weakness that there is in it could be removed, or obviated, rather than to see the removal of the appointed persons altogether. I think it would lessen public confidence in the Trade Boards, if the appointed persons were removed, and only a Chairman with a casting vote were left. I do not know whether, in some instances and with some difficulties, there might be another body to go to. That I have not really considered.

7374. *Chairman*: Then your third point is that it should be made obligatory upon the magistrates in all prosecutions to order the payment of back moneys. They have that power now, have they not?—They have that power. There are undoubtedly difficulties here again, but the main thing is that these people should have been paid certain rates which have not been paid, which by law belong to the worker.

7375. The magistrates have got the power to do it now if application is made?—Yes.

7376. And if they do not do it there is an appeal?—Not necessarily.

7377. Why not?—They can fine the person concerned, and they may or may not—that is my point—order the payment of the back money.

7378. They may fine and they may order, but you do not suggest that they should order unless they think it right?—What I do feel is that if it is proved that the pay which was due to the worker has not been paid, the magistrates should have no option but at least to try to secure to the worker what is due to him. That is not in dispute.

7379. That is the duty of the magistrate now, is it not, if a case is made?—But he may. I mentioned the Portsmouth prosecution. In that case the magistrates did not order the payment of the back money to which those workers were entitled. I can conceive of cases where the employer had not the wherewithal, and I can conceive many extreme cases of difficulty, but I think that should not be left

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to the magistrates. This may be shockingly bad on my part, and I know that it presents many difficulties, but I do feel, in view of what has happened at Portsmouth, where a very partial feeling was shown, that they should not have the option whether or not to order the payment of back pay. That option ought not to be there. The workers were entitled to this back pay and the magistrates should order that it be paid. It should be obligatory upon the magistrates to order it to be paid. It is not for them to decide how it is to be paid. I do feel that it is giving to the magistrates too much discretion, and as the magistrates may happen to be fellow employers, there is a very kindly feeling which the Act gives them the power to exercise towards their fellows. I think that is a case where there ought to be no option at all.

7380. *Dame Adelaide Anderson*: Is that because you think the worker may be too weak to act on the power to recover wages by any other proceeding?—I do think so. I think if it comes before a magistrate that part of it should not be optional. I am not so concerned about the option as to whether he is fined or not, but I think if employers knew, for instance, that if a case went to the magistrates the order would be made that they should pay, they would be much more likely to pay than if they knew that if their case goes before the magistrates they will be fined, but they may not be ordered to pay the back pay.

7381. You mean if the magistrate convicts, then he ought to go on to order the payment of arrears?—Yes.

7382. Provided, of course, that the arrears are proved to be due?—Yes, that is so.

(Adjourned for a short time.)

7383. *Chairman*: We will now come to your second statement, Mr. Turner, which contains the evidence which you give as Chairman of the Workers' Side of the Grocery and Provisions Trade Board (England and Wales). We have your statement, which we will print as part of your evidence; and the Committee will be glad to hear you if you wish to enlarge on any points of special importance.—I should like to call attention to one factor in the first paragraph, that probably the grocery trade is less regulated than any other trade in the country. The only regulation in regard to hours of labour is for young people under 18 years of age. Under the Shop Hours Act the number of hours allowed for them is 74 hours, including meal-times, or a working week of 66 hours. The occupation is almost entirely unprotected. At the end of the war there was considerable unrest. This unrest began at about the time of the Armistice; men came back from the war finding the conditions in the distributive trades exceedingly bad from a wages point of view; the cost of living was more than double; a good many women had entered the trade and had taken the places of the men, and wages were lower as a result of the war instead of being higher. My Association was concerned with the London County Council in giving six weeks' training to ex-service men, and at the end of six weeks they were fully qualified to take a good position. The women, even while they were doing identical work with the men, were paid less. If there was a woman buyer in the drapery trade who would go to Paris and do the buying she would get her salary and a commission, but a man taking her place would get a salary 30 per cent. higher. Even now any firm employing a woman expects to pay her less than they would pay a man.

7384. Partly on the ground of efficiency, and partly on account of the cost of living?—I think the cost of living to a woman would be quite equal to the cost of living to a single man, if not rather higher. I am speaking of a case where the efficiency is equal; just because it was a woman they would expect to secure her services or less. Women have always been accustomed to get less wages than men, and they expect to get less. Women as a rule take less than men when they are young, and they continue to take less

when they get older. Having got accustomed to pay women less than men, not necessarily because of their lower level of efficiency—although I think, on an average, the level of efficiency among women is lower than among men—employers still pay women less, simply because they are women. It is remarkable that women who stay in business often show wonderful efficiency, and often become more efficient than the men; but on the average I should say that among the younger people the men are the more efficient.

7385. On the average it is not untrue to say that women are less strong, and, on the whole, less efficient than men?—That is so, but the difference in wages persists even where that difference of efficiency has disappeared.

7386. *Dame Adelaide Anderson*: What is the view of your Association with regard to the payment of women?—I have taken the illustration of a buyer in the drapery trade to show that a woman is paid less because she is a woman. So far as our organisation is concerned, we ask for equal pay for equal work, and in the case of managers and buyers we ask for the same salary, although we are not strong enough yet to insist upon it; but where a woman is doing the same work and taking the same responsibility as a man, our view is that she should be paid the same salary as the man.

7387. *Mr. Pugh*: In the mantle trade is there much difference between the pay of women and of men?—I think in the mantle trade the pay for men and women would be pretty nearly equal; indeed, that is the custom of the trade. To some extent this is so because men come very little into the mantle trade, and it is a woman's high-trained salesmanship which is required. I do not think there is any particular occupation where women are more efficient than men, but in many cases the efficiency of the sexes is fairly equal. Generally speaking, I think that in the main women do not concentrate quite so much on business when they are young as a youth does. The result of that is that up to 21 or so the efficiency would be greater on the side of the male sex. If a woman continued in the distributive trade and did not get married, if it is an occupation where there is an equal opportunity, I think she would become equal in efficiency with men. My Trade Union has fixed a scale, and have asked for a rate for women equal to four-fifths of that of men, applicable to the age of 22. We did not get that, but that is our Union proportion. We have secured an agreement in a number of cases where four-fifths represented the difference between the sexes.

7388. *Lord Weir*: As a result of the substitution during the war of females for males has that remained?—I do not know the figures. There is no question about it that in the grocery trade there must be many times as many women serving in the trade as before the war. There is no doubt that many ex-Service men have not been able to get back into the trade. There are thousands of men in all sorts of occupations who did not want to go back into the distributive trade when they left the Army; thousands of them preferred to go into some occupation of which they had acquired some knowledge while they were in the Army. What is happening now as a sequel to that is that now that trade is bad, these men are driven out of those occupations, such as semi-skilled occupations in engineering, and they are now registering at the Employment Exchanges, perhaps, as grocers, and are seeking employment in the grocery trade because they are unable to find a position as a semi-skilled man in the engineering, and they are being sent to different firms—we have evidence of that—sometimes at very low rates of pay; but they chose, and would have preferred to go to a better-paid occupation than the grocery trade.

7389. *Mr. Pugh*: Have you discussed the matter of the ex-service men on your Trade Board?—No.

7390. It is competent for you to discuss it?—It would be, but I think you will see that it is a matter which has been passing away to some extent. I am afraid we concentrated a good deal on the position as it was, and for the future.

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7391. *Chairman*: Then you say with truth that the provision trade is mainly a home industry and that there is no substantial fear of foreign competition?—That is so. That is one of the very great arguments that is used in many manufacturing trades, that they have to face foreign competition, whereas with distribution this is a home market in the main and there is not such a fear existing.

7392. *Lord Weir*: Of course, you agree that you must not carry that argument very far. You put up the cost of living and therefore you put up the cost of other things.—I think I have told you that. If you will take the next paragraph or two you will see that I have met that. In the very next paragraph I state this. In this respect I think my statement was not quite finished before I came away; but in our schedules we have put the profits of some of the large grocery firms for you to see. That has been supplemented since I have been here at Montagu House by a further schedule, which with your permission I should like to have duplicated and sent in as a statement. It is giving the profits of a number of grocery firms for last year, and in other cases for last year and part of this; and I should just like, if I may, to read out a few of these items. The Home and Colonial paid a dividend of 22½ per cent.; the International Tea Company's Stores paid a dividend of 12 per cent.; the Maypole Dairy Company paid a dividend of 37½ per cent.; Lipton's, Limited, paid a dividend of 12½ per cent.; Williamson's, Limited, paid a dividend of 12½ per cent.; the Star Tea Company (which is connected with Ridgways, Limited) paid a dividend of 25 per cent. I see Ridgways is shown separately, though the two companies are really under one directorate, trading under different names. Ridgways paid 15 per cent. Those are just a few supplementary ones; the others you will find in the schedules which have already been handed in, showing the sums made by various companies. I have mentioned the fact that the Co-operative Societies last year distributed back to the purchasers a sum of £226,000,000, and that if a quarter of that amount had been distributed by way of increased wages amongst the Co-operative employees covering the whole of the employees, it would have meant an additional sum added to their wages of nearly 14s. a week.

7393. *Chairman*: Do the Co-operative Societies fix high prices?—No, they have to fix their prices similar to those ruling in the district in which they are operating. You might occasionally get what we know as a "cutting" grocer, whose prices would be less than those of the Co-operative Society, but the Co-operative Societies would not follow that cutting; nor do they charge the high prices which are charged by certain high-class shops in certain districts. They generally make their prices similar to those which the ordinary working-class grocer would be charging his customers; otherwise they would not be able to keep their custom.

7394. Their custom is more secure than that of the ordinary grocer, is it not, because they can depend on their members to come to them?—They could not depend on that unless they followed the prices. That is the fact that compels them to sell their goods at similar prices to those ruling generally in the district.

7395. *Mrs. Lyttelton*: I suppose the wage-earners are consumers and they get their share of the returned money either in the wages or in the bonus?—Yes. If a man was earning 24 a week and he spent 10s. on grocery, his return of the 10s. for grocery does not compensate him for low wages.

7396. Not entirely, but it does not mean he does not get anything back because he is a consumer as well as a wage earner?—Oh, quite, that is so; but there is still this point. After paying 5 per cent. on their capital—which is the general rate; less in one or two cases, and in one or two cases a little more, but it is about 5 per cent., that the Co-operative Societies pay on their capital to the members—after paying that and their wages, their overhead charges, their rents and all the rest of it, there was

£226,000,000 returned by way of rebate upon the purchases; and had a quarter of that been added to the wages bill of the Co-operative employees of the country it would have worked out at just about 14s. a week more; and I may say that on the whole Co-operative Societies are paying better wages than are being paid in most of the private trades. They are somewhat similar to what are paid in the multiple firms.

7397. *Mr. Pugh*: They are attached to your Board?—Oh, yes, they are represented on the Trade Board.

7398. Before you leave the Co-operative Societies, what do you think of the suggestion that there should be separate Boards for the Co-operative Societies as distinct from the private traders?—I do not think that should be, myself. If you begin to do that, why should not there be a separate Board for the multiple firms; I cannot see where your division would end. You would get a number of Boards for one trade. It is the very fact that the Board covers all the different phases of that trade that makes it of value from a trade point of view.

7399. You do not think it would be practicable to deal with the distributive trades properly if you severed them in the way suggested?—I do not think so; I think it would lead to inevitable trouble.

7400. *Mr. Bell*: Is there anything in the argument of the employers that the representatives of the Co-operative Societies who sit on the Trade Board are more representative of the workpeople's interests than they are of the employing class?—I do not think so; really, if anything, they are concentrated as consumers and the Co-operative Societies are compelled to think out their problems through the channel of the consumer; and that is where there comes, if there comes at all, I do not say exactly a clash, but a divergence of interest. That is because the Co-operative Society concentrated all their thought on the consumers' side of the question. They may be work-people; they may be members of management committees, or directors of Co-operative Societies (who are often wage earners). All their management is devoted to securing in the most economical manner the commodities they require as consumers.

7401. That is really a dividend.—The dividend is the way in which that is expressed; but some Co-operative Societies—there may be one or two—pay no dividend.

7402. If you will pardon me, I am rather getting to this point: there is no special reason why they should favour the workmen's side?—No; except that the Co-operative movement has in all its teaching, taught consideration for the wage-earner, and that is undoubtedly used to some extent by the employer so that they may say "Well, you have always put forward so and so as an ideal and you ought to live up to it," and to that extent it has been used, but not beyond it. The Co-operative Societies as such are employers of labour; and as the large Co-operative Societies are the consuming Societies, even where they come to production—and they are developing their productive side very much—it is always for the purpose of the consumer.

7403. *Chairman*: I suppose it is true that they are not typical employers of labour. They represent, as you say, more the consumer than the employer?—Yes; but you see in that they become employers, they become employers to operate the distribution of the goods that they wish to consume.

7404. *Mrs. Lyttelton*: They are also running a great many farms, are they not?—Oh, yes. To show you how far co-operation and the multiple firms have gone in the grocery trade, and perhaps to give the Committee an idea, I may say that the trade is undoubtedly going through, and has been now for 30 years going through, a somewhat similar phase to that which manufacture went through in the break-up of the smaller home industries when they went into the smaller factory position. I have here a book published by Mr. and Mrs. Webb on the consumers' industries on which they are able to get some facts which indicated that when rationing was on, both for sugar and for butter, that the Co-operative Societies

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for sugar had certificates which enabled them to distribute for 26 per cent. of the whole of the estimated resident population of Great Britain. Then with respect to foreign butter, between them the multiple firms and the Co-operative Societies distributed 46½ per cent. of the foreign butter which was rationed by the Government. Now that is a fair indication as to the extent to which the grocery trade has passed from the old-time small single shop proprietor into the hands of Co-operative Societies and multiple firms, and so have created a large permanent wage-earning class, which class can hope for no more than to become a branch shop manager, or a departmental manager, or a general manager, and sometimes perhaps in a multiple firm, as a number have done, to get on the Boards of Directors of those firms. They do not now become the single private shop proprietor. That is not their ambition now. Already about half the grocery trade is being done by the Co-operative Societies and the multiple shops. Most of the multiple companies to-day are Limited Liability Companies, though there are a few, like Sainsbury's and Greig's who are private firms. If you take the Co-operative Societies and the multiple shops, half the retail trade is being done by them. That has created a very singular position—that they are curtailing opportunities for the young fellow who might want to start in business for himself. When I was an apprentice 40 years ago the apprentice always had in his mind the shop he was going to have. For half of those in the trade to-day there is no such hope, and that tendency is rapidly growing. The proportion is getting larger every year.

7405. His hope is to become a manager?—His hope or his ambition is to become a manager or a buyer or someone holding a better position in the hierarchy of wage-earning or salary-earning people.

7406. Mr. Poulton: Previously his ambition was to become a proprietor?—Previously he always expected that. When I went into the business nearly 43 years ago everybody expected to become a shopkeeper.

7407. Lord Weir: This point has another side—it vastly helps organisation?—From the consumer's point of view and the public point of view no one can question that. Please do not think that I am girding at this except to indicate to you one thing—

7408. I thought you wanted to point that out; I thought that was one of your points?—The point that I wanted to make was this. I have read the evidence that has come before your Committee and I find that employers have been urging that they are being ruined, or will be ruined, if these rates come in. I want to say to this Committee that the little shopkeeper, as he was known half-a-century ago, is not being ruined by rates; and if he can only keep his head above water by paying these very low wages, then the sooner he is ruined and the more quickly the operation is over, the better for everybody. That is the point I really wanted to make.

7409. Mr. Poulton: Would you say that the high wages—I am now using a term which has been used here—which are being paid, especially to learners, has been a serious factor in causing unemployment?—I do not think it has affected it at all. Of course there have not been any high wages at all yet.

7410. I am only using the phrase.—If it did come in I do not think it would affect unemployment at all. I believe that the distributive trade is being run by the least number of people that can manipulate the quantity of goods that the public want. I do not think you can reduce the number of employees.

7411. And you do not think the scales set up are unreasonable?—I think the scales are too low; that is my personal conviction; certainly the rates that have been fixed on the Grocery Trade Board are too low, but we wanted to get agreement. Of course, there had been the settlement of the Scottish Board, and Mr. Willis, our Chairman, was very anxious to get agreement, and he urged both sides, seeing them separately and seeing them together, to come to an agreement; and the reason for the agreement, which has not worked out satisfactorily, I am sorry to

say, was this. It was suggested that if we agreed the rates—though he admitted they were low; everybody admitted they were low as compared with the rates being paid in other occupations—but if we got them by agreement there would then be no reason for the Minister not confirming them promptly and quickly. It was on the assumption that the Minister of Labour, seeing that they were agreed rates, would confirm them; and then having got a bottom put in we might later on perhaps be able to improve them. On that understanding the workers' side, after a good deal of hesitation and reluctance, did agree, and it was an agreed rate on the last occasion—the rates that are now being shown.

7412. Chairman: We understand that there were two or three trials. You have given us the history of it in your statement?—That is so.

Chairman: Perhaps we need not go through that in detail.

7413. Mr. Pugh: There is just the point about alleged dilatory tactics, that that has a bearing on the general question of delay which it is contended takes place in regard to giving effect to the decisions of the Board. Do you take the view that the time allowed is somewhat too long; do you generally support that view?—I do feel that; I feel that a month or two was lost on our Board last year, and that when we came to the objection stage in February—mind you, you must remember these were the rates of the employers against the workers—although the objections were very small, they succeeded in getting the Appointed persons to agree to a considerable alteration of those rates. They went to the Minister, and were referred back to the Board because the alterations made were substantial, though they had been the employers' original rates as carried against the vote of the employees; but they cut out the rates at 14 and 15, which is an age which required protection most; they reduced the rates at 16 and 17, in the case of the youths 2s. and in the case of the girls 1s.; they cut out all rates over 21 years of age in the rural areas, and they increased the population for the rural area from 5,000 to 10,000. Now, the Minister said there were some of those which were confirmable, but there would have to be new proposals for the new area from 5,000 to 10,000, and that the 2s. alteration with respect to youths of 16 and 17 was too substantial. The Board made alterations and sent back those parts which were confirmable to the Minister; but again the employers, although it was their rates which had been altered, interviewed and had incessant pressure brought upon the Minister, who sent them back again because the conditions had changed owing to the protracted period—protracted by the employers. Conditions had changed, so they were sent back again to the Board for complete reconsideration. That complete reconsideration went on; we got these agreed rates which are now the subject before you in this memorandum. When I tell you that the total number of objections from the whole of the employers on these agreed rates was 644, of which 617 were from employers and 27 from the workers—workers mostly objecting because they were too low, but the whole of them only amounted to 644 out of 133,000 employers who received these rates to post up—it will show you the small number of objections which reached the Board in two months to those agreed rates.

7414. Chairman: Now shall we pass on to where you say the delay in confirming the rates has led to the abandonment of some of the agreements.—Agreements, as mentioned in my previous memorandum, had been come to with a number of employers, and they have now, I am sorry to say, been abandoned, and it is leading to a good deal of trouble with our members, naturally. We are having to take up negotiations with individual firms, which is a very long proceeding, and some we cannot get agreements with at all, and with only a few of them are we able to get continuance of those agreements, and with others settlements of a modified character.

7415. Lord Weir: When you say the agreements were abandoned, do you mean they changed the

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arrangements at the end of the agreement, or that the agreements terminated and were not renewed?—That is right.

7416. And if they were not renewed, did they make a change?—They generally held for 12 months, say; they vary according to the period they hold for. When the time came for the renewal of the agreements the associations now are refusing to renew agreements, and are referring us to their individual members.

7417. And are they changing, or are they carrying on on the old agreements?—No; they are changing.

7418. When an agreement terminates do they alter the wages?—The peculiar thing is this. Until quite recently we have had no such thing as collective bargaining between organised employers and organised assistants; that grew up as the result of the unrest some two or three years ago. Employers' associations who had no power to negotiate wages were given power by their members to get settlements. What they are doing now is, they are hoping the Trade Board will not operate. They feel that the changed circumstances have made a difference, and the associations who previously had been given power to negotiate have had meetings and have decided that they will not negotiate. They are practically back in the old position of four years ago, when they had no power, and they are referring these questions back to their members. They say that they have no power now to renew agreements, and that we must make agreements with the individual employers.

7419. What is the effect of it all?—The effect of it is that the old agreed regulation of wages between employers and employed has disappeared. Some employers are still inclined to enter into individual agreements, but it is going back to the old agreed variations of rates, many men being reduced. They are going back to individual bargaining.

7420. *Mr. Pugh:* But if you get the Board established will that remedy it?—That will put a bottom in; that will fix a minimum. To-day they are throwing the men back on individual bargaining, and, naturally, it is with very great difficulty that we have been able to keep our men at work in many cases. We are not wanting, just now particularly, to create any trouble, or to have any trouble; but the men are resisting it very much.

7421. *Lord Weir:* That means again, if they are resisting it, that there is a definite break in the wages: is that it?—Yes, quite; but that is not quite the point, or not the only point, shall I say. The point is, we are modifying many agreements, I am happy to say; we are modifying quite a number of our agreements when they expire. Only a fortnight ago I was in Leicester negotiating a continued agreement between the Shoe Distributors' Association and our Union for the whole of South Wales. I am glad to say that while two firms have broken away, most have remained, and I am glad to say that I was successful in negotiating a settlement for the whole of South Wales, which is to hold for six months. That means we have a settlement with some 800 shops in South Wales for the boot trade.

7422. *Mr. Poulton:* Would you therefore say, in view of this additional experience of the past 12 months, that that has confirmed the view of your Association that you want a Trade Board to prevent these unscrupulous employers doing this?—Exactly, to put a bottom in below which they cannot go, and thus take advantage of other employers, and to prevent their saying "We will not have any further agreement; you must do the best you can." At least it will put some bottom in for the men and women employed in the trades. We feel that that is the only thing that can be done under the circumstances. I think the employers would have been much more likely to have gone on with the agreement, but I think they have come to the conclusion that the Trade Boards are not going on. Notice of intention for a number has been given, but they are not proceeding with them, and the employers have come to the conclusion that there is not going to be any regulation of any kind. And while I am glad to say that quite a number of reputable firms are preferring to have some

form of negotiation with the organised assistants, there is a considerable number, and I should say a larger number, who, feeling that there is going to be no regulation in distribution, are going to throw it right back again, and that will mean that men and women will be left to individual bargaining unless they are members of an organisation which can speak for them.

7423. That would seem to suggest that you may get back to a position where it might be called a sweated industry?—It never has been anything else. For a section of the people in distribution it has always been a sweated industry; but, for instance, take our organisation, with managers and other people downwards. We have members of our organisation who are in responsible positions, and who are earning over £1,000 a year, and quite a number of members earning up to £500 a year; but for every member we have at £500 a year we have quite a number earning perhaps 25s. or 30s. a week—hundreds of them—and there are thousands so far down that they cannot pay their contribution to the Union, earning less than £1 a week.

7424. *Mr. Bell:* Going back to that other point, I understood you to say that you submitted agreed rates to the Minister of Labour?—That is so.

7425. Can you tell the Committee what would have happened with a well-organised trade on both sides if the representatives of employers and employed had agreed on a rate?—I am afraid I have not had the experience, but I take it that it would have been enforced—that the workers would have withdrawn their labour in any firm where they would not have agreed to it.

7426. That is, in any trade or industry without a Trade Board but well organised, an agreement between the two sides would have brought the rates into operation?—Yes, quite.

7427. Did the Minister give any reasons why he did not confirm an agreed rate?—The month elapsed last Friday, and I have heard of no reason up to the moment. When they were referred back to the Board before, he said that with the changed circumstances they ought to go back to the Board for reconsideration; but the month for these agreed rates expired last Friday, and we have heard nothing from the Minister as to whether he intends to confirm them or not.

7428. *Chairman:* Is it not the fact that the employers were not on the Board when the rates were finally passed?—No; when they withdrew from the Board it was over the alterations they had made as a result of the objection stage to the first rates, which were their own rates, and they withdrew from the Board when the Board decided to go on establishing new proposals for the 5,000 to the 10,000 which were left uncovered because of those alterations, and the Minister said he could not confirm that; but these rates are agreed rates that are now before us.

7429. Did the employers vote on these rates?—The employers voted in favour of these rates; it was unanimous.

7430. *Mr. Poulton:* You are quite clear about that, are you?—Quite.

7431. *Chairman:* Do you mean at the stage when they were proposed, and also at the stage when they were fixed?—No, not when they were fixed.

7432. Let us have it clearly, please?—When rates come to be fixed it is on the objection stage.

7433. After objections, yes.—I have shown that there were 644 objections, all told.

7434. I am not asking you about whether it was right or wrong, but as a matter of fact when the rates were fixed it is not true to say that the employers voted for them?—No, it is not true, but it was on the proposal stage.

7435. You will see that it is very desirable to be accurate?—I want to be perfectly accurate. These rates were proposed and unanimously agreed to. On the objection stage the employers brought forward a number of amendments, though they had agreed, and

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it was understood that at the objection stage, too, it should be agreed. It was understood that it was a settled question with respect to that.

7436. The purpose of advertising the rates, or the proposed rates, is that the Board shall reconsider the proposals when the objections have been received?—Yes.

7437. When the objections were received the Board did reconsider the rates, and at that stage the employers did not vote for them?—No, they did not.

7438. *Mr. Pugh*: May we just have that clear. You have got a Board which is supposed to be representative of your trade both on the employers' and on the workers' side. The people on the Board agree together as to what the rate shall be, or as to what rates shall be put forward subject to certain objections being raised outside. What I want to get clear is, are the objections raised by people outside the Board, or by the actual persons on the Board itself?—Outside.

7439. So that so far as the Board itself is concerned, and so far as it represents the trade, there was agreement; but the Board had to take into account objections from outside, and on those objections disagreement afterwards ensued?—Yes, that is so; and the number of objections from the outside was very small, as I have already indicated; but they then brought forward a number of amendments excluding people of 50 years of age and over—I forget the other amendments; I think they are mentioned here if I am not mistaken. I think I have dealt with that point.

7440. Is it possible to get finality by an arrangement of that kind?—Well, we did. May I say that there was a break on the employers' side on this occasion. I think there were about 18 on each side who were at this meeting of the Board, and the two co-operative representatives and one other employer broke away. On some of the resolutions, not on all, one vote of the Appointed Members carried these rates.

7441. *Mr. Bell*: This seems to be one of the weaknesses—or it may not be a weakness—of the Trade Boards Act, that with an agreed rate submitted to the Minister for approval, and then an opportunity for objections being given, it does not seem to lead to any finality. What is your opinion about that?—My opinion is this, that if the Minister is going to decline to confirm the rates because they are not always agreed, particularly on the objection stage, it is in the power of either side continually to bring forward further amendments, and so employ such obstructive tactics that no rates can ever be operated.

7442. *Mr. Pugh*: Of course, you are dealing with compulsion there, which is rather a different problem; but having a good deal of experience of other wages boards, similarly constituted and so on, I am wondering whether it is not possible, even where the rates have to be applied under compulsion if necessary, for similar methods to be adopted to facilitate the work of your Trade Boards as apply to Wage Boards in other industries; can you suggest what can be done sufficiently to get the opinion of the trade as a whole before you fix your rates, so as to avoid the subsequent delay arising from continued objections when the rates are published to the trade?—Well, as less than half of one per cent. of the employers raised objection I was, rightly or wrongly, convinced that the amendments that were brought forward by the employers on the fixing stage were not serious objections with respect to the rates at all, but were merely put forward for obstructive and delaying purposes.

7443. *Chairman*: But it is easy to say that.—It is; but I am bound to record my feeling.

7444. It is better to avoid imputations if you can. We have had very few such imputations made before us.—Of course, I very much regret having to say some of these things. I went on to the Board, and especially in view of the statement read there on behalf of the employers, I believe everybody connected with the Board had very high hopes indeed;

but the employers have shifted their ground every time when it seemed that the Board was coming to grips; they seemed to want in some way to elip from the position. They admitted that they had completely changed their view, as they had completely changed their tactics.

7445. *Mr. Pugh*: Of course, that does not get you out of your difficulty. The fact remains that whosoever fault it is, you have a procedure which means that when this Board, representative of employers and employed, comes to a mutual agreement, that cannot be made effective; you have got to go back to the trade, and there is an opportunity for all sorts of objections, and you have to keep repeating your work. I am anxious, if it is possible, for you to help us by saying how in some way or other that can be avoided, and how to make the ordinary methods of wages boards apply; that is to say, how can facilities or means be provided whereby the Board can express to the fullest possible extent the views of the trade, so that its decisions, where they have been arrived at mutually—that is, by agreement of both sides—can be made effective as soon as possible?—Well, I take it that the reason for the sending out of these proposed rates and the waiting for objections is that the Board, as a Board representing the trade, is not quite sure whether the trade as a whole accepts—if I may so put it—a ballot in which both employers and employed vote. They can send in objections; it is like having a ballot after a tentative proposal has been made.

7446. Is that because your Board is not sufficiently representative?—I think two months is far too long. I think, say, two weeks is long enough, giving a few days in which they would receive the proposals; a week ought to be long enough to make up their minds one way or the other. I dare say they make up their minds in 10 minutes. I think two weeks would be quite long enough instead of two months for the objections to reach the Board. But my point is this: had there been heavy objections, heavier than to the first proposals, I could have understood that the employers might have felt that they had misjudged the position, and that even those reduced proposals that were agreed to were onerous; but in view, if I may call it so, of the ballot vote of the whole trade of this country, in which it is estimated that there are, I think, three or four hundred thousand people engaged, and you only get 644 objections, and on those objections the employers begin to try to break up what had previously been agreed, it seems to me that there was everything to show that we had well met the most difficult circumstances of the grocery trade in those agreed rates. Only 644 employers out of that number objected to the rates; that is, 644 out of 133,000 employers. It would indicate that the vast majority of the employers thought those rates reasonable rates, and yet in face of that—that is my point—when we have agreed rates, and less than half of one per cent. have objections to them, the employers set to work with a series of resolutions to try to upset them.

7447. *Lord Weir*: Might I point out as a very large and almost overwhelming factor, the very great change in general values during the period of these negotiations?—That is true, but there has not been such a serious change in values between the agreement stage and the objection stage two months later; and the rates agreed to were so low as compared with the rates being paid in other occupations. I have here a list of the rates, which I will pass round. (*Documents handed.*) This list shows in several occupations the rates for women of 18 years of age, and so on. It is on page 18. The rates agreed for people of 18 to 20 years of age in the rural areas were 23s. 6d., and in the towns 25s., and in London 26s. 6d. Now you can compare those rates with the rates which are being paid to women in other occupations—32s., 34s. and upwards.

7448. *Mrs. Lyttelton*: These are the last rates agreed upon, which are not yet in operation?—Yes.

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7449. So that they were agreed rates?—They were agreed rates on the proposal stage, and you see the number of objections we had. If you take the men again at the age of 21—I have purposely drawn that red line on page 18—and the women at 18, and compare the rates which are being paid to men and women in what were notoriously sweated occupations, and the rates now being paid—there are three marked which came under the original Act—I think that meets Lord Weir's point.

7450. *Lord Weir*: I was not questioning actual rates at all, but I was questioning the difficulty of fixing a rate for a period when you have a very large change in conditions; I was considering effective machinery for doing it.—The Ministry has already communicated with the Trade Board, and I think the Board on both sides was pleased to hear it, stating that they would not stand out for the full period of four months; that the Minister would facilitate the rates being varied, which would apply either upwards or downwards. Both sides were pleased with that; so that suppose even the rates which I have shown, which are very, very low, as minimum rates which were agreed on the proposal stage to which so few objections were received, were confirmed, the employers might in a couple of months give notice—in fact, they could give notice at once as soon as they were confirmed—to reduce them again, and within a month or two it would be possible to get even a lower rate fixed; if the cost of living continued to fall, the wages would fall commensurate with it.

7451. *Chairman*: That is so at present.—At present it can be done. The Minister has said he will not hold it up. The Act gives him certain power—I forget the exact wording; he says it is not necessary that it shall be held to the four months. The letter was read to the Grocery Trade Board.

7452. I think you are confusing two things; so far as the continuance of the rates is concerned, the period is six months, is it not? It is there that the Minister has power to reduce; the two months allowed for objections cannot be reduced, if I remember rightly?—That is right. It would take about four months, and he said if anything could be done to facilitate the variation of the rate he would do it.

7453. That would have to be done by Act of Parliament.—Immediately one rate is confirmed, power should be given—

7454. I thought you were talking of reducing rates, four months is the time that is usually taken?—Well, he offered some facilities which would make it a little less than that.

7455. I think this only arises because you think it your duty to impute certain motives—which always, to my mind, weakens a case—but the point put to you was that there was this element, that during the three months or so which elapsed between the proposal of these rates and the fixing of them there had been a drop in prices and in wages?—Oh, quite; there is a fall in the cost of living, certainly.

7456. It was put to you that that was a reasonable point for the employers to take into consideration when the time came for actually fixing the rates?—But they did not, my Lord. If you will just follow it, I have tried to go through it—they did not move any reduction of the rates except as regards women under 21, and to exclude men over 50. They were not proposing a change of the rates.

7457. What were they proposing?—They proposed certain modifications.

7458. Are not those changes?—But not changes of rate throughout.

7459. What were they, then: what modifications were they?—I should like to give them here, if I may. One was that the rate should not be confirmed until after the Report of the Committee of Inquiry had been issued. That was one resolution. Another point was to vary the hours from 48 to 52, and to exclude all women under 21 and men over 50, and modifications of that character. I think, as far as one can judge, they felt that there was nothing before the Board which could justify them in wanting to vary the rates. They did not bring forward the

proposal that because there had been a slight fall in the cost of living the wages should be varied right through because of that.

7460. *Lord Weir*: That change in hours, of course, you agree is a difference of approximately 10 per cent. in wages?—Quite; but my reason for saying what I did—and, as I say, you can only take it as an opinion—was that these were brought forward with a view to delay when we were right up against the period when if it went forward, it looked as if the rates were going to be confirmed.

7461. *Mr. Bell*: A Trade Board in an industry not well organised was really intended to take the place, say, of the Joint Board in a well-organised industry. Can you tell us what would happen in a well-organised industry if a small minority of the employers were allowed by the rest of the employers to hold up an agreed rate?—Well, I think they would withdraw the labour from the firms who refused to comply if they were well organised.

7462. Do not you think the tendency would be to end the agreement between the two associations?—Undoubtedly it would; it would break it up.

7463. So that what would break up agreements between well-organised employers has a tendency to weaken the operations of a Trade Board which is operating amongst badly-organised employers and workpeople?—The same move, so to speak, would have the same effect on the Board. It is the only place where the employers and employees meet, and have the power of meeting together, in an unorganised or only partially organised trade. It is the only place where they have the power to meet together to discuss these matters.

7464. *Mr. Poulton*: Have I understood you correctly, that what you really mean to convey is that attempts in this kind of way are being made, and apparently successfully, to hold up what you consider ought to have been rates put into operation by altering small points instead of altering the basic foundation?—Yes. As I have mentioned, the majority of the Board fixed the rates. The whole attitude of the employers had completely altered in those two months. Each time as we seemed to approach the fixing and the confirmation of some rates, the employers immediately altered their ground every time, right through. They admitted that that was the case. I had to make the same statement on the Board, only more strongly than I am doing here; and the employers admitted that it was so.

7465. *Mr. Pugh*: Of course, you might have that in any case, but the question is, what practical means can be adopted to facilitate the machinery of the Boards? The period subsequent to a settlement being arrived at seems to cause a good deal of delay, which possibly would cause irritation on both sides. Can you suggest a practical means to be adopted?—I think the objection stage could be shortened, as I have said, to two weeks, instead of two months. There is no need, to my mind, for the Minister to take a month to confirm. I should think it ought to be possible within a week to say "Yes" or "No" to the confirmation of rates which have been fixed.

7466. That is when they are mutually agreed?—I do not see what purpose is served by the Minister not making up his mind more briefly. There may be some purpose. Whether it is felt that these are so wide that he ought to take a longer time to consider, I do not know; but I should have thought a week would be long enough. When the whole matter has been threshed out in detail by the Board, and the rates have been approved and fixed, surely a week ought to be long enough for the Minister to make up his mind whether he can confirm or not. That would shut out at once a matter of nine weeks between the proposal stage and the confirmation stage when the rates are brought into operation.

7467. *Chairman*: Is there any more you desire to say on that point?—I think not.

7468. What is your next point?—The question of hours is mentioned here, and I set out a Schedule. A point is made that it is difficult, if not impossible, to do the trade in the 48 hours. May I say that on

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this point, as on so many others, the employers' point of view has shifted. When Mr. Cahill, on behalf of the employers, made his opening statement, it was the employers themselves who suggested a 48-hour week. It therefore would indicate that it is not because of the difficulties of the trade, and that the trade cannot be done in the 48-hour week—the period of the war proved that to be quite wrong—but it is because of the changed circumstances, and the feeling that now they can get something more elastic for their trade, that they are pressing it forward. This was another case where they admitted that they had changed their minds, and they put forward the difficulty of the person who is in the trade, but is not, perhaps, working in it; his wife may be minding the shop—a little general-shop keeper. There are powers under the Shops Act to regulate the hours of trading—a week of 48 hours; that is possible with 7 o'clock closing. Seven o'clock is the earliest possible closing hour under the Shops Act; that would be for five days in the week, and would give one late night, when the shop would shut an hour later, 8 o'clock. It would be quite easy under the Shops Act to secure local orders for closing on four nights in the week at 7 o'clock, shutting at 1 o'clock for the half-day holiday, and at 8 o'clock for the late night, whichever that may be, Friday or Saturday, or whichever day was most convenient; and by giving 14 hours for dinner and 2-hour for tea, that would work out at a 48-hour week. There is really no difficulty even for the small shopkeeper, and certainly it has been proved by the war that the business can be quite easily done within the 48 hours.

7469. *Mr. Pugh*: Is there anything to prevent the Board dealing with those details?—No; the Board is only concerned in fixing the normal week for the purpose of overtime, and we did agree on the Board to a modification which was to the employers' advantage, that with those who had been accustomed to covering up, as long as the time spent was under one hour each week, there would be no charge for the overtime—giving an opportunity to cover up in the provision shops. It generally takes anything from five to ten minutes, and that will not be counted as overtime as long as it is under the hour. So that so far as any special difficulties of the grocery and provision trade are concerned, as one who has served my time in the trade and has been in the business for 20 years as assistant and manager, I say that it is inaccurate to say that any of these things are impossible of application to the grocery trade.

7470. *Chairman*: What has been the usual number of hours in the grocery trade?—They have varied from 46 to 80, and in exceptional cases they have been even more than that.

7471. I mean in the ordinary case?—Ordinarily I should think they would be about 54. They have been reduced during the war, and they are unfortunately beginning now steadily to extend again. I am reminded that in all our agreements, where we have agreements, we have a 48-hour week—44 hours in the wholesale trade and 48 hours in the retail trade.

7472. Then you pass to apprenticeship.—On this matter I notice a statement has been made to the Committee that the workers' side objected to apprentices. That is inaccurate. What we objected to were proposals that the rates for apprentices should be below the Trade Board rates. I have the minutes of the Standing Committee here which show that to be the case. It was urged that apprentices properly apprenticed and trained were much more valuable. They were more valuable to the employer and more valuable to themselves. Yet while they were urging this, the first proposal was that there should be considerably lower rates right through the apprenticeship for those who were indentured apprentices. Remember, the apprenticeship system has been abandoned by the employers themselves during the last 30 years. There is only a little of it lingering yet in country districts. A new form of learnership is in operation with one or two of the multiple firms; but it is seldom for more than a year. But they

came forward at the Standing Committee with a definite proposal, and I asked if their proposals meant that the total amount that would be paid to the apprentices would be less or more than the total amount that would have been received had someone merely entered the trade without apprenticeship, and they said it would be more. They proposed that the first year should be 50 per cent. of the Trade Board rate; the second year 60 per cent.; the third year 75 per cent. of the Trade Board rate; the fourth year equal rates, and the last year 125 per cent.—that is, 25 per cent. more. I found, however, when I worked these out after I got back to the office, that the statement of the employers was inaccurate. On scale 1 the proposals would mean that the apprentice would receive on scale A for the rural areas £41 6s. less over the five years than he would have done if he had taken the Trade Board rate. On scale B he would receive £42 11s. 6d. less, and on scale C—the London area—£45 18s. 6d. less. Now, Sir, you suggested that we should not impute motives. I quite agree, but when it is obvious one cannot help seeing it. The whole of the effort of the employers has not been towards apprenticeship, since it is they who have abandoned it; but now they have confronting them proposals for a Trade Board, they are most eager for apprenticeship. They are, however, eager for it only if they are able to get it cheaper than if there was no apprenticeship. This seemed, as I said on the Board, a case where virtue would be its own reward. If it was true that the apprentices became more efficient assistants as the result of proper apprenticeship and training, they would, therefore, be much more valuable to the employer than the ordinary learner, and yet you will see that they are proposing to pay them less. That is my answer to the proposals of the employers with respect to the question of apprenticeship. I also sent round to see how it worked out.

7473. *Dame Adelaide Anderson*: I suppose the giving of training costs the employer something?—A lad who goes into a grocer's shop earns his money from the first day he goes in. May I just point out here that they agreed to certain rates for those who are not to be properly trained, while for those who are to be properly trained and be made more valuable, they are proposing to pay them less. During the last 30 years they have not been training them properly, I will admit; they had to pick it up, and they succeeded in picking it up. May I point out that in the growing multiple firms very little of the old skill that was required is now called for. That point was made by Mr. Cahill in his opening statement as a reason for low rates. The tea is packed. Many of the technical points that the assistant had to learn in the old days have now passed away owing to the specialisation of packing, and the result is that the grocery trade, certainly in the large multiple firms, is a matter of passing over to the customer certain things required, ready packed for the most part.

7474. *Lord Weir*: You say that as a Union you are not averse to the apprenticeship system?—That is so.

7475. Is that the strongest policy you have as regards apprenticeship for your craft?—I regret to say that we do not consider there is much craft left in it now.

7476. So that is the way you put it: You are not averse to an apprenticeship system?—That is about as strong as we can put it.

7477. It is a well-known practice in a large number of other industries?—Yes; but this is not an industry.

7478. Would not that explain the figures in your calculations? I mean there are apprentices who get paid definitely less than learners in many trades, are there not?—I could not speak for other trades. I can only speak for the grocery trade.

7479. I think many of the Trade Boards have quite definitely lower rates for apprentices than for learners?—That may be so. I am not disputing that.

7480. But you think that differentiation is unsuitable for the grocery trade?—May I put it this way I think it is wrong that one lad should go to a grocer

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and be apprenticed for five years. If he learns anything different from that which is learnt by another lad who enters another shop without apprenticeship, it is of no value to him as a small grocer. Take tea blending. When I was an apprentice, I was able to take out a recipe for the mixing of tea. The porter was not supposed to keep the recipe, but the apprentice could. Tea blending is no longer done by the small grocer. If anyone learnt tea blending and tea mixing, he would have to seek a situation with one of the large multiple firms, because the small grocer no longer blends his tea; he cannot buy it in sufficient quantities. It pays him better to buy it ready blended by one of the big firms like Brooke Bonds or Payne's. This specialisation has taken away all the value of apprenticeship so far as these matters are concerned, and the learner going to the other shop without apprenticeship would take in the five years' learning period so much more money. The one is under an agreement to stop; the other is free, when he has learnt, say in three years, all the trade can teach him, to go anywhere in the open market and get his wages. This the former cannot do. This is what Mr. Cahill said in his opening statement: "Dealing only with shop assistants, the labour of the ordinary shop assistant at 21 is ranked a little higher,"—that is, than the porter—"but practically speaking the shop assistant also is to be ranked, for the purposes of a minimum wage, as comparatively unskilled labour, as their duties nowadays are substantially limited to handing over the counter articles already packeted in exchange for the purchase price." That is not our statement; that is Mr. Cahill's statement on the Trade Board. As I say, we are not averse to apprentices; we have not opposed it on the Board. We did suggest three years instead of five, and we felt that they should not be paid as apprentices less than the Trade Board rate. If there was any differentiation, we felt the apprentice should receive a little more, because he ought to be a rather more efficient employee. In any case, over the whole period, if it is to be five years, he should not receive less than he would have received as a learner over that period.

7481. *Chairman*: What is your next point? I see you set out certain rates and you compare them with rates fixed by other Trade Boards?—Yes, in other occupations. I have taken three of the old sweated industries.

7482. They are no longer sweated industries, are they?—Well, they came under the Board. May I develop that just for a moment? If the grocers are objecting to these low minimum rates, it would indicate that they know that the rates being paid at present are much lower, else there could be no objection to them; and those rates which are proposed are much less than is now being paid in trades which were brought under the original Trade Boards Act.

7483. *Mr. Poulton*: Because they were sweated trades?—Because they were sweated trades.

7484. *Mr. Pugh*: But they are no longer sweated trades; that is the point?—Quite. That will show you how anxious we are that the grocery trade should be in a similar manner improved.

7485. *Lord Weir*: In your statement you say: "It has generally been considered by the Trade Boards that a wage sufficient to independently maintain herself should be guaranteed to a woman 18 years of age, and sufficient to a man at 21 years of age to enable him to marry." Is that your interpretation of what you are called on to do by the Act in fixing a minimum?—I have seen that expression somewhere.

7486. But you sit on the Board yourself. Is that what you are applying yourselves to?—Yes. I feel that to be the case, but it is not my own original suggestion.

7487. That is how you feel it personally?—Yes. I think the point urged—I forget now who it was that urged it—is one with which I am in entire agreement.

7488. Do you act on it? That is what I mean?—As far as possible.

7489. *Mr. Pugh*: There are two sides to discuss that, I suppose?—In what way?

7490. I mean if you put forward that as a principle on which you want rates fixed, the other side have a say in the matter as to whether this is to be the principle applied or not. You do not necessarily carry your rate because you think it ought to be carried?—No; I am afraid the rates which are carried would not enable a young woman at 18 in the grocery trade to maintain herself at present, or enable a man in the grocery trade at 21 years of age to marry, or even begin to save in order to marry.

7491. Of course they are minimum rates?—Yes. As I say, the objection of the employers to them is a very clear indication that they know that many rates being paid at present are much below them. If you take porters you see that a man at 21 years of age gets 46s., 48s. 6d., and 50s. 6d. Shop assistants get 48s., 53s., and 55s. You practically have to cut those rates in half to get the pre-war rate of pay commensurate with the present cost of living. One has to remember that as far as the shop assistant is concerned, the cost of maintaining his personal appearance is much greater than it is in many occupations. No assistant could hope either to get a position or to keep one unless his personal appearance was kept fairly good. In the grocery trade he has to find himself with clean aprons during his work, and clean linen, and yet while the claim upon his dress is like this, his suggested rate is so terribly low. If I might give an illustration it might interest the Committee to show the change which has taken place. You know that under these rates all the vehicle workers are excluded. That was because the rates for vehicle workers are so much higher. When I was an apprentice—and there are others here in the grocery trade who can confirm this—the first hand in a grocer's shop was expected to get just double what the man who drove the van got. Where I was apprenticed, the first vanman, who drove the pair and looked after the horses and was as good as a veterinary surgeon in looking after them, received exactly half what the first countermau got. And it is customary to-day for the man behind the counter, if the goods are delivered safely, to take out of the till 1d. or 2d., which he records in the petty cash, as a sort of safe-conduct money to the carman because he has delivered the goods safely. It happens to-day that the man who delivers the goods is often getting better wages than the man who throws him out 1d. or 2d., so far has the rate of pay of the organised workmen changed as against that of the unorganised respectable shop assistant.

7492. *Chairman*: Now what is your next point?—The rates as compared with other Trade Boards; and I have also brought to your notice a declaration made on the part of the Appointed Persons which explains the very low rates which exist.

7493. *Mr. Poulton*: Could you amplify that a little? I am interested in that. I have read this passage two or three times this afternoon, and I have wondered whether there is anything behind the whole thing?—There is. The workers' side approached the Appointed Members over this. We felt we wanted to get a rate fixed. We wanted to get a bottom in because there is no bottom to the wages which are being paid in the distributive trades. I have shown that there are some working for nothing, and yet the rates which are being proposed were being used against the workers' side in negotiations with the large employers. There were even proposals from employers who had paid the higher rates to come down to the Trade Board rates. It was becoming exceedingly difficult for those of us who had to conduct negotiations for organised workers to meet the objections of the employers, and we put to the Appointed Persons the difficulty we were in. As the result of that, they made this declaration, namely, that the rates are minimum rates, and are not intended to be the rates for assistants of special merit, or assistants who are working for the larger firms. The Appointed Persons, sitting between and hearing all sides, considered that the least favourably placed shopkeeper should pay these rates to his assistant in a small shop. That justified us in saying to employers who wanted to reduce rates to the Trade

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Board rates, "Yours is a highly organised firm. The men you have are experienced men and are justified in receiving something considerably over the Trade Board rates, because our own Union rates are very much higher than the Trade Board rates."

7494. The rate that was fixed, if I mistake not, was a minimum rate?—It was.

7495. So that your minimum is actually based upon this statement that it is not merely a minimum, but would be a sort of extra minimum, because they have based it on the least fortunately placed shops in the poorest district of each area?—That is right. That brings me back to another point. You will remember the Chairman asked me about the subnormal worker, and this is really proving the point I was then urging, namely, that the rates that have been fixed on the Grocery Trade Board are not expected to be paid to, what shall I call him, a shop assistant with any merit or qualification, but they are only expected to be paid by the very poorest shopkeeper. It is an irreducible minimum for the trade, and it is left for the Trade Union, or for the assistant with personality and energy, to be able to get considerably more than those rates. It really meant the slow worker. A little shopkeeper in a poor district cannot get the best type of assistant. He would not work there; he would want a better class shop. It was really to meet that type of assistant that the rates had to come down, to meet the case of what one might describe as the poorest type of assistant who is chiefly engaged by the poorest type of employer. Therefore, the rates are cut down to the irreducible minimum.

7496. *Lord Weir*: And have become true minimum rates?—Absolutely.

7497. Which are understood to be payable in the trade—also to the minimum percentage of workers?—That is so.

7498. *Dame Adelaide Anderson*: And abandoning really the principle of ability to maintain yourself?—I urged that on the Board, but the Appointed Persons had to put it that the evidence they had received made them willing to accept a very low rate. It is left for the workers in more highly organised firms, particularly in multiple firms and the Co-operative Societies, to organise and get a higher rate than this, as one which will give a reasonable standard of comfort.

7499. That is really to get to the top?—That is so.

7500. *Mr. Pugh*: Suppose that these minimum rates had been confirmed, would that have meant an advance to the workers in this industry?—It would, I am sorry to say. It would not mean it to members of our Union. As I have said, we have had to resist the attempt to bring them down to the proposed rates of the Trade Board; but to a very large number of employees in the grocery trade I regret to say it would mean a considerable improvement.

7501. And then the Appointed Members on your Board felt that they were agreeing to rates which were so low that they deemed it advisable to place on record a hope that these low rates which they had agreed to would not be quoted in any arbitration proceedings or anything else affecting workers in some other industry?—That is so. And, of course, the settlement we just recently got with our adjusted agreement with the Army and Navy Stores, only a week ago, does not come down to the Trade Board rates. They are a highly organised Society, and it would be disgraceful if they should pay the minimum which the very poorest shopkeeper in the worst situated district is expected to pay. But I must say that the Army and Navy Stores prior to there being any organisation, were paying even worse than some of these proposed rates, because one has the effect of always dragging down the other.

7502. *Lord Weir*: You say that if that rate were confirmed, it would bring up a very large number of the low-paid people in the grocery trade?—I regret to say so. It is self-evident on the face of it, because the employers would make no objection if they were paying something higher. We have drawn up a schedule of the low wages paid which shows the result of our recent investigations, and proves what

I have said. I would like to give a quotation here as a sort of proviso to that. It is from Mr. Willis's book on Trade Boards. He says: "But the necessary improvement of a rate of pay in the trade ought not to be stopped or hindered out of consideration of a few inferior businesses which have hitherto existed on underpaid labour and which are and will be incapable of paying the rate appropriate to workers in the trade generally." That is Mr. Willis's view with respect to the purpose of the Trade Boards Act—that if there should be a few inferior businesses which are hurt by the application of the Trade Board that ought not to hinder its application to the whole trade. They certainly would be very, very few, because the small businesses in the grocery trade do not employ anyone at all. It has to be a business of a considerable size before it employs anybody beyond the proprietor; and if he is doing sufficient business to employ an assistant he is doing sufficient turnover and volume of business to pay the rate.

7503. If he cannot pay the rate he is better out of the business?—Quite so.

7504. *Chairman*: Then you refer to the argument of the employers at the present moment that these rates should not be confirmed, and you say that was the purpose of the Act of 1918?—Exactly. Mr. Roberts, I think, put it very forcibly in his speech on the Second Reading of the Amending Bill. It is just this situation which is being urged by the employers why the rate should not be confirmed, and yet it was just this situation that the Act was amended to meet.

7505. And you say that Trade Boards were first set up in those trades where there were low wages and ineffective organisation; that you think is the right principle?—Yes.

7506. You say that the effect of a Trade Board is to fix a minimum which can be paid by the least fortunately placed employer in any trade, and to leave to individual or Trade Union action the securing of something better for the more efficient workers employed in the highly capitalised and organised firms?—That is so.

7507. Then you speak about the proceedings of the Trade Board being public?—It has been urged before this Committee that the sittings of the Board were private—that they were secret. That was urged in a manner which appeared to the workers' side as if it was something which was an argument against Trade Boards. If that is so, the workers' side at any rate, have no objection to the proceedings being made public. They have nothing they wish to hide.

7508. I do not remember that suggestion being made?—It was in the evidence of Mr. Cahill; that seems to be the implication behind what he said—that it was a secret meeting; something done in secret and that they did not have the limelight of publicity and criticism. We should court publicity and criticism as far as the workers' side are concerned. I do not think the employers, however, would be likely to fall in with the views of their own spokesman in that respect.

7509. You mean that you think it desirable that the Trade Boards should sit in public?—I have no objections to that.

7510. But do you think it desirable?—I am bound to say there are many arguments against it; but if the employers are going to urge that as a reason why rates should not be confirmed, then we would welcome, and would ask for, publicity and criticism.

7511. Then you refer to the Australian example.—That is because again you had statements put before you which seemed to imply that Australia was very anxious to get away from its Wages and Conciliation Acts. Our inquiries would indicate that it is nothing of the kind, but that they are attempting to improve and extend them. As Commissioner Aves was to report on the Shops Act, we also saw his report with respect to the Wages Boards.

7512. Then you refer to the area question.—I developed that a little this morning. I said that I did not think the population method was the best one.

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7513. Then you ask that the Committee should draw the attention of the Minister of Labour to the feeling created in the minds of the workers.—I am afraid it is really not within the province of your Committee to make recommendations of this character, and that is only put in here because it is contrary to the suggestion that you should advise the other way from the employers' side. We are not urging that seriously for your Committee to undertake; but we feel, as the employers' side have put forward the proposal that you should recommend against this, that we were justified in the rebutting evidence in asking you to do the contrary.

7514. *Mr. Poulton:* I take it that despite the disappointment to which you say you have been subjected, you still feel, looking at the matter broadly—not from the point of view of your Union but from the point of view of the nation—that Trade Boards are in the interests of the people?—Undoubtedly.

7515. But you want in addition to what you stated in your previous statement, more elasticity?—Yes. It sounds paradoxical, but it wants a little more tightening up and a little more elasticity. I think if the Boards did not take so long over their work it would be a great improvement. We shall have sat for 18 months by next month on the Grocery Trade Board hammering this thing out. That is too long. Some method ought to be applied by which decisions could be arrived at more quickly, whether they are for downward or upward movements. I think that the Trade Board system has just that elas-

ticity which enables it to meet the changing conditions in industry which no national minimum award as a statutory matter could give. Whether there should be a national minimum wage below which no one should go at 21, which should be binding on all the trades at adult age, I am not quite sure; but certainly we could not hope, by getting national wages, for anything like the elasticity that there is with the Trade Boards, which can follow in one direction or the other the changes which take place. I have seen no proposals at present—although, as I say, I sat on the Joint Industrial Committee No. 2, where we discussed the subject very fully—which seem to meet the difficulties of the situation anything like as well as the Trade Board system. I had not then had the practical experience of the Trade Board that I have had since; and although I am very disappointed with the result of the Grocery Trade Board—I think all the workers' side are bitterly disappointed with it—I still feel that if the Trade Board idea could be perfected and amended and improved, it would give the best machinery for dealing with industrial situations.

7516. *Lord Weir:* You would agree that for the initiation of a new set of rates to become statutory for an industry, you would require infinitely more time than for a variation of a rate?—Quite; I do agree as to that. But I think 18 months is too long even for a start.

Chairman: Thank you.

(The Witness withdrew.)

Mr. J. R. LESLIE called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

STATEMENT OF EVIDENCE OF Mr. J. R. LESLIE, Organising Secretary of The National Amalgamated Union of Shop Assistants, Warehousemen and Clerks, Chairman of The National Minimum Wage Committee of the Union, and Secretary of the Workers' Side, Grocery and Provisions Trade Board (England and Wales).

I desire to supplement the evidence submitted by Mr. John Turner, General Secretary of the National Amalgamated Union of Shop Assistants, Warehousemen and Clerks, and Chairman of the Workers' Side, Grocery and Provisions Trade Board (England and Wales) and to lay special emphasis on a few outstanding features.

(1) *Rates in Association with Union Rules.*

The special duty of the National Minimum Wage Committee of the Union, is to consider carefully all matters appertaining to wage question. In formulating wage proposals, the Committee has always borne in mind the strength of the organisation to enforce rates, and the application of such rates in accordance with Rule 25, Clause (2) of the Union:—

"Rule 25, Clause (2).—Members must not accept situations or offer their services in any district at a lower rate than the minimum fixed for the district. Immediately any violation of this Rule is discovered it must be reported to the Branch Committee, who shall investigate the case, and if proved, inform the Executive Committee, who shall, after warning the member, have power to suspend the member from all benefits until the Rule is complied with."

This accounts for the very modest requests of the Union.

(2) *Withdrawal of Labour only after Ballot Vote taken and Arbitration Refused.*

The policy of the National Executive Committee, has been not to approach firms or sanction withdrawal of labour unless at least 65 per cent. of the staff are organised. A withdrawal of labour only occurs when all efforts at amicable settlement has failed, and only after a ballot vote of those concerned has been taken.

Strikes in distribution have not been obviated because of employers anxiety to recognise collective bargaining, or grant concessions readily. The services of conciliation officers have been constantly called upon to prevent open rupture, and arbitration has always been offered. Despite this, settlements have been avoided by many employers, until strike notices were tendered. The following outstanding disputes within recent years, emphasise this contention.

(3) *Outstanding Disputes During Armistice Period.*

A firm of grocers, Edinburgh, declined to recognise the Union or concede the Union rate of wages. The employees to the number of 88 out of a staff of 90 ceased work as a protest. Here ex-service employees with long service in the firm, were paid the miserably inadequate wages of from 33s. to 50s. for salesmen.

Thirty-two women in a dairy company's shops in Edinburgh left work in consequence of the firm's demand that they should sign a statement to the effect that they were satisfied with their conditions.

A stores, London. The employees, numbering 4,000, had to take similar action, and after two days strike, arbitration was resorted to.

At Wolverhampton, a firm of drapers presented their staff with the alternative of leaving the Union or the service of the firm. This because of overtures to improve the wages of the staff. Two-thirds of the staff, 87, refused to resign their Union membership, and were out of work several months.

At Bath a strike was only averted at the last moment in one of the largest general stores by the intervention of Captain Ham, of the Conciliation Department. Here ex-service members of the staff were receiving as low as 30s. per week, and the settlement meant an average advance of 20s. per week.

(4) *Ex-Service Men Taken Advantage of.*

During the Armistice period the Union was kept busy dealing with wage negotiations arising mainly out of grievances of ex-service men. Numbers of these men gladly accepted a chance of returning to civil life, and employers took advantage of two factors. One, the anxiety of men to get back to civil life and find employment. Second, men not realising the change in the cost of living until their return.

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[Continued.]

While in the Army their needs were provided for them. When once out of the Army they quickly discovered that much more than the pre-war rate of wages was necessary to meet their requirements (see Minimum Wage Committee Report, page 35 of the Annual Report, 1919).

(5) *Multiplicity of District Rates.*

Much has been said as to multiplicity of wage rates and wage by age. The policy of the National Minimum Wage Committee has been to simplify rates and decrease number of scales. Experience showed that in the 42 District Council areas of the Union the difference in rates amounted to approximately only 2s.; it was therefore decided to have only one national scale for the whole of the country, metropolitan area excepted.

(6) *Wage According to Age.*

A minimum wage according to age has always been the policy of the Union, and no serious objection has been taken to this. Only since Trade Boards began to be discussed did employers voice objections. In all the Union literature it has always been emphasised that merit and position should warrant more than the minimum asked. If true of Trade Union rates, then surely more true of Trade Board rates.

(7) *Lack of Organisation among Employers.*

Wage negotiations have been mainly confined to individual employers as little organisation exists amongst employers in distribution. Only in the last issue of "The Grocer" a leading article says:—

"In the annual report which was presented and adopted at the meeting of the North Eastern Council of Grocers' Associations, in Newcastle-on-Tyne, on Wednesday, regret was expressed that some of the Grocers' Associations which were brought into being during the war period are for various reasons lapsing. The complaint is not peculiar to the area embraced in the work of the North Eastern Council; from all parts of the United Kingdom there have recently been expressions of regret—and in some instances disgust—that so many of the retailers, who, during the period of food control, national service and other difficulties arising from the great war, flocked into the existing Grocers' Associations, or formed new ones for defensive purposes, are now reverting to their former policy of ploughing a lonely furrow."

This exemplifies the individualistic character of distribution, demonstrating the need for Trade Board machinery.

(8) *Underpayment of Workers.*

Underpayment of employees is not confined to small traders in certain localities, but occurs in some large firms. One large grocery firm dismissed certain girls after the Armistice, and offered applicants 18s. who had been earning 28s. and 30s. in other firms. The Union had to appeal to the Employment Tribunal at Brighton on behalf of these women.

(9) *Character and Composition of Workers' Side of Grocery Trade.*

On the character and composition of the workers' side of the Grocery Trade Board (England and Wales), I venture to say the workers' representatives are as representative of the grocery trade as the employers' side. Of the 39 workers' representatives, all are employed in the trade with the exception of ten or twelve Trade Union officials, most of whom have been in some section of the trade and have a wider and more varied experience of the trade than the average employer. The Shop Assistants' Union, which caters for the bulk of those employed in the trade, and is representative of the largest number organised, has only two officials, who were elected as Chairman and Secretary respectively by the workers' side—both of whom were apprenticed to the grocery and provision trade.

(10) *What the Trade Requires.*

The workers' representatives believe they are quite as competent to judge what the trade requires as the employers are. They are desirous of raising the status of the trade.

On the apprenticeship question they naturally want to see some guarantee of proper training, and not merely leave the training to be the function of some school instead of the employer. Proper training and an adequate wage would lift the trade out of its present chaotic condition.

The only objection urged to apprenticeship by the workers' side of the Grocery Trade Board was when it was suggested that the wage rate should be less than that provided for young people by the Board. The workers have always desired apprenticeship under proper conditions; it is the employers who have abandoned it during the last 30 to 40 years.

(11) *The Fate of the Old Men.*

To suggest the exclusion of workers of 50 years of age from the provision of a Trade Board, speaks volumes. Taken in conjunction with the objection to junior rates, and the fixing of rates up to 25 years, it bespeaks a shorter period for the enjoyment of full rates than probably any other occupation.

(12) *The Working Hours.*

On the question of working hours, two facts ought to be noted. First, no objection by employers to a 48-hours' week has been made until within recent weeks. Second, Co-operative Societies offer a fair criterion as to the needs of the public. Members of Co-operative Societies fix the hours of their Stores, and they are not likely to arrange them in a manner to inconvenience themselves as customers. Long hours and low wages have been the bane of the Distributive Trades. While organisation on both sides is imperfect, the Trade Board system offers the only solution to the present situation.

7517. *Chairman:* Mr. Leslie, you are the Organising Secretary of the National Amalgamated Union of Shop Assistants, Warehousemen and Clerks?—Yes.

7518. Also Chairman of the National Minimum Wage Committee of that Union?—Yes.

7519. And also Secretary of the workers' side of the Grocery and Provisions Trade Board for England and Wales?—That is so.

7520. You have heard Mr. Turner's evidence, and you desire to supplement it?—Yes. There are just one or two points I would like to emphasise. I have seen in evidence a good deal of that which has been said about the happy relations between the employers and the assistants, and about the fact that there have been very few disputes in the distributing trades. I am afraid that the employers can hardly lay that flattering unction to their souls because of the treatment meted out to the staffs; it has rather been due to the methods that have been adopted in dealing with negotiations. It is outlined in my statement how, first of all, we have never made extravagant demands, for the simple reason that we have got to take into consideration how the rules of the unions will affect the members. It would be a very serious handicap to our members if we asked too high a rate at any time and laid it upon them that if they accepted less they would be penalised by the union by being deprived of benefits, or perhaps being expelled. Therefore, the Minimum Wage Committee has been very careful in drafting union scales. At the same time, when we approached employers, we have tried every means possible to effect settlements amicably, and have invariably offered arbitration so that a strike was absolutely the last resort after everything else had failed. But despite that, you will see that in the Annual Report for 1920 there are 10 packed pages of the negotiations which we had throughout the country. Those largely arose as the result of the return of ex-Service men from the Army. I have mentioned in my statement what happened when they came back. You know that a goodly number were very anxious to get out of the Army, and they simply accepted jobs for the sake

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[Continued.]

of getting out of the Army. While they were in the Army, as everything was provided for them, they had no idea what the difference in the cost of living meant; but after they had resumed employment and they began to realise what it meant, they saw the need for organising and for asking the Union to take action on their behalf. You will see quite a number of disputes occurred as a result of that. Take the first one I have mentioned where 88 out of a staff of 90 ceased work. Now there were ex-Service men being offered a wage of 30s. a week at a time when the cost of living had reached 120. The firm absolutely refused to negotiate or do anything, and ultimately the men went on strike. The same thing occurred in quite a number of places. I have here copies of agreements that were submitted to employees which they were asked to sign. There is the case of one of the company firms which asked the girls to sign the following: "I am at present satisfied with my wages and conditions in your employment, and am prepared to leave this question for the future in your hands." If a girl did not accept that then she was to sign the following statement lower down: "As I am not satisfied with my wages and conditions in your employment, I herewith tender my resignation, which will take effect as from Saturday, the 20th September." Those girls refused to sign that form and to leave the Union, with the result that they came out. The Army and Navy Stores was of course a notorious case. At Bath I had to go down there to one large firm who had employed ex-service men at 30s. a week. At Wolverhampton there was a large firm where the girls were given the option either to hand in their cards to the employer, or to leave the service of the employer. They refused to leave the Union, and were out of work for several months. Therefore, happy relations only exist as long as the employees are prepared to leave their conditions entirely in the hands of the employers. Immediately the employees start to organise you find that these happy conditions do not exist. It is true in distribution that probably a goodly number of employers are, I should say, about a century behind employers in production from the point of view of accepting collective bargaining. It is something new to them, and they do not like it. That probably accounts for their opposition to interference on the part of a Trade Board. Then unfortunately victimisation has been far too common, and that has prevented organisation. Assistants are handicapped because of the terrible weapon that the employers possess in the matter of secret references. You see, if an assistant goes to another employer, the prospective employer writes to the old employer, and it is sufficient for the latter to remain silent to prevent the employee securing another situation. That has acted as a very considerable barrier. Then comes the question of wage by age. I say there has been a considerable amount of objection to the question of wage by age. Strangely enough, we never heard very much about that objection until the Trade Board came into existence. It has been the policy of our Union all along. We have always fixed it by wage by age. It is quite true that age generally works in association with experience; and we have contended from the very outset that wage by age was a necessary protection. We have always adhered to that, and it has never been very, very strongly objected to; in fact very little was said about it until Trade Boards came into existence.

7521. *Mr. Poulton*: On the whole has that worked out satisfactorily?—It has. In all our agreements you will see it is wage by age. As a matter of fact, that has been the practice of distribution as a trade.

7522. *Mr. Bell*: I notice that the suggestion was made that the employers had asked that Trade Board rates should not apply to females under 21?—Yes, that is so.

7523. What effect would that have had?—It would have had a considerable effect because the wage under 21 was so small. If they were left uncovered under 21 it would have been a very small wage for women.

7524. Suppose those under 21 had been exempted from the operation of the Trade Board, what effect

would it have had on the employment of females 21 and over?—If they exempted those under 21?

7525. What I am trying to get at is the possibility of paying a much lower wage to a female under 21 than the rates fixed by the Trade Board for those of 21 and over?—If they could get the female rates reduced to that rate, the effect would probably be that they would employ considerably more women.

7526. Under 21?—If they could get them exempted.

7527. Carry that a little further. Suppose those under 18 were exempted or those under 16 were exempted, would that have a tendency towards the employment of a larger number of those to whom the rates did not apply?—We object very strongly to the exclusion of those under 16. We saw the danger, but at the same time we had in our minds the possibility of the Fisher Act operating within a very short time.

7528. *Mr. Poulton*: In view of the difficulty which your colleague pointed out to us, suppose those women had been exempted, would it not only have had an adverse effect upon the women, but a very adverse effect upon the male employees?—Certainly.

7529. *Chairman*: You say that under-payment is not confined to small traders?—Quite. There is one large firm in particular which is notorious in that respect. I had occasion to deal with this particular firm when, after the Armistice, they dismissed a number of their women. It was supposed at the time that they were dismissed in order that men might be employed. But other firms had dismissed women, and instead of their taking back the men they advertised for women. The women went and applied for the situations and were offered 18s. a week—women who were earning 28s. and 30s. a week in their previous situations. We had to go to Brighton to the tribunal to appeal for them at that particular time because they were sent to this particular firm for a situation, and when they refused it because of the low wage, they were refused benefit. The Chairman of the Appeals Tribunal upheld our contention and considered that the women were quite justified in refusing to accept such a low wage. That was in connection with one of the large multiple firms.

7530. *Lord Weir*: Does that still obtain?—Yes; in that particular firm the conditions have always been very bad. They employ a considerable number of women. I can give you the name of the firm. Then as to the character and composition of the Board, I saw evidence given by a gentleman who is not a member of the Board, and he made a statement that there was a large number of Trade Union officials on the Board who had little knowledge of the trade, and therefore were opposed to the apprenticeship system. There are 39 workers' representatives on the Board. Out of that 39, I think roughly there are 10 Trade Union officials, and I believe that out of the 10 there are seven who have been engaged in the trade in some section or another. Mr. Turner, as he pointed out, was in the trade. I also served my time as an assistant and manager; and Mr. Turner is the Chairman, and I am the Secretary of our Union, so that we know exactly what the conditions are.

7531. *Mr. Bell*: What do you mean when you speak of a Trade Union official?—I mean a full-time official.

7532. So that there is a possibility that when the other witness gave evidence and dealt with this matter he was considering a member of the Committee on a Trade Board as a Trade Union official?—It is quite possible.

7533. And in that regard it would be quite true to say that practically all of them are Trade Union officials, if you are going to regard members of Committees as officials?—Yes; but that cannot be said about the Grocery Trade Board.

7534. *Chairman*: I do not think anybody said there were more than 10. But there are 10 full-time Trade Union officials in the proper sense?—That is quite correct.

7535. But you say there are only three who have not been engaged in this trade?—Only three to my knowledge. I am not quite sure that the three have not been engaged in some section of it; in fact I

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learnt only the other day in the course of conversation with the representative of the Vehicle Workers that he had been three years in the grocery trade, but, to use his own words, he was so "fed up" with it that he went outside.

7536. At any rate, there are not more than three?—There are not more than three. Of course we contend that with the varied experience they have had as Trade Union officials they probably know more about the trade than an individual grocer who has probably not been outside his grocer's shop.

7537. On the apprenticeship question, I understand you agree with Mr. Turner?—Yes. On the question of apprenticeship there was one point we emphasised. We wanted to know from the employers in the grocery trade what they intended in the way of giving proper training to the apprentices, because many of the grocers cannot give proper training to apprentices; they have not got the facilities. As against that they put up the Incorporated Institute of Certificated Grocers. We contended that the grocers ought not to take advantage of a school in order to escape their own obligation to train the lad. Any assistant, or any learner, could take advantage of the school himself. Why should they therefore take advantage of this school to have a young lad and to tell that young lad, who is an apprentice, to go to this school and so get him at a less rate than that fixed by the Trade Board? Another thing was that they were not prepared to fix any limit to the number of apprentices to the number of journeymen. They were to be unlimited. Therefore, there was nothing to prevent them starting a shop with quite a number of young lads and perhaps only one or two journeymen. It would be impossible for one or two journeymen to instruct those lads properly.

7538. Suppose the proportion of apprentices to journeymen were properly dealt with, and there was good security that the apprentices would be taught the trade, do you still think apprenticeship is a good thing?—Yes; as a matter of fact, I have had more to do on the Grocery Trade Board with the question of introducing technical education than any man on the Board. It is over 20 years ago when a partner in the firm of Honeyman & Wilson, of Edinburgh, died and left a considerable sum of money on behalf of decayed grocers, as he said, or for the better education of grocers' assistants. The Union took the matter up at the time; we thought there were plenty of charitable organisations to look after decayed grocers, and we wanted better instruction for the coming generation. The result was that technical classes were started at the Heriot-Watt College. Those were the first technical classes of this description started in this country. From the very outset we have never been opposed to apprenticeship; we have encouraged it. It has been the employers who have given it up, and it is only recently that they have sought to revive it.

7539. It is not so important, I gather, in your trade as it is in a manufacturing trade where there are special processes to be learnt?—I should say that is so; but there is this that can be said for it: It was recognised that the average grocer, unless he had had a proper training was practically at the mercy of the wholesaler or of the manufacturer. At those classes they were given instructions with regard to the adulteration of foodstuffs. Demonstrations were given showing how foodstuffs were adulterated, and all that sort of thing. I do not know, however, that there are many grocers in the country who can instruct their apprentices in that direction.

7540. The art of blending seems to be one of the things to be taught?—Yes.

7541. Dame Adelaide Anderson: There is no objection to apprenticeship training being given at the Heriot-Watt College or elsewhere is there?—No; we do not object to that. We do object, however, to employers seeking to take advantage of the fact that because an individual is characterised as an apprentice he should get lower rates. A lad could go to the classes on his own account.

7542. It does not matter whether the grocer gives the instruction personally or through someone else

whom he supplies. The main point is that the training should be given and given for a grocer?—Quite.

7543. And although it might not be so important for a grocery worker as for a manufacturing worker, general knowledge about the industry might be infinitely valuable?—Certainly it might be very useful.

7544. Anything to train the intelligence to understand the articles handled would be of value?—Quite. Then there was the point about seeking to exclude men of 50. They only want them after the age of 50 if they can get them cheap, and yet they do not want to give the men full rates until they are 25 years of age. That is a shorter period for workers to have full rates than in any other occupation I can think of. It is only between 25 and 50 when they are to be entitled to full rates.

7545. Mr. Poulton: Would you agree that, if there are any special cases, the Board should have full power to deal with them?—Yes, quite. We asked them to state whether it was mental or physical disability, because when we looked at the other side the majority of the employers were over 50 years of age. Then there is the question of the working hours. I notice it was stated that the Co-operative Societies could hardly be taken as a criterion. I think they could be taken as a very good criterion, for the simple reason that the Co-operative Societies are owned and controlled by their own members. I do not think that the average member of a Co-operative Society would go to a meeting and vote for something that was going to inconvenience them, and they decided at their meetings what the hours should be. In the North of England it is common to have a 44-hour week, and in very few cases that I know of is it more than a 48-hour week. They cater for a working-class custom. If that can be done by Co-operative Societies there is no reason why it cannot be done by others. If you take the West End firms catering for the other section you find there that they work less than the 48-hour week. Therefore, I see no reason why a 48-hour week could not be observed. The question of 48 hours being too short never arose until we reached the objection in the month of November this year. For 16 months it was never raised on the Board. For 16 months not a word was said against the 48-hour week by the employers.

7546. Chairman: We had some evidence on the point. Is there anything in the point that at certain places there is more trade at one season of the year or one night of the week, and that the old custom was for the worker to do the extra work in return for having rather a slack time on other days or at other times in the year—a sort of give and take?—There is always provision made for a late night under the Shops Act. Friday and Saturday have always been considered late nights. That could be operated on the 48-hour week quite easily, and provision could be made for it accordingly.

7547. What about the seasonal trade?—In holiday resorts there might be a seasonal trade. We think that, while the assistant is at such a place, he ought to be paid for anything he works beyond the 48-hour week. I had occasion to go down to Colwyn Bay three years ago. There was a dispute there over the question of hours, and we arranged it. Colwyn Bay is a well-known holiday resort, and they have a 50-hour week in the height of the holiday season. They have the half-holiday there. I used to reside at Portobello, where I have seen 20,000 people come in from Glasgow. As Lord Weir probably knows, it used to be a favourite resort, and yet we never departed from our half-holiday. The people knew exactly the hours, and they accommodated themselves to them; there was no difficulty at all.

7548. Lord Weir: What were the hours?—The common Glasgow time was till 7 o'clock with the weekly half-holiday.

7549. 52 or 54 hours?—At that time I should say we worked, roughly, about 60 hours. To-day it would be entirely different, because the hours were reduced during the war time. During the war the shopping habits of the people entirely changed, and they very quickly accommodated themselves to the changed conditions. That started with the queue system.

7550. Is this 48 hours under the Board going to make any big difference? At what would you take

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the average of all the workers in the grocery trade?—In a big number of towns they close as early as 6 o'clock, but they are seeking to depart from that.

7551. I am trying to get at the fact of what would be the change that would be brought about by the action of the Board laying down 48 hours. Will it make any great change?—I do not think it will make a change for the majority of the shop assistants, because the majority of the shop assistants, employed as they are by the multiple firms and by the Co-operative Societies, will be enjoying the 48-hour week now.

7552. *Chairman*: What proportion of the assistants would that be?—I should say that the Co-operative Societies and the multiple firms would employ the great bulk of the assistants, and the big establishments do not work more than the 48 hours.

7553. *Lord Weir*: So that there is very little wrong to-day?—Very little with the assistants. The long hours are reached in the case of the single shopkeeper or the man with, perhaps, one or two assistants.

7554. *Mr. Bell*: Then where has the agitation originated in favour of the abolition of the 48-hour week?—Strangely enough we only knew of it in the past few weeks by what we saw in the trade press. Associations began to meet and to say that they thought the 48-hour week was too short, and that it

ought to be extended to 52 hours. Of course, we had a shrewd suspicion that what they were objecting to was the payment of overtime.

7555. *Mr. Poulton*: Do you concur in the suggestions of Mr. Turner for the continuance of the Board and in the improvements he suggests?—Certainly. I think that the Board is absolutely necessary because of the opposition of quite a number of employers to collective bargaining through Trade Unions. You have the present chaotic condition where some work for very low wages and then when they are organised they work for fairly good wages in comparison. But the condition of the organised is always endangered by the condition of the unorganised, so that I think it is absolutely essential that Trade Boards should operate in order to put in a rock bottom price. I should like to supplement my remarks on the question of Trade Union officials. On the Grocery Trade Board there are a number of small Unions represented, and it has been very difficult for us to get representatives of the workers. That is one of the reasons why Trade Union officials had to come in. We had extreme difficulty in getting the workers to represent us, and the sparse attendance very often on the part of the workers' side is accounted for by their inability to get away.

Chairman: Thank you, Mr. Leslie.

The Witness withdrew.

MR. WILLIAM FRASER called, and examined.

The Witness handed in the following statement as his evidence-in-chief:—

STATEMENT OF EVIDENCE to be submitted by WILLIAM FRASER, Scottish Organiser, National Amalgamated Union of Shop Assistants, Warehousemen and Clerks; Chairman of Workers' Side, Grocery and Provisions Trade Board (Scotland); Secretary of Workers' Side, Milk Distributive Trade Board (Scotland), and Chairman of Workers' Side Dressmaking and Women's Light Clothing Trade Board (Scotland).

Grocery Trade.

1. Until the passing of the Shops Act, 1912, working hours in this trade were excessively long, and even at present it should be noted that this Act does not restrict the hours of labour (except in the case of juniors to 74 hours per-week). Wages were small, and just prior to the war varied from 22s. to 26s. per week for experienced men. In a comparatively few instances specially qualified men might reach 28s. or 30s. per week. The trade had earned for itself a reputation of contempt—"Born a man and died a grocer." Conditions were such as made neither for individual nor national well-being. The trade in the past gave little opportunity for physical recreation or for mental advancement. Maladies of the trade were flat-foot and varicose veins.

National Economy and Trade Boards.

2. The Trade Board principle by insuring the workers against bad conditions and low wages contributes to national efficiency. It will improve the physical, mental and moral conditions of an important section of the people. From the standpoint of health, it will tend to relieve the drain on public funds.

Grocery Trade Organisation.

3. It cannot be claimed for employers or workers that either side is thoroughly organised. Organisation is difficult among assistants owing to their being isolated in small shops from their fellows in the same occupation. This applies particularly to the private and multiple trade rather than to Co-operative Societies, where employees come into closer contact with each other and are thus given an opportunity to discuss common interests.

Effect of Trade Boards.

4. One very important effect of the Scottish Grocery Trade Board that has already been evidenced has been the growth of a spirit of good-will and understanding

between the organised employers and organised workers. Any atmosphere of suspicion that may have hitherto existed has been largely dispelled as a result of actual contact. A certain sympathy between opposing forces has come into being just as sympathy arises between opponents "in the field." This "sporting" spirit and psychological quality, to my mind, shapes for good.

Another effect of great importance is that the Trade Board will disarm the unscrupulous employer of one of his strongest competitive weapons against the humane employer. A general complaint made by Co-operative Societies and private firms with whom we have had wages agreements has been regarding the unfairness of competition of many small businesses who were exempt from wages agreements. The Trade Board by fixing rates applicable to all businesses meets this objection.

Scope.

5. I am strongly of opinion that the scope of the Grocery Trade Board should be extended for definitely fixing and limiting the hours which all shops engaged in the trade shall be open for the transaction of business providing that such hours shall also be the limit of the hours of labour of workers. At present there are many employers who earnestly desire a limited number of working hours, but refrain from putting this desire into effect through competitors insisting in remaining open.

Appointed Persons.

6. I am of opinion that Appointed Persons other than Chairman, should be appointed by the Minister of Labour after consultation with the Trade Board concerned from a panel arranged by representative bodies of employers and workers.

District Committees.

7. I do not favour the setting up of District Committees. Neither of the Scottish Boards already in being has adopted this principle.

Objections.

8. In the case of Boards newly instituted I am of opinion that the present arrangement of two months' notice being given should continue; but in the event of a second proposal being made, or a variation of an existing rate, I consider that one month should be the period of notice.

Personnel of Boards.

9. I consider that Co-operative Societies should be represented on employers' sides, and Co-operative employees on workers' sides, as both are materially

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affected by Trade Board decisions. I also feel that no limitation should be placed upon what has been termed Professional Representatives. The workers in most trades covered or likely to be covered by Trade Boards are unused to the conference chamber although they show little diffidence in instructing their representatives in side meetings.

Co-ordination.

10. I feel that certain Boards should be co-ordinated with advantage and economy, as, for instance, Retail Dressmaking and Retail Millinery; Drapery Wholesale and Retail Gent's Outfitting and Boots and Shoes; Meat Trade and Fishmongery.

Effect of Dressmaking and Women's Light Clothing Trade Board.

11. The establishment of rates by this Trade Board has tended to reduce home work, to which, in the past, many workers have been by necessity compelled to resort. The effect of this pernicious system is at once serious for the individual and a question of importance from a national standpoint.

Wages in 1917.

12. In 1917, a strike of dressmakers took place in Edinburgh which lasted five weeks. Prior to this, learners in the first year of experience in many cases received no wages, and in cases where wages were paid these did not exceed 2s. 6d. per week. Qualified workers up to 20 years' experience and over received 15s. and 16s. per week, in a few cases throughout the trade specially favoured workers received up to 18s. and 19s. One case only came to our notice where the worker received 21s. per week.

In Aberdeen at the same period there was no single case of a learner being paid wages during first year of experience. Experienced workers received from 12s. to 15s. per week.

At the busy period of the year, April to August, overtime was worked to the limit allowed under the Factory Act without extra payment being made.

Industrial Training.

13. The Trade Board is a National advantage in that it makes for industrial efficiency by placing upon employers the obligation of instituting some measure of training. Prior to the setting up of the Trade Board, no general effort was made in this direction, with the result that members never developed into efficient workers. We now find, however, that more care is bestowed on a beginner's aptitude, and more definite guidance and instruction given.

Political influence on Trade Boards.

14. In connection with decisions arrived at by the Milk Distributive Trade Board (Scotland) after objections had been considered by the Board, and its decisions forwarded by the Ministry of Labour for endorsement, the Workers' Side learned that certain Members of Parliament had made representations to the Minister of Labour against confirmation of the Board's decisions. This practice is, in my opinion, most objectionable, and if permitted must have the effect of rendering the work of Boards abortive.

General.

15. I would urge upon the Committee of Inquiry that Trade Boards should be set up for all sections, or groups of sections of the Distributive Trade. The degree of organisation in the trade as a whole is such as renders this necessary for the protection of large numbers of under-paid workers. My attention has been drawn recently to the following instances of low wages in various parts of Scotland:—

A. *Glasgow*.—A woman of 40 years of age, assistant in a well-known fancy goods bazaar, receives at present 23s. per week. This woman during the war rendered National service as a nurse.

B. *Wick*.—A lad of 19 years of age, with four years' experience of the Grocery trade, received 15s. per week on November last. Acting on our advice, he has now succeeded in obtaining advancement to 24s. per week.

C. It has been reported to me that a certain multiple provision firm, world wide in its ramifications, has within the past few months, in certain Scottish towns, started experienced and qualified grocery and provision assistants at 40s. and 45s. per week.

Trade Boards, in my opinion, are important assets in national life, particularly in the safeguarding of the position of young people and in insuring that every opportunity is given for the growth of physical, mental and moral qualities. The plea that is sometimes made by certain employers that wages should be based on ability, and that the employer is the best judge of the workers' degree of ability, is unfair, unless a foundation is made imperative.

The Trade Board principle makes for industrial peace.

7556. *Chairman*: Mr. William Fraser, you are the Scottish Organiser of the National Amalgamated Union of Shop Assistants, Warehousemen and Clerks, are you not?—I am.

7557. Also Chairman of the Workers' side of the Grocery and Provisions Trade Board (Scotland)?—Yes.

7558. Also Secretary of the Workers' side of the Milk Distributive Trade Board (Scotland), and Chairman of the Workers' side of the Dressmaking and Women's Light Clothing Trade Board (Scotland)?—That is so.

7559. You say that until the passing of the Shops Act of 1912 the hours in this trade—which trade is that?—The grocery trade.

7560. —were excessively long, and even at present it should be noted that this Act does not restrict the hours of labour (except in the case of juniors to 74 hours per week). What are the average hours worked in the grocery trade now?—About 50 to 52. In the Co-operative Societies and the multiple firms the hours are 48. The multiple firms and the Co-operative Societies all over Scotland recognise the 48-hour week; but in some cases it runs to 50 hours.

7561. You go on to say in your statement that the wages were small, and before the war varied from 22s. to 26s. per week?—Yes. The wages now are up to 80s. under agreements which we have with the Co-operative Societies, and in the private trade they are up to 72s. 6d. at the present time under agreement.

7562. Are those wages regulated according to age?—Those are according to age. From 16, for instance, the agreement we have covering Glasgow, Lanarkshire and the Clyde Valley is from 24s. at 16 years of age for males, up to 72s. 6d. I may say that that agreement has expired, but the Grocers' Federation, with whom we have been in touch, have assured us that no official cut will take place. The only effect is that the juniors may not be advanced in accordance with age until such time as we get another agreement fixed up; that is to say, a lad at 16 years of age gets 24s.; when he attains 17 he may not be advanced to 28s. However, we have an assurance from the Employers' Federation that they will not cut existing wages, and therefore the 72s. 6d. will remain.

7563. That will be above the Trade Board rate?—Yes.

7564. *Lord Weir*: Do those rates operate over the area pretty thoroughly? Is there much evasion of those rates?—No. There may be some evasion here and there by the type of employer who cannot organise.

7565. It is very small, is it not, in the industrial area?—Yes.

7566. In the country areas it will be more difficult?—Extremely difficult.

7567. *Dame Adelaide Anderson*: How is that enforced? How is it that you get this observance?—Simply by negotiation with the Employers' Association.

7568. By negotiation between the Union and the Associations?—Yes. It is rather peculiar, but in getting this agreement we never came face to face with the employers. They refused to meet us. It was all done by correspondence, and I think our

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coming together on the Trade Board has had the effect of lessening the fear that seemed to exist on the other side. I do not know what they imagined we were. I think they imagined we were rather wild men. One thing I recognise on the Trade Board is that the finest feeling has sprung into existence, and that sympathy is, to my mind, extremely valuable.

7569. Do you mean that, as the result of the Trade Board being established, alongside of that Trade Board there has come organisation which has put into force agreements apart altogether from the Trade Board?—No; I am referring to this agreement up to 72s. 6d. for men which came into operation in October of 1920. That agreement was obtained without our having come into personal touch with the employers' side. We had never met them, and they did not know us. But we met the same people on the Trade Board as controlled the Employers' Federation, and it is since then the good feeling has arisen, which is a valuable thing to my mind, and is due to the operation of the Trade Board.

7570. Mr. Bell: And that has brought about a better understanding between you?—Yes.

7571. Chairman: You got a very satisfactory agreement without meeting them?—Yes.

7572. Then in paragraph 4 of your statement you also say that the Trade Board will disarm the unscrupulous employer?—Yes.

7573. Then the next paragraph is as to scope?—With regard to the seven organisations with whom we have had agreements, nothing was done to bring in their competitors. We had one firm in Glasgow with whom we got on extremely well and for whom we have the highest respect. We can approach them at any time on any point of adjustment. They say: "At any time there is any trouble come and see us." This firm has often twitted us with having done nothing in regard to the firms with whom they are in competition. We feel that in the Trade Board we have a machine which will bring up these other firms. On the question of scope, I think it would be good if the Board could definitely fix and limit the hours of labour in shops, provided that such hours were also the limit for the hours of labour generally. We find that the Grocers' Federation of Scotland want to retain the short hours and they want us to work for them in that matter. They are anxious to retain short hours only many of them cannot carry that into effect owing to competition. The village grocer within the past year or two has got on to the bowling green in the summer evenings. He never did that before; he was as badly off as his assistants. He now wants to retain the good hours.

7574. Chairman: Is it not better to have it done by the local authority for all shops, so far as the opening hours go?—Yes.

7575. Of course, the overtime you can fix on the Boards; that is another matter?—There are certain difficulties with regard to the local authorities; for instance, it is difficult to get them to act. Even where we have closing orders it is extremely difficult to get the inspectors to function in the works sometimes.

7576. Lord Weir: Then you agree in relation to scope with Mr. Turner as to the grouping of the Boards, namely, that an improvement would result from grouping?—Yes; I think that the sections of the distributive trades could be grouped together. Personally, I am rather doubtful about one Trade Board for the whole of distribution. It seems to me it would be so large and unwieldy that it might defeat itself. That is my own personal view. But I am strongly in favour of the grouping of certain trades.

7577. Mr. Turner suggested, for example, food, clothing and miscellaneous?—Yes; I thought that scheme of Mr. Turner's was a very excellent one indeed.

7578. Chairman: Then as to the appointed persons, you suggest that the Board should be consulted before they are appointed?—Yes.

7579. Mr. Poulton: With regard to the panel to which you refer, do you mean that either side should have a panel submitted to them; that they should

select the name, and send that name on to the Minister, who would appoint?—Yes, and at the same time that the Minister might submit names back to the Board.

7580. You have not quite grasped what I want to know. You speak about a panel. Do you mean that a panel of names should be submitted to the representatives of either side, and from that panel they should select a name and send it along to the Minister, who should then appoint the one they themselves select?—Yes.

7581. Chairman: The District Committees you are not in favour of. We have heard a good deal about them. Then as to the time for objections, you think that in the case of a newly-instituted Board the present arrangement of two months' notice should be continued; but in the event of a variation of an existing rate, one month should be sufficient?—Yes. I do not think there should be so much delay as there has been in the past regarding variations.

7582. And you think the Co-operative Societies should be represented on the Employers' side and on the Workers' side?—Yes. I feel very strongly on that. On the Workers' side, for instance, we have great difficulty in getting representatives to attend the meetings, particularly those from the private trade. Something turns up—it might be a small shop, and there might be a slight difference between the employer and the man, or it might be made uncomfortable in some way, or they might be extremely busy. We find that in the Co-operative Societies they can get to the Board meetings without difficulty. Then there is the great effect that any rates and conditions fixed by the Board have upon a Co-operative Society. It seems to me that the Co-operative Society, leading as they do in wages and conditions, should have the opportunity to bring up the questions of conditions on the Trade Board.

7583. Mr. Bell: As at present constituted, you only get employers and employees represented, and then certain Appointed Members. Would not this suggestion bring about the anomaly that you would have employers and representatives of Co-operative Societies on one side and representatives of Trade Unions and of Co-operative Societies on the other side?—No; I do not mean that the Co-operative Societies should be represented on the employers' side and the Co-operative workers represented on the workers' side. My reason for putting this forward is that there has been some evidence given before this Committee against Co-operative Society workers being represented at all. I have been in discussion in a friendly way with many employers in the Scottish Federation on this matter, and they have tried to get me to agree to the principle that the Co-operative Societies and Co-operative workers should not be on the Board at all. To that I cannot agree.

7584. I was afraid you were seeking some duplication?—No.

7585. Workers for a Co-operative Society are members of the Trade Union, or, of course, if they are not organised they are non-members like other workers, and I thought you were seeking to secure some other representation than that of employers and workers as such?—No. It is interesting to note that, on the Scottish Grocery Board there are as many non-Union representatives on the workers' side as there are representatives in our Union; that is, seven.

7586. Chairman: I think you have only four full time Trade Union officials on the Scottish Board?—On the Grocery Board there are four, two from the Shop Assistants' Union, one from the National Distributive Workers, and one from the Horse and Motormen.

7587. Have any of those had experience of the trade?—Two. The other representative from our Union and myself have had considerable experience. I have had over 20 years, and the other representative has had about 30 years' experience of the grocery trade in all positions, from messenger boy to branch manager.

7588. So that really you have only two out of 27 who have not had experience of the trade?—Two out of 25.

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[Continued.]

7589. Have you not got 27 on each side?—There may have been 27, but I do not think that all the appointments were made.

7590. There were some vacancies?—Yes.

7591. *Dame Adelaide Anderson*: How do you account for the larger numbers of non-Union members than obtains proportionately in Boards in this country?—The Minister and the Department seemed to be rather insistent upon representatives for non-Unionists. I do not know how it happened, but I feel that we were not very fairly treated, particularly with regard to Aberdeen where we have a strong membership in the grocery trade. The trade there is represented by two non-Unionists, and we have not a single representative.

7592. Might it not be due to more diffused and longer standing education all round in Scotland, giving individuals a better chance?—No, I do not think so. I think it was due to the investigators who came round. Of course, we are not complaining of that.

7593. No. I quite understand that.—We get on quite sweetly with the non-Unionists. They recognise that we do the work for them.

7594. *Mr. Bell*: Do you find any difference between the members of the Union and the non-members advocating the claims of the workers on the Trade Board?—We had one non-Unionist representative who contended very hard that employers should not pay overtime. Fortunately, he was inarticulate on the Board. It was only one.

7595. I did not catch what you said about overtime.—There was a non-unionist representative who was strongly in favour of overtime not being paid for, but, fortunately, he could not say anything on the Board; he could not speak for himself; he could not voice his views at all on the question; but we get on very well with the non-unionists.

(*Lord Weir took the Chair.*)

7596. So that you find the non-unionist representatives on the Board equally as desirous of improving wages through the Trade Board as the representatives of the Union?—Yes, and they are very much annoyed because they think we are not doing enough to get the rates confirmed.

7597. *Mr. MacCallum Scott*: I do not quite understand the suggestion about the Co-operative Societies. At present there is nothing to prevent representatives from being appointed, is there?—No.

7598. In any trade in which they are in a large number, I should have thought that the Department would, in selecting delegates, probably have seen that they were represented, but it is desirable that many other classes should be represented, say, departmental stores and multiple shops, or small rural shops. Would you take co-operative workers and put them into a class by themselves, and say that they would not be represented?—No, I do not mean that. My only purpose in putting forward this section is to counter the attempt which has been made by some of our friends on the employers' side who wish to see the Co-operative Societies eliminated altogether.

7599. You are not making some special proposal?—No, certainly not.

7600. *Lord Weir*: Just to get it quite clear, is it not the case on the Scottish Board that you have three representatives who represent the Co-operative Societies on the employers' side?—Yes.

7601. And five members of the Amalgamated Union of Co-operative Workers?—Yes.

7602. So that they are both represented?—Yes, they are both represented.

7603. *Mr. MacCallum Scott*: I got a wrong impression at first. I thought you were proposing some new regulation.—We are afraid that efforts of our friends the employers may be successful in getting the co-operators eliminated altogether. As has been stated by Mr. MacCallum Scott, we want to see all sections of the trade represented.

7604. You wish to tell us in particular about the working of the Dressmaking and Women's Light Clothing Board?—Yes. I should like just to touch, if you will allow me, on the question of professional

representatives. I see that the employers have been giving evidence against us. We have touched upon that, I think, though?

7605. Yes, we have dealt with that.—We have. I beg your pardon.

7606. We have also dealt with the grouping of the Boards.—With regard to the Dressmaking Boards, it used to be the case that there was great complaint by the employers against the amount of homework done—that is to say, girls doing work on their own (that is a term of the trade) at home, and so competing in a small way with their employers. I want to point out that the Trade Board has had the effect of minimising that to a great degree.

7607. You might develop that, because we have had certain evidence showing the other side.—But a greater factor than that is the fact that we have agreements at the present time for dressmakers and milliners in all the big towns in Scotland at higher than the Trade Board rates. The Trade Board rate only goes up for qualified workers to 9d. per hour, and we have agreements up to 1s. 0d., and others again up to 11d. in certain towns. In Edinburgh at the present time the private trade are paying up to 11d. per hour, 1½d. per hour more than the Trade Board rate. The St. Cuthberts Coutbridge Association, which is the biggest in Scotland, is by agreement with us paying more than that, namely, 1s. 0½d. per hour, or 47s. 8d. per week; and further, the hours for the dressmaking trade, by agreement, are less than those laid down by the Trade Board, namely, only 44 hours per week, while the Trade Board hours are 46. This answers the employers' argument that Trade Boards would tend to create unemployment.

7608. *Lord Weir*: I wanted to develop that a little further. With regard to homework, is it not the fact that in the past, homework has very largely—or I will not say very largely, but to some extent—been done by girls who were working in a shop, say, for 48 or 54 hours, or whatever the number may be, and, in addition, were doing private work at home, and, of course, getting paid for it and adding to their income by that means? Is not that the fact?—That is exactly what I was trying to get at.

7609. Is it your opinion that that was largely brought about because the income earned by those girls from their ordinary work was not sufficient?—Yes.

7610. So that the increased rates brought about either by proper organization or through Trade Boards has a tendency to reduce the homework which these girls hitherto did?—Yes. I may say that the more responsible of our members among the dressmakers themselves recognise that fact, and are strenuously against homework, but the girls were driven to it by economic necessity. We have had several disputes in Edinburgh and Aberdeen—the first one was in Edinburgh and various parts of the country—with dressmakers, and prior to 1917, my first year of experience, in many cases they received no wages at all in Edinburgh; in other cases they received wages, but the highest was 2s. 6d. In Aberdeen, prior to 1917, we found no single case of any first-year learner receiving wages at all. The highest rate for qualified workers in Edinburgh of 20 years experience and over was from 15s. to 16s. per week. In a few cases specially favoured workers received up to 18s. and 19s. per week, but in only one case we found in Edinburgh where a worker received 21s. per week. This wage compelled these girls to attempt to earn something by doing work at home, but the girls do not want to do it.

7611. *Dame Adelaide Anderson*: That is not the employers sending work home for them to do at home, but their getting the work on their private account from private people?—Yes, from friends and acquaintances.

7612. Something which will bring them in a little ready money?—Yes.

7613. *Lord Weir*: What have you to tell us with regard to the influence of the learners' rate causing the learners to be discharged in the country towns and small businesses? I think you know the point?—I do not think we can have any evidence in support of that. Personally I have found none at all. This trade has

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[Continued.]

always been seasonal. The busy season is from April, I think, until August, and unemployment is periodical. Before the Trade Board on April 10, 1919, we had an agreement with the employers for learners at 2d. per hour, that is $\frac{1}{4}$ d. more than the present rates for learners.

7614. So that you do not consider that the present rates have had any influence on causing those discharges?—No, certainly not. The dressmaking trade has shared in the industrial slump which has taken place, but it is always a trade subject to slack periods, and always has been. Indeed, our Union considered the matter very carefully before we took over dressmaking at all owing to that fact. I am reminded that for several years we did not put them on the provident tables at all owing to the periods of unemployment.

7615. *Mr. Poulton*: But you are satisfied that, having regard to the general state of the trade of the country the fixing up of these rates has not had the adverse effect which has been stated here about the learners?—No, certainly not.

7616. And it is due to the crisis through which the country itself is passing?—Yes. With regard to overtime, I will just remark that prior to our agreements, which were prior to the Trade Board, overtime was worked in the busy season from April to August without any overtime being paid at all. I would like to touch, too, upon that question of training. We find that, since it has been obligatory on the employers to pay the rates set down, there is more attention being paid to beginners. Sometimes in the past it was a blind-alley occupation: A girl might be kept running about simply carrying messages and running errands, but now that they have to pay certain progressive rates more attention is being given to better instruction.

7617. You think, therefore, that even from that point of view it is an advantage?—From that point of view I think it is a distinct advantage.

7618. What would you do over this next matter which you mention, namely, political influence on Trade Boards. You do not make any suggestion; you simply register your objection. Do you think that something ought to be done to place the position in a different atmosphere?—I am not quite certain whether it comes under the jurisdiction of this Committee or not. Indeed, I may say that my evidence was prepared very hurriedly, but still I thought I would put it down. This case came before us here in connection with the Milk Trade Board. In July last the Scottish Milk Trade Board unanimously passed certain rates. When I say "unanimously" I mean that the employers' side were passive. Long before that we had fixed some higher rates, and then we had a hundred objections. We gave way, and the employers allowed them to go through passively; they did not vote against them, but to all intents and purposes it was a unanimous vote. We also unanimously agreed that the Minister be asked to put the rates into operation from August 1, a month later. We heard nothing of the matter until October 5 or 6, and then the Minister told us as a Board that representations had been made to him that these rates, if passed, would tend to increase the price of milk to the consumer and lessen the number of people employed in the industry. We considered this again, and we decided that the Minister should send a representative

to discuss this question. We thought we had been rather badly treated, and I may say that the Appointed Members were with us upon that point. The fact came out that about half a dozen members of His Majesty's Government had made representations to the Minister not to pass these rates. Personally I feel that that is very wrong, and that any objections put in should come before the Board to be handled as objections; and if this Committee can do anything in that matter it would be very good indeed.

7619. I take it from paragraph 15 of your statement that you feel that your experience gives you sufficient knowledge that the Trade Boards on the whole are advantageous and should be continued?—Yes, they should be continued.

7620. What improvements would you suggest in them from your standpoint?—I think they ought to be given more power to get the decisions carried into effect, and that the delay should be done away with, if possible.

7621. *Mrs. Lyttelton*: What do you mean exactly by power for putting things into effect? In what way would you suggest that they should have more power?—For instance, in the case of the Milk Board, where those rates were agreed to, I think those rates should have been carried right into effect.

7622. Without submission to the Minister?—No, but I think that the Minister should have passed these rates into effect and then if the rates were too high or objectionable the Board should consider the question.

7623. *Lord Weir*: You suggest a general speeding up?—Yes.

7624. *Mrs. Lyttelton*: That is what it comes to rather than power; it is speeding up?—Yes, speeding up.

7625. *Mr. Bell*: Do you know of any advantage in either the Minister of Labour or anyone else having the right to veto an agreed rate? By "an agreed rate" I do not mean a case where the employers may have been passive, but where there has been an absolutely unanimous agreement on the Trade Board. Do you see any advantage in either the Minister of Labour or anyone else having the right to veto the rate when it has been unanimously agreed?—No, I think it is a great disadvantage. After all, the Board is a Committee of experts, or should be.

7626. *Lord Weir*: Do you think that the consumer is well-enough represented by the Appointed Members?—Yes.

7627. *Mr. Bell*: And that at any rates on the Trade Board the consumer has some representation, whereas in a Joint Board in a well-organised trade the consumer is unrepresented?—Yes.

7628. *Dame Adelaide Anderson*: Do you think the Appointed Members necessary to represent the consumer, or to guard the interests of the consumer, or do you think that the trade itself, the employers, and the workers, could settle unanimously without review by the Minister?—I think that the trade itself could settle. Of course, I think the matter should be referred to the Minister. I was very glad to hear Mr. Turner express himself this morning in favour of the Appointed Members. I am of the same view. I think it is very important that we should have the element of impartiality observed on the Board.

Lord Weir: We are much obliged to you for your evidence.

(The Witness withdrew.)

(Adjourned to Thursday, the 22nd instant, at 11 a.m.)

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Mr. WRIGHT ROBINSON.

[Continued.]

SEVENTEENTH DAY.

Thursday, December 22nd, 1921.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE,
G.C.M.G. (*Chairman*).
DAME ADELAIDE M. ANDERSON, D.B.E.
THE HON. MRS. ALFRED LYTTELTON, D.B.E.
MR. W. T. LAYTON, C.H., C.B.E.

MR. E. L. POULTON, O.B.E., J.P.
MR. J. BELL, M.P.
SIR ARTHUR F. PEASE, BART.
MR. A. MACCALLUM SCOTT, M.P.
MR. H. D. HANCOCK (*Secretary*).

Mr. WRIGHT ROBINSON, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

STATEMENT OF EVIDENCE of Mr. WRIGHT ROBINSON,
National Union of Distributive and Allied
Workers.

*The Need for the Grocery and Provisions Trade
Board.*

The special section with which I am concerned is that of Grocery and Provision Warehousemen. What I have to say about the need for this Trade Board equally applies to other sections of the distributive trade which comes within my province.

At the outset, when a Trade Board was first mooted for the Grocery and Provision Trade, our members were somewhat lukewarm, feeling that, through their Trade Union organisation, they could look well after themselves. As they learned, however, of the tremendous variations in wages in the Grocery and Provision trade, a great change came over their attitude towards Trade Boards, and they are now strongly in favour of their extension.

In dealing with individual firms or small groups of firms in private trade the employers themselves were insistent that it was most unfair to single them out for increases and leave untouched other firms where we had usually few or no members. From the point of view of employers and employed, a minimum level was desirable, and since neither the Unions nor the employers are strong enough to regulate the wages of the whole trade, a Trade Board is the only practical body which can reach out to every corner and fix at least a subsistence level for the whole trade.

Hence, organised Trade Unionists in receipt of 70s. or 80s. a week felt that, in justice to their own employers, other firms more or less in competition with those employers, ought not to be allowed to pay wages in some cases not more than half of the amount paid by the best firms.

Wages.—Apart from the large warehouse of the C.W.S., at Balloon Street, with which I do not propose to deal, there are about 43 Grocery and Provision warehouses in Manchester each employing from two to a hundred workpeople. About 25 of these warehouses employ less than 10 workpeople; the largest warehouses are those of multiple firms, employing nearly one-half of the Grocery and Provision warehouse workers in Manchester.

The wages paid by one of the largest and most reputable multiple firms in December, 1917, when the workpeople became members of a Trade Union were as follows:—

Adult Males.

7 were paid 35s. per week.
1 was paid 38s. 6d. "
1 " 39s. "
3 were paid 40s. "
1 was paid 41s. "

Females.

1 was paid 14s. per week (aged 17 years).
3 were paid 15s. " (aged 17, 18 and 21 respectively).

3 " 16s. "

1 was paid 17s. "

4 were paid 18s. "

1 was paid 19s. "

3 were paid 20s. "

4 " 22s. "

3 " 23s. "

2 " 24s. "

1 was paid 26s. "

2 were paid 27s. "

1 was paid 30s. "

The hours worked were 50 per week. Overtime was paid at the rate of 6d. an hour for women, and 9d. for men, which was the best rate of which we have any record in 1917 in Grocery in Manchester.

This firm was not a particularly bad firm and prided itself on its generosity. It is a fair sample of the wages paid by the best type of multiple Grocery and Provision firm, and shows a mean rate of about 20s. for adult women, and about 37s. for men, when prices were at 105 above pre-war.

We had an arbitration case in October, 1918, in connection with another multiple firm employing 50 men, which paid wages ranging from 36s. to 45s. when prices were at 129 above pre-war.

At a later period, in 1919, when some stir had been made amongst the employers by the union's attempt at organisation, the best rate amongst wholesale grocery and provision dealers, as distinguished from multiple firms, was as follows. This particular firm had a warehouse also in Liverpool, and felt the effect of the higher Liverpool wages, combined with the influence of the union in Manchester.

Males.		Females.	
Age.	Wage.	Age.	Wage.
28	45s.	15	15s.
24½	45s.	16	14s.
25	40s.	17	15s.
40	50s.	17	18s.
42	45s.	18	22s.
55	50s.		

As a further illustration of both low wages and variability of wages, I give a further list from another multiple firm, in August, 1919.

Males.		Females.	
Age.	Wage.	Age.	Wage.
18	24s.	15	15s.
16	15s.	16	14s.
18	27s.	17	15s.
27½	35s.	17	18s.
25	35s.	18	22s.
21	37s.		
24	40s.		
43	46s.		
28	49s.		
54	49s.		
28	50s.		
?	57s.		

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[Continued.]

In Liverpool a strike had been averted by the employers conceding the dockers' rate.

There were thus four large centres in my province, viz., Manchester, Leeds, Newcastle, and Liverpool, in which disputes arose. I believe mine was a typical experience.

Employers' Attitude towards Formation of Board.

In order to make quite clear the attitude of the employers to the Trade Board then in prospect, I append a letter from the Manchester Wholesale Provision Association Ltd.

Manchester Wholesale Provision
Association, Ltd.,
156-160, Corn Exchange Buildings,
Hanging Ditch,
Manchester.
Oct. 20th, 1919.

"At a meeting of the Directors of the Manchester Wholesale Provision Association, Ltd., held on Friday, the 17th inst., it was resolved:—

"That this meeting of the Directors of the Manchester Wholesale Provision Association, Ltd., having received from the Secretary a report as to the last interview he had with Messrs. Kirby and Edmondson (Secretaries respectively of the National Amalgamated Warehouse and General Workers' Union and the National Amalgamated Union of Shop Assistants, Warehousemen and Clerks), have come to the conclusion that the Ministry of Labour be again communicated with, asking them to establish the Trade Board with as little delay as possible, and that the two Labour Organisations mentioned above, also be requested to do the same.

"Bearing in mind the fact that in the near future the Trade Board is bound to be established, the Directors think that the interests of all concerned will be better and more judiciously safeguarded if in the meantime no arrangement with regard to the payment of wages is come to by either Organisations, as they consider, from the information before them, that the Ministry of Labour is of opinion that legislation between employer and employee at the present moment is not, unless it cannot otherwise be avoided, a desirable method of procedure, as it may in the future tend to handicap them in their further negotiations between these two parties."

This was also the attitude of the North of England Wholesale Grocers' Association, and it was this latter body which induced us to withdraw notices, and they made a very strong plea that it was so unfair to single them out, when so many of their competitors were not under our care. I held at the time that it was a strong argument, and I hold that view more strongly to-day. I feel it more strongly when dealing with a fair employer than with the other sort.

It must be apparent that wages are chaotic in the Grocery and Provision trade. Neither side is sufficiently organised to regulate wages in the whole trade. Small scattered areas are too expensive to organise at present. The Trade Board could lay a foundation for wages in every corner of the land.

Trade Board not representative.

It has been objected that the organised minority ought not to function for the vast unorganised body of employers and employees. A minority of the Employers' Associations, of Trade Unions, of Political Parties, of M.P.s, of Cabinets, and of every other democratic body does in fact function for the majority. Representation of the unorganised is impossible. The members of the Workers' side who are supposed to represent the unorganised on the Grocery Board do not attend the meetings. They can have neither guidance nor mandate. Industrially they are anarchists.

Nor would the situation be eased by setting up fifty District Boards as suggested by Mr. Cahill. If it is

now difficult to man one Grocery Trade Board, the difficulty would be magnified by calling for a personnel for fifty miniature Trade Boards.

In whole districts where the workers are unorganised, a worker fronting his employer on one of these District Boards would not feel a free agent. The friendliness of an employee towards an employer whom he knows to be paying him an unjustifiably low wage is apt to have more of fear than of love in it. With whatever defects it may possess, the present Trade Board is, in my judgment, the most representative body that could be assembled for its purpose.

The more I have considered the case made on behalf of the Grocery and Provision Trade Employers, both on the Trade Board and tendered to your Committee, the less I am impressed by their objection to the machinery of the Trade Board, and the more I am impressed by their objection to any regulation at all outside the employers' discretion. In my view, the employers find wage conditions so chaotic in the trade, and the welter of conditions so baffling, having regard to the conflicting interests of wholesale provision and grocery warehouses, the multiple shop, and the small trader that they are trying to offer up the Trade Board as a scapegoat.

It is admitted by Mr. Cahill that the trade is not sufficiently well organised within itself to bring order into this chaos. His claim is that it should be left alone.

My view is that it cannot be left alone, either in the interest of the worker, the community or the employers. The Government during the war did not leave the fixing of prices to the trade, but had to resort to Food Control in the interest of the community. In the absence or stultification of the Trade Board, over a very large tract of the country, the employers would have in their hands the fixing of both wages and prices. From my reading of the Report of the Committee on Trusts, this would mean an enormously greater burden on the community than would be the case if the community is merely asked to pay proper wages to distributive trade workers.

Employers' Organisation.

Since the Grocery Trade Board was formed, organisation on the side of the Employers has greatly advanced. In Trade Union negotiation in Manchester, I had to deal with three separate Associations, and then with certain individual firms. A large amount of amalgamation or federation has since taken place, amongst the employers. I think the Trade Board has given the Employers a great fillip.

Employers' Dictatorship.

The Employers are consistent in their attitude of "no interference." Their attitude to the Trade Unions is consonant with their attitude to Trade Boards. Since Trade depression set in reductions in wages without consultation are common, while in certain other firms where Trade Union organisation is good either a less reduction or no reduction has taken place. The stultification of the Trade Board would certainly not make for peace but for war wherever it could be waged.

The Small Trader.

Multiple firms have not shown much compunction about the small trader or shopkeeper in the past. While, on the one hand, the employers ask that we shall not make it difficult for the small trader with our wage fixing, the large firms usually try to make it impossible for the small trader by price cutting. They ask us not to hurt the poor man until they are ready to slay him.

Difficulties of the Trade.

In my view there are no difficulties inherent in the trade itself which would warrant preferential treatment as against other trades. The maintenance of either employers or businesses which cannot pay

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[Continued.]

a living wage is not in the national interest. What difficulties do exist, apart from trade depression, are likely to become worse by being left alone.

Take the factor of ruinous competition. In the case of one village of 450 population there are six Grocery stores, and only one employing labour.

In a second case, with a population of 2,500 there are 20 grocers, excluding a Tea Company and a Co-op.

In a third case, within an eighth of a mile from a given shop there are 12 other shops, not one of which has any employee.

In a fourth case, of a village of 1,000, there are six shops.

These are not the kind of traders who employ much labour, and where they do they ought to pay a living wage. If they have the turnover to employ labour it ought to pay wages. And the hundreds of thousands of workers in the larger shops ought not to be prejudiced by those smaller shops.

Trade Board Regulation.

My experience thus leads me to conclude that of all trades the Grocery and Provision trade is the one most in need of Trade Board regulation.

Because—

Of the low rate of wages being paid in the trade.

Of the variation in the rates of wages for the same work in the same area.

Of the large areas where labour is exploited in the interest of unprofitable and unnecessary businesses.

Of the importance of preventing employers from fixing both wages and prices without public safeguard.

Grocery Trade Board.

In my judgment the Grocery Trade Board has failed to fix rates because the employers have been determined to resist any regulation, and have nudily impressed the Minister of Labour. I wholly dissent from the attack on the Appointed Members. I have thought at times that they ought to be more impressed by our side, and that they ought to vote with us when they voted otherwise, but I am sure they have fulfilled a most difficult task and earned at least the respect of the oft-disappointed workers.

With the recommendation of the Trade Boards Administration Committee I am in general agreement. What I feel most keenly is, that when rates are submitted to the Minister of Labour, and he refuses to sanction them, and they are again re-affirmed, he ought not to have the power to prevent them becoming operative.

7629. *Chairman*: I think you are a member of the Grocery Trade Board of England and Wales?—Yes.

7630. You come here as representing the National Union of Distributive and Allied Workers?—Yes.

7631. What is the membership of your Union?—130,000.

7632. Does it include men and women?—Yes.

7633. Down to what age?—We have associate members at 14 years of age, but the ordinary age is from 16.

7634. What proportion of the whole trade do you include?—In the Grocery and Provision trade?

7635. We will take that?—I should think we have probably about 30,000 to 40,000.

7636. Out of a total of what?—130,000.

7637. I mean out of the total number of workers in the Grocery and Provision Distributive trade? What proportion of the workers who might join your Union have joined it?—I should not think all the Unions combined have more than about one-third: I should think that is a fairly generous estimate of the number organised.

7638. What proportion of that one-third do you think your Union includes?—I should think we have probably two-fifths or three-fifths of the total number organised.

7639. You are specially concerned in your Union with the Grocery and Provision Warehousemen?—Yes.

7640. Your members, you tell us, were at first rather lukewarm about the formation of a Trade Board?—Yes, we had some very good agreements

apart from the Trade Board, and they were afraid that a Trade Board might possibly prejudice those rates.

7641. But at present they are strongly in favour?—They are very strongly in favour.

7642. *Mr. Poulton*: Was that due to the operation of the Trade Board or due to the safeguarding of the existing agreements which might be voluntary?—It was chiefly because they believed it would safeguard those agreements. From information which we have been able to supply they realise that very low rates are a menace to their own rates.

7643. Therefore it would help to raise the general standard?—They think so.

7644. *Mr. Bell*: With this organisation amongst these workpeople, what guarantee had you that these agreements which you had were being loyally adhered to?—We have only the ordinary guarantee of our own Trade Union vigilance, the reports from our branches, and so on; and so far as the co-operative movement was concerned they were very widely observed. During the war, too, there was a much greater tendency on the part of the employers to observe agreements and to desire general agreements than there had been previously.

7645. If two-thirds of the workpeople are unorganised, is it your experience that in those circumstances agreements are generally carried out by all the employers?—No, it is not. When I say they are generally observed, I mean agreements which had been entered into on the part of organised workers. The only guarantee we had, and the only guarantee we have now so far as observance is concerned, is our organisation.

7646. So that employers who were reasonable would carry out the agreement; but what happened with what we sometimes term a bad employer?—A bad employer would do as he very often does now: he would not carry it out, and where we were in a position to bring Trade Union pressure to bear for the observance of the agreement we should do so.

7647. Otherwise you would be helpless in the matter?—We should be quite helpless.

7648. So that Trade Boards do compel or exert a measure of compulsion on the unreasonable employer, and therefore a Trade Board rate once fixed is more likely to become general than a voluntary agreement entered into by the employers where the workpeople are not well organised?—That is so; and it means, of course, that perforce with a Trade Union which is only organising a part of any trade you can only act where you are well organised, and it means that very often you are forced to penalise those members who are organised. Part of our reason for desiring to have a Trade Board is to make the area of compulsion much wider, and to see that the employers shall not pay below a certain limit of wage. I think a Trade Board would be very valuable from that point of view.

7649. *Sir Arthur Pease*: I presume that where you get a trade organised, or a section of it organised, the general tendency is for the employers outside to follow the same rate?—That is so where there is keen competition for labour, but at the present time, with the very big margin of unemployed which exists, there is not the same reflected influence from organised workers. I mean to say unscrupulous employers, as a matter of fact, are in very many cases asking men who come and offer themselves for work what they are prepared to take, and I have included in my précis offers which have recently been made when men have come along. Employers have offered to start them at 35s. a week where the rate was 56s., and a bargain has actually been struck for 45s.

7650. *Mr. Poulton*: For a fully competent man?—Yes, in every respect physically able and experienced.

7651. *Chairman*: You have given us some figures relating to grocery houses in Manchester, of which you have, I suppose, special knowledge?—Yes.

7652. They are dated December, 1917?—Yes.

7653. And they relate to reputable multiple firms?—Yes. If I had wanted merely to quote low wages, I have with me, and could have given you very much

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lower figures than those, but I took what I thought would be a fairly typical multiple firm.

7654. Those were the wages paid before the agreement with your Union?—Yes.

7655. They seem to range for adult males from 35s. to 41s. and for females from 14s. for a girl of 17 up to 30s.?—Yes; and all the ages where the ages are not given were adult ages for women.

7656. The hours worked, I see, were 50 a week, and overtime was paid at the rate of 6d. an hour for women and 9d. an hour for men?—Yes.

7657. You quote other cases, and I have read what you say about those. Then at a later period, in 1919, you give the wages as from 45s. to 50s.?—Yes. That is not the same firm.

7658. In the third instance you give figures showing both low wages and the variability of wages in August, 1919?—Yes.

7659. Then in the fourth case which you give you say that in a large grocery warehouse, in 1920, the workers were prepared to accept 36s. a week. You add that conditions were much worse in the wholesale provision houses; were the cases which you had been quoting not wholesale houses?—They are specified there. The first case is that of a multiple firm, the second is the same; they are all multiple firms up to the case which is stated as being a wholesale provision house. Most of them are multiple firms.

7660. You say that conditions were much worse in the wholesale provision houses employing from two to 40 workpeople, usually employing less than 10?—Yes. Some of those are very small houses.

7661. You give a selection of three firms in Leicester in October, 1921, before the workpeople were organised.—I am reminded that the date given of October, 1921, with regard to these cases in Leicester should be October, 1920. Those are the figures supplied to me, but I am now corrected, and that should read October, 1920, instead of 1921.

7662. Those wages range for males from 28s., which is the lowest, to 45s.?—Yes.

7663. And for females they range from 24s. to 30s.?—Yes.

7664. You go on to say that with reference to the Trade Board objections sent in by employers, hundreds of cases are quoted by the employers themselves of the scandalously low rates they are paying, and you quote four of them. The first is the case of a man of 60 working as a porter and warehouseman, who is receiving 30s. a week. You know nothing about that man, I suppose?—No; I only know what was stated in the letter of objection pointing out that if they were not allowed to pay such rates as those they could not carry on business. I could, of course, have multiplied these instances very greatly, but I thought these were typical.

7665. Mr. Poulton: Was there any other type of objection to the enforcement of a Trade Board rate than the instances and cases which you have given here?—The objections could really be divided into two lots, the first lot being very nearly all of them on those lines, confining themselves chiefly to objection by employers on the ground that rates were too high, and in the second lot of objections there were quite a number of new objections introduced, chiefly to working hours. I am referring to the second lot of objections which came in from employers. They did not bother so much at that stage, though they did object to high wages, as they called them, but they did say that the trade could not be carried on unless they had a 50-hour week, though very many of them were working 48 hours.

7666. Chairman: By two lots, do you mean on two different occasions?—Yes, I mean two different occasions.

7667. Sir Arthur Pease: Turning back to page 2 of your précis, could you give us the figures of what the wages are now of those firms?—Until June of this year they were paying 65s. a week to males, and from 38s. to 43s. to females. We met the firm again, and they refused to renew any kind of agreement

whatever, but said, of course, that they should pay by merit. I do not know at the moment, and we have no accurate records of what they actually are paying at this particular firm.

7668. Mrs. Lytton: Did you say that in 1920 or 1921 they were paying 65s.?—In 1921. Until June, 1921, we had an agreement for 65s. with the Association, but now the Associations, while they meet us, meet us merely to say that each firm is going to deal with its employees on their individual merits. Where we are 80 to 100 per cent. organised, that means that no change in wages has taken place, but where we are not very well organised we do know that changes have taken place, but they are not such as we could put down with any confidence.

7669. Mr. Poulton: Do you mean that Associations as Associations which have been negotiating with you for collective agreement are now discontinuing that practice?—That is right. Since unemployment became acute they meet us, and they say that the individual firms must do as they think fit.

7670. Chairman: Have your agreements come to an end?—Yes, and they refuse to renew any agreement except on those terms, that they will pay the Trade Board rates. They will make no agreement above Trade Board rates, whatever they may be.

7671. The Trade Board rate of a porter would be about 55s. a week, would it not?—That would raise the whole contention as regards the definition of a porter.

7672. I do not want to do that.—I only mention it for this reason, that with all the agreements we have with other employers we have always negotiated for warehousemen, and the word "porter" has never been introduced. Our men, of course, claim to be skilled men, and to be doing a large amount of work which was formerly done by shop assistants, as is, of course, the fact.

7673. Sir Arthur Pease: Was 65s. the minimum rate?—Yes.

7674. Or a standard rate?—It was a minimum rate, because some of our members were paid more, and none were paid less.

7675. Chairman: It comes to this then, that individual firms have increased their wages, very likely under persuasion from your union, to 65s. a week?—Yes.

7676. That agreement had run out, or was about to run out, in June of this year, and they were not willing to renew it?—That is right.

7677. But they said they were willing to pay the rates which had been proposed by the Grocery Trade Board?—Yes, and that anything above that must be left to the discretion of the firm as regards the individual merit of given employees.

7678. I do not want to prejudice your general argument, but in that particular case the Trade Board would have done you neither good nor harm; it would have fixed the minimum rate at the age which they were willing to pay?—Yes, in that particular case.

7679. Anything above must be subject to bargaining, either individual or collective?—Except that we have reports that that firm are actually offering less than the Trade Board proposals at the moment to newcomers, so we feel that even in that particular case the Trade Board would have operated and prevented them getting below the Trade Board rates.

7680. Sir Arthur Pease: Was the arrangement with this firm which is mentioned here that they should raise the minimum rate to 65s. for specially skilled men, and so on?—No, there was no agreement with this particular firm. The difficulty is this: When we began to negotiate at first we had to negotiate with separate firms, and the agreements were not always alike. We had agreements with some firms for 75s. for provision hands, but with this particular firm we had not.

7681. Chairman: I think we had got in your précis, to where you deal with some of the objections. You have referred to the man of 60 working for

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30s. a week, and you cannot tell me whether he was a man who was able to do the normal amount of work or whether he was what is sometimes called a subnormal worker?—No, I could not tell you, except from the letter itself. In the case of the next objection, which is a similar one, that is obviously a case of what would be called a subnormal worker; but I ought to say that there is quite a large number of men at 60 whose experience very much more than counterbalances any decline in physical strength that may have taken place. We have quite a number of men at 60 who are paid more than the minimum rate.

7682. I follow that, but you cannot tell me about this particular man?—No, I cannot.

7683. Then, again, the second case is clearly a case of a subnormal worker, you say?—I mean the second case of Objection No. 1.

7684. Then Objection No. 2: The man said, "I keep one assistant at 36s. per week." That would be under the Trade Board rate, whichever scale applies. Would it not?—That is so.

7685. Then in Objection No. 3 you give a case of variability. The man says: "I am paying a man £3 18s." That would be, of course, very much above any of the Trade Board rates?—That is so.

7686. "My girls—£1 15s."—that would be above the Trade Board rate?—Yes.

7687. "and a boy of 16 years of age 18s." That would be below the Trade Board rate, and that is the only one of the three which is below the rate proposed?—Yes.

7688. In the fourth objection the man says: "I regret I am unable to pay the proposed wages. I employ two female assistants, both over 24 years of age, and am paying them 25s. per week each." That you would say, no doubt, is a low wage.—It is a very low wage.

7689. "This is only a small village, population about 500, with two other shops to compete with."—Yes.

7690. *Dame Adelaide Anderson*: That would not be a case where there was anything else in addition to the 25s., I suppose?—No. Of course, there are cases where commission is paid, but that is usually stated when there is anything over the actual weekly wage paid.

7691. Do you ever find in little country places that anything is allowed in kind in addition to the wages? I suppose that would be illegal?—They vary so much that I do not think one can lay down a general rule with regard to that.

7692. *Mrs. Lyttelton*: What does "tea money for overtime" mean?—It means that instead of their pay being reckoned at so much an hour, time and a quarter or time and a half, if a man works from 6 o'clock until 8, 9 or 10 o'clock at night they simply allow him 1s. 6d., 1s. 3d. or even 1s. to go out to get his tea with. Some firms during the war allowed bread and margarine and marmalade on the premises instead of tea money.

7693. *Sir Arthur Pease*: You do not know what the ordinary wage for an agricultural girl would be where this 25s. is paid, do you?—I do not.

7694. How do you compare them?—I am not well acquainted with the agricultural rates, and I cannot tell you, but the point I should make is that a man who is paying a girl of 24 years of age 24s. or 25s. a week is paying a great deal less than a man paying 35s. for the same work. I should compare it rather with what other employers in the trade were paying, the best employers, rather than with another trade. Agriculture has certainly been badly paid.

7695. *Mrs. Lyttelton*: Objection No. 3 may come from a big town, and Objection No. 4 from a tiny village?—No, it is not from a big town; it would be in Area A.

7696. *Chairman*: Objection No. 4, I think, is the only case where a normal worker is shown to be receiving considerably less than the Trade Board rate. You can also add the boy in Objection No. 3. No doubt you have satisfied yourself that there are many

cases where wages which are much too low are being paid?—Quite so.

7697. Then with regard to variability, you quote a case in 1920 where a firm already cited was paying from 30s. to 36s. for men when you had an agreement for 60s. for men and 35s. for women, with overtime rates of time and a half?—Yes.

7698. The first firm, I suppose, had no agreement with you?—No. As a matter of fact, this was at the period when it was not organised. We did not organise all the firms at the same time.

7699. You also say that there were firms doing business within a few minutes of each other, one paying the lower rate and the other paying the higher rate?—Yes, similar firms in the same street.

7700. That was so, was it not, in the case of all unorganised trades until the unions came in?—Yes.

7701. You say that the firm which paid 30s. to 36s. in 1920, by 1921 had been compelled to raise wages to 72s. 6d. for men, the necessary stimulus from without having been supplied and their workpeople having joined a Trade Union?—That is so.

7702. Then you question Mr. Cahill's suggestion that organised workers are not better paid than unorganised workers. You say that, almost without exception, increases followed organisation automatically before the trade slump set in?—Yes.

7703. In many cases, you say, an attempt to organise workers was countered by the employers rushing in to stem the tide of disaffection by "voluntarily" and unexpectedly deciding to give an increase of wages?—That is so.

7704. There is also a variability, according to you, between town and town?—Yes.

7705. Then you refer to the question of what is the adult age, and you say: "In engineering, building, and other crafts where an apprenticeship is served, a man is a man at 21. He was a man at 19 during the war. In the grocery and provision trade he is still only a probationer at 21. Full money is not reached, outside the co-operative movement, until the employee is 25, and in some cases 26, and even 28 years of age." Why is that so, in your view?—I do not quite know, but I have always regarded that as a very evil tradition in the trade. On the one hand employers contend that there is not such skill in grocery as there is in some of the other so-called skilled trades, and, on the other hand, they say that a man cannot possibly be efficient at under 25 years of age. I should think the real reason is that the grocery workers have been badly organised, and they come late into the field of organisation. I cannot give you any other reason for it.

7706. Is it not possible that a shop assistant of 21 is less competent to deal with customers of all kinds than a man of 25?—I should say there is something in that.

7707. That is only what occurs to me at the moment. —Quite so. I think it must be fairly obvious that a man is far more likely to be tactful with customers at 25 years of age, and not so green in dealing with people as he would be at 21.

7708. *Mr. Bell*: May I ask whether you have come across any tendency to regard a man of 21 as a single man, and a man of 25 as a married man?—There is a tendency, in fact I have had suggestions made that married men should be paid one wage and single men another wage, but I need hardly say that we do not negotiate on those lines. But there is that tendency to regard a man at 21 as probably more irresponsible, and we are often told how many times he goes to the pictures, and that if they give him more money he will waste it, and so on. At the same time, I think the same age ought to obtain in the grocery trade as in any other trade, and a man should receive the minimum adult wage at 21 years of age. Our Union has always stood for that, and our agreements in most cases are based on that age.

7709. *Chairman*: I can see the argument the other way.—The employers can, but I am afraid they cannot convince me on that point.

Chairman: If they cannot, I shall not try.

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7710. *Sir Arthur Pease*: Is it not a fact that in some trades a man has got to his best at the age of 21, while in other occupations he does not reach his best until he is 25 or 30 years of age?—Frankly, I should not think, personally, that a worker has got to his best at 21. I cannot conceive it. The case I mention here, I think, is perfectly sound, that while in theory in the craft unions a brick setter or a joiner or anybody else is held to be worth his money, the theory is that the more skilled man is worth more, and the employer might pay it him and ought to pay it him, but, at any rate, at 21 he is worth the minimum wage for the craft. It is quite obvious that at 21 they have not nearly the same amount of experience as they have at 30 or 35, and have not seen as many jobs or as many improved methods as they will have seen later.

7711. *Mrs. Lyttelton*: Your contention is that at 21 they are worth that wage, whether they are going to improve or not?—My point is that they are worth the minimum wage at 21.

7712. *Chairman*: That the minimum wage should be fixed as the minimum wage for a man of 21?—Yes.

7713. And if at a later age they are worth more, they should get more?—Yes.

7714. Then you say the Trade Board has not produced discord because there were several disputes threatening when the Trade Board was formed, which had, I gather, been postponed pending the action of the Board?—Quite.

7715. *Mr. Poulton*: Do you think, under that heading, that the Trade Board, as a matter of practice, would tend to reduce disputes?—I am most emphatically of that opinion. I think the mere fact that a wage is automatically fixed, and that each man who is paying the wage knows that everyone else in similar circumstances must pay it, in itself would be a very great factor for peace. One of our biggest difficulties now is when we go to an employer whose people we have organised, and when we are able to bring pressure to bear on him to pay more money, his contention is that his competitors are not paying the same wage, and therefore have an unfair competitive advantage. I feel sure there is a great deal in that, and therefore I welcome wholeheartedly any attempt to make wage-fixing more general as far as the minimum is concerned.

7716. And you would take that view from the standpoint, not of the union and the employers, but from the standpoint of the community?—From the standpoint of the community as a whole.

7717. *Dame Adelaide Anderson*: And if any difficulty did arise when you were trying to negotiate above the minimum, it would be much less bitter than where your bare livelihood was concerned?—Very much less bitter, I think.

7718. *Sir Arthur Pease*: The figures you give for the low wages which were paid early on in the war, and before, no doubt, and the wages now, are very different, and I suppose wages all round now are somewhere between the two?—It is very difficult at the moment to make any general statement about wages. There are so many reductions which have taken place that are not recorded that I should not like to make a general statement about wages at the moment.

7719. Even the organised trades had to meet conditions by making reductions?—Yes.

7720. I presume you would agree that the other trades would have to meet that too?—Yes. On the other hand, if I were inclined to argue that too far I should say that all the claims that have been made in regard to the effect of reduced wages have been falsified. For instance, we have been told in scores and scores of cases that if we accepted reductions of wages it would help towards a trade revival. Reductions have taken place, and trade has steadily worsened. So that my own view is that if trade is going to mend at all, it is going to be by increased spending and increased consumption. If I were inclined to argue that, I should take that point of view.

7721. That might have some effect on the home trade, but where people are competing with foreign trades you must be able to sell at a price at which your customers will buy. Would you agree with that?

—Yes. Of course, against that, again, I should have to discuss the question of foreign policy and trade policy abroad. I mean, it would be a very big subject, but I should take that line.

7722. *Chairman*: Then you quote a letter as showing the attitude of the employers towards the Trade Board when it was in prospect?—Yes.

7723. And the attitude shown in that letter was then favourable?—Quite. The circumstances under which it was written were that we had actually notices in to withdraw labour, and the employers themselves said: "No; it is far better to have a general regulation of wages than for you to force us to an agreement at the moment. Postpone action: the Trade Board will be set up, and then, when the minimum rates have been fixed, we can negotiate if necessary above that basis." Now they are against all regulation—many of them.

7724. Then you follow with a paragraph which struck me as summing up your view very well. You say: "It must be apparent that wages are chaotic in the grocery and provision trade. Neither side is sufficiently organised to regulate wages in the whole trade. Small scattered areas are too expensive to organise at present. The Trade Board could lay a foundation for wages in every corner of the land."—Yes.

7725. Could make the minimum, which you would make a true minimum, apply everywhere.—True.

7726. And leave everything else to negotiation, individual or, as you would say, better, collective negotiation.—Yes, as we have done in the Co-ops., of course.

7727. Yes, the Co-operative Societies have a minimum scale, but certain persons are paid more than the minimum?—That is so.

7728. Then you have a paragraph as to the organised minorities acting for the whole body.—Yes.

7729. I need not go into that. You object to the suggestion to set up a number of District Boards?—I feel very strongly on that point. The theory that an employer meets his employee in the office on equal terms, or on any other body, I think is a fallacy, when a man knows that if he says anything that is objectionable, or that his employer resents, he can be discharged, and very often is discharged. In that case, of course, they do not meet on equal terms.

7730. That is your objection to the committees for small districts?—Yes, where there is no organisation at all, and where individual members from individual firms would have to be selected.

7731. *Sir Arthur Pease*: That is not so, of course, in the large trades where they have district organisations; Trade Union representatives are there just as much as they are in the central meetings in London.—Yes, but they are organised. In the large trades there is organisation, and I am now dealing with a district or an area where there is no organisation on either side.

7732. *Mrs. Lyttelton*: You are on the point of having very small District Committees, are you not?—Yes, that is so. It would mean in all areas that individual employers would be asked, or co-opted, or elected to a Trade Board to represent the employers, and a group of individual workpeople would have to be asked to serve. Under those circumstances, if a man were victimised—and in many cases workpeople are victimised for being too bold—it would mean that they would have no remedy, and therefore they would always have that in front of them in trying to fix rates. They would not be able to speak to their employer as their representatives can very often speak who are not liable to be sacked.

7733. *Sir Arthur Pease*: But surely you would be able to appoint from your Trade Union at least one representative of each of these District Boards?—Well, we should be willing to supply probably the

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whole of the representation on the workers' side; but the same objection would lie, that it would not be representative, seeing that they are not in our Union. One of Mr. Cahill's objections, for instance, is that the Trade Board is not representative because it only represents a minority of organised employers and it only represents a minority of organised workers. Well, if you set up District Committees, or Divisional Committees, or whatever they are, it would mean in all areas you would touch areas where there was no Employers' Association and no Workers' Organisation.

7734. You would soon get one, would you not?—Well, I believe they would. I believe it would stimulate organisation on both sides.

Mr. MacCallum Scott: I think the Witness is dealing with the men who are not organised.

7735. Mr. Poulton: To carry the point a little further, supposing they were organised, I have rather taken your evidence before to mean that you would even then be opposed to District Committees?—Yes, I should.

7736. As a matter of practice?—Yes. That is another point altogether. I should be opposed to District Committees. I believe in the national minimum.

7737. Chairman: You would not object to areas?—Well, I am rather inclined to the view that there will have to be areas in a trade like the Grocery Trade, and I am not unduly inclined to quarrel with the population basis, because I think it is a practicable basis, and any alternative basis is very bad to suggest. I have heard of various attempts, but I think on the whole we should have to take as a rough and ready basis something similar to the one we now have.

7738. Dame Adelaide Anderson: What about the industrial areas?—I think you will have the same difficulties there, and I do not think you could quite make the furniture removing, or any other trade, necessarily a precedent for this trade. There is not a furniture remover except with a lorry and a horse in a large number of these areas where there are a considerable number of grocery shops; and therefore I should say that the present arrangement is probably the most practicable one we could find.

7739. Mr. Bell: You are well acquainted with the Manchester area?—Yes.

7740. Do you know Failsworth?—Well, I do not know it very intimately.

7741. You know where it is—the situation of it?—Yes.

7742. Failsworth has an urban district authority?—Yes, that is right.

7743. It is sandwiched in between two large, thickly-populated towns, Manchester and Oldham?—Quite.

7744. If you know anything about Failsworth, you will agree when I suggest that you do not know when you leave Manchester and enter Failsworth?—Quite.

7745. How would your population theory apply to a case like Failsworth and Manchester?—Well, I should think in a case like that it would mean that Failsworth would suffer by being placed under Area A. I do not know whether exceptions could be made or not, but at any rate Failsworth ought certainly to be paid the same wages as the two big areas on each side.

7746. Chairman: The only way to do that would be by taking the industrial area, as somebody has suggested.—Yes, and then you would have other kinds of anomalies in regard to rural areas. I do not see how you can draw up any scheme where you will not have some anomalies. The most you can hope for is to reduce them to a minimum.

7747. The moment you get a boundary, you risk getting an anomaly?—Absolutely; if you put any boundary line down at all, you are sure to have some anomalies. It might be very well worth enquiry as to how a given rate would operate. I do not know whether it would be possible, arising out of that, assuming there were any staff at the Ministry

of Labour for investigating the operation of any given Order, for them to lodge objections, or whether it would not; I mean objections on points similar to the one you raise.

7748. Mr. Bell: May I ask you another question on that point, because it is rather an important one. There are seaside resorts where the cost of living may be higher than even in either Manchester or Liverpool?—Yes.

7749. How would you deal with those?—I should propose to deal with those through Trade Union organisation. Assuming you had your minimum for the country, or for the similar areas to that, I should deal with rates above, by Trade Union organisation.

7750. Knowing that employment at a seaside resort is more or less casual, and the difficulty of organisation the greatest?—Well, in seaside places it would be rather more seasonal than casual labour, and I think if those men have their minimum fixed for them by the Trade Board, and they are not satisfied with that rate, if they do not know the remedy we tell them the remedy; and if they would not take it, I should simply leave them after their minimum had been fixed.

7751. Chairman: Then you have some general observations which perhaps I can take as read. You say the employers' organisation has advanced since the Trade Board was formed?—Yes.

7752. You say the multiple shops have not shown much compunction about the small trader or shopkeeper?—Quite. I have been very greatly impressed by that—the larger employers pleading for the smaller ones, while at the same time they would displace them at any moment with a multiple shop if they could see their way.

7753. I am not quite sure whether the small employer's plea has come from the large employers. I think it came from an association which contained a large number of small employers, such as the drapers, and so on?—Yes. There is also another point, that there are a number of small wholesale dealers who serve small shopkeepers, and who are included in some of the associations, and you get that interest, too, in favour of maintaining the small trader. I should think they have been the most powerful pleaders.

7754. Still there must be an enormous number of small traders in the country?—Yes, but they are very often not those who organise.

Chairman: No, probably not; they might suffer.

7755. Mr. Bell: In the large majority of cases do these small traders actually employ anyone outside their own family?—My own view is, taking the small traders in the mass, that I do not think more than one in six—I should put the figure even higher than that, but I should certainly say not more than one in six—employ any labour at all; that is, of the small shopkeepers. That is my own view. The letters in my evidence deal with that, and I could multiply those examples of small shopkeepers who object to the rate and who say it is not applicable to them because they have so many competitors—I mean in places where there are 800 inhabitants and four or five, or perhaps even six or seven shops. Obviously that is a difficulty which has not been created by the Trade Board, which has not been created by the prospect of the Trade Board fixing wages. There was a difficulty existing there before the Trade Board came, and that will remain.

7756. Mr. Poulton: Nor would it be created by the fixing of it, because they are one-man businesses?—Quite.

7757. Chairman: Yes, but the man who employs labour would be affected by the Trade Board rate, whereas those who do not employ labour would not. Is not that the point?—That is so, but it would usually mean that where a shop had a turnover which would justify the employment of labour, it would justify the payment of the wage. I think that is a very important point. Wherever there is a turnover to justify the labour, there is sufficient profit to pay the wage, and more than pay the wage; and it very

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often means more efficient management and a better shop as compared with a shop where they employ no labour. We all know, I think, from experience, the little poky shop run by a person himself, in which you cannot stir; you get into a place like a sentry box almost, and you have all sorts of things—dolly tubs and paraffin oil, and heaven knows what, in those little shops, all in a heap; you cannot get at the goods. Well, a man who does employ labour and manages his shop properly, can pay wages and make very much more money than any of his competitors who cannot employ labour.

7758. *Mr. Bell*: So taking the great majority of small traders, in your opinion about five out of six would not be affected by the fixing of rates by a Trade Board?—That is so; I should put that as the very minimum. I should think there might be not more than one in eight, but I should certainly say one in six, to be on the conservative side.

7759. *Chairman*: It depends what you call "small," of course.—Yes. We have sent out, I believe, 136,000 notices from the Trade Board. My point is that to take the small traders there would not be more than one in six of them who employ labour. That, of course, is obviously a guess, but it is formed on some experience.

7760. It depends on what you call "small," though. In the country towns most of them do employ labour.—Yes.

7761. In the villages a good many do not; that would be about right, would it not?—Yes.

7762. So that really you mean in the villages not many would be employers of labour?—But there are also the small traders in places like London and Manchester, in side streets, where the man goes out to work and where the wife keeps the shop.

7763. I just want to know your view: Do you mean that not more than one in six of the whole 136,000 would be affected?—No, I should not say that.

7764. *Mr. Poulton*: You mean of the small traders?—Yes.

7765. *Dame Adelaide Anderson*: What proportion of the whole trade would you say?—Well, that is a very difficult thing to say. It would be a sheer guess, and one which perhaps I had better not make.

7766. There is no organisation capable of finding it out?—No.

7767. *Mrs. Lyttelton*: But broadly your contention is that if a man can afford to employ an assistant, he is making sufficient profit to pay the minimum wage?—That is my point.

7768. The one hangs on the other, does it not?—Yes.

7769. *Dame Adelaide Anderson*: And that on the whole the fixing of the minimum wage would not be likely seriously to affect the larger proportion of small traders?—I do not think it would affect them much.

7770. *Mr. Bell*: And in your experience even in large industrial centres, taking the grocery trade, haidressers, tobacconists, and so on, what proportion of shops would you say in an industrial town are run exclusively, say, by a man and his wife and his family, or in many cases even by the man himself?—I should think it is nearly impossible to give anything like an accurate guess.

7771. Do you think that there is a considerable proportion of them?—I should think a very large proportion of them. There are obviously very many more small shops of that kind than large ones.

7772. Even in large industrial areas?—Yes, I should think so. I should think for nearly every shopkeeper in a given trade there are probably three or four times as many small shops in side streets as there are big shopkeepers on front streets.

Chairman: Then further on you sum up your points. You say the Grocery and Provision Trade is the one most in need of Trade Board regulation, because of the low rate of wages being paid in the trade, of the variation in the rates of wages for the same work in the same area, of the large areas where labour is exploited in the interest of unprofitable and

unnecessary businesses, and of the importance of preventing employers from fixing both wages and prices without public safeguard.

7773. *Mr. MacCallum Scott*: What does the last one mean—the importance of preventing employers from fixing both wages and prices without public safeguard?—Well, it means this—at least what I had in mind was this—that there is a tendency in nearly every direction now for trustification—the formation of trusts—and I believe that a lot of the very large firms will probably amalgamate later; they will combine and will probably do with the Grocery Trade what Lord Leverhulme has done with the Soap Trade. It will take time, of course, and my view is that in the meantime, with Trade Union organisation so weak as it is, and in the absence of a Trade Board, the employers could fix wages, especially on the present unemployed margin, very low indeed, and the low prices would not mean low cost of goods to the consumer; it would mean that the employers could fix the price of wages and fix the cost of goods, and they could practically monopolise the trade in all areas. I believe they can do that, and I believe that is a real public danger.

7774. *Mr. Poulton*: That would seem to suggest, would it not, that they could go further than that and they could crush out many of these little businesses?—Yes, as they occasionally do now, where they really set themselves to it, by going to see what prices the other man is selling at and undercutting him all the way round. With their bigger capital, of course, they can afford to do it.

7775. *Sir Arthur Pease*: Would it be possible to have a trust, with all these tiny businesses?—No, I do not think it would be, with all the tiny businesses. It would really mean that the tiny businesses would gradually disappear.

7776. Are not the tiny businesses really a great safeguard to the community?—Not necessarily in themselves; but the point I am making here is, assuming there is no Trade Board and no regulation so far as wages are concerned, and with Trade Unions so weak, I believe of course that the multiple shop would ultimately eat up the smaller trader and fix both wages and prices to suit themselves, and not the consumer—the community.

7777. *Chairman*: Why should it be more easy for the multiple shop to do that, if there was no Trade Board, than it would if there was a Trade Board; that is what I do not follow yet?—Well, I do not know that it would be much more easy because of the absence of a Trade Board, except so far as fixing the wages is concerned. Even the multiple firms are not yet all paying Trade Union rates of wages, and there are some multiple firms even now who would be touched by the Trade Board rate, and would be compelled to pay a minimum rate of wages.

7778. But is it not just these big firms which can pay the higher wage?—Yes, and which as a general rule do, as a matter of fact, pay the higher wage.

7779. And therefore this process of crowding out the small trader might go in either way—Trade Board or no Trade Board?—Quite so.

7780. *Mr. MacCallum Scott*: Is it not easier to negotiate with the large firms?—Very much easier, and preferable all the way round. It is very much better to fix wages for the whole of the trade if one can. That is the point I am trying to make throughout. It is very much better doing that than doing it piecemeal.

7781. *Mr. Bell*: If you had nothing except the multiple shops to deal with—it is so much easier where you have a large number of operatives or employees to deal with—would not your Trade Union organisation ultimately be able to obtain a wage, if it was not for the large number of small traders who employ very few people?—Yes, I should think that is undoubtedly the case.

7782. *Chairman*: Does that mean you would like to crush out the small trader?—It means that there are a very large number of businesses which ought to be either crushed out or cleared out altogether, in my view.

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7783. Is that part of the policy of the Trade Union—to crush out the small trader?—No. The policy of the Unions is to get what are considered proper wages for their members, and if a small number of inefficient employers stood in the way they would still press for what they regarded as proper wages.

7784. That is a different matter. I do not understand you to say that simply because it is more convenient to deal with the large trader your Union would like to get rid of the small trader?—No, not at all. No, I do not want to say that.

Mr. Bell: That was not the point I was trying to bring out.

Chairman: No, but I thought the answer might be misunderstood.

7785. Mr. Bell: My point is that the Trade Board is wanted to protect the employees who are so difficult to organise?—Yes, quite; that is a point I have tried to make.

7786. Dame Adelaide Anderson: And you have already said that you think the minimum wage would not affect the small businesses?—Yes, that is so—the larger number of them.

7787. Mrs. Lyttelton: Are you in favour generally of the Trade Boards only fixing a minimum wage and not going into the graded rates?—Well, I should say I am in favour of the Trade Boards fixing the minimum rate; but in a trade like the grocery trade, for instance, I think it would be necessary to fix certain grades.

7788. Have you got the exact grades in your mind?—Well, I have not. On the other hand, I ought to point out that when the workers asked for the original minimum wage in the grocery trade, they wanted one minimum rate for the whole of the country and for all classes of workers.

7789. And from the point of view of organisation I rather understand from one of your answers that you feel that if the minimum rate only were fixed by the Trade Board it would lead inevitably to better organisation amongst the employees?—Well, I think so; I think so now.

7790. Because they would feel it was only through organisation that they could get what they wanted in graded rates?—Yes.

7791. But you are not prepared to say that you are on the whole for the minimum wage only being fixed?—I really ought to qualify it by saying this. I was in favour, on the Grocery Trade Board, of one minimum rate for the whole of the country.

7792. And not touching the rest?—That is right. Well now, the area came on, and I admit there is a great deal of force in the contention behind the claim that there should be more than one area. On the Trade Board, seeing that we were not able to get one rate and one national minimum, I feel now that we ought to complete our work by at least seeing that certain classes of workers do not suffer. I believe, for instance, that the warehousemen's position has been prejudiced by only one rate.

7793. And you mean, therefore, that area Trade Boards do not exactly meet that point?—That idea does not quite meet that point.

7794. Mr. Bell: Will you explain exactly what you mean by your minimum? Do you mean a minimum fixed to cover the lowest class of labour, or a number of minima to cover all classes of labour?—Well, theoretically, I should have preferred one minimum for the whole of the country, as I said. Now, seeing that the country has been divided into areas, and seeing also that the Trade Board has already defined certain classes of worker, I am in favour of definite minima for each one of those classes of workers which has been defined. I opposed mainly of those definitions, and I opposed the differentiation; but seeing that they are there, I would press for definite minima for each of those classes.

7795. Dame Adelaide Anderson: Varying for each class?—Varying for each class, yes.

7796. Mrs. Lyttelton: But even that does not quite meet the other point of grades above that?—No, it does not quite meet the point.

7797. But it might go some way towards it?—Yes.

7798. Mr. Poulton: It settles the basis, does it not?—Yes, it settles the basis.

7799. Sir Arthur Pease: Are you in favour generally of having a large number of Boards for different parts of the distributive trades, or of having it reduced to one, or to a comparatively small number?—I think the effort ought to have been made for one large Distributive Trade Board, with sections; I believe that. I was in favour of that, and I advocated it amongst my own people, and of course I favoured it at a meeting that we had. There was no difference between the Unions on that point. The Shop Assistants' Union, the Amalgamated Union of Co-operative Employees, and what was then a separate Union, the Warehouse Workers' Union, all favoured the one Distributive Trade Board.

7800. And if you had one Distributive Trade Board, would it not rather drive you back on to the one minimum wage, because the grading in every section would be different, would it not?—Yes, that is so, and that was one of the reasons for favouring one big Distributive Trade Board. I incline to the view that while you cannot measure degrees of skill, I think the skill in the drapery and grocery, and so on, is so comparable that probably the nearer we approximated to one rate the closer we should get to justice.

7801. Mr. Poulton: On the question of the appointed members I see you make a statement.—Yes.

7802. Could you at all enlarge upon that as to what you think of their usefulness, not from the point of view of your Union, but from the point of view of the community; because that was the idea behind them, after all, that they were there to protect the consumer?—Yes. Well, I must confess that my own experience of appointed members—and I am on two Trade Boards, the Tobacco Trade Board as well as the Grocery Trade Board—is such that I certainly make no complaint from the workers' side as to the appointed members. We are often disappointed with the decisions; we feel that more weight ought to have been attached to our evidence, and so on; but generally speaking, I think both the principle and practice of the appointed member is a good one. I feel that. It has been suggested that there should be panels from both sides. Well, I should not oppose that, but expressing my own personal opinion I should think the principle of the appointed members is a good principle, and works out well in practice. The appointed members are men who are used to weighing evidence.

7803. Sir Arthur Pease: Would you not suggest that there should be rather a difference between the Chairman and the other appointed members; that the Chairman should be absolutely detached from the trade, but that there might be two other appointed members with technical knowledge of the trade on each side?—Well, I should see a very great difficulty in finding men who would be nearly so impartial, either from the employers' or the workers' side, who had technical knowledge, and on the whole, when you have both sides brought there to make their case—and after all the chief thing that they discuss is wages, and not technical processes—I rather incline to favour the present method of appointed members.

7804. That rather depends upon how far you go with rates and classification?—Yes, quite.

7805. If you have one minimum it does not matter about technical knowledge. If you once begin to go into the question of putting various rates to various processes, you really want somebody who understands what that process is, do you not?—Quite; you do; and as I say, favouring one minimum, I favour the appointed member. On the Tobacco Trade Board, which has worked very smoothly indeed, and on which both the employers and the workers have worked most amicably, they have merely fixed the one rate—a rate for men and a rate for women; there are no areas, or anything. Well, now, on a Board like that, the appointed member works ideally. He listens to both sides of the case, and as a matter of fact on the Grocery Trade Board it has merely been presiding and very occasionally advising.

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7806. *Chairman*: Is there any advantage in having three or five, instead of one?—With all its limitations, I am in favour of the larger number.

7807. Why?—I think the responsibility on one man alone, who sometimes uses his weight on one side or the other, is a very great responsibility.

7808. *Mr. Poulton*: I take it from your answers that you support the appointed members, not upon the ground of their having decided in favour of the workers so much, but exclusively upon the merits of the position?—Absolutely. If I were arguing on the position in the Grocery Trade Board, I should express

very very keen disappointment. The only point I want to make on that is that is has not been because there were appointed members that no rate has been fixed; I think on the whole they have faced an extremely difficult task, and it is a difficult task with a big trade like the Grocery Trade, with all its peculiar difficulties. I think they have earned the respect of the workers' side, though they have turned us down a great deal oftener than they have turned down the employers' side—a very great deal oftener.

(The Witness withdrawn.)

Miss E. C. WILKINSON, M.A., called and examined.

The Witness handed in the following statement as her evidence in chief:—

STATEMENT OF EVIDENCE of Miss E. C. WILKINSON, M.A., National Union of Distributive and Allied Workers.

Classification of the Union's Membership.

The National Union of Distributive and Allied Workers on whose behalf I am presenting this evidence, was formed as the result of an amalgamation in 1920 between the Warehouse Workers' Union and the Amalgamated Union of Co-operative Employees. The membership of 130,000 can be roughly divided as follows:—

80,000 Co-operative Distributive employees.
10,000 " Productive "
40,000 Non-co-operative workers in wholesale warehouses, retail multiple shops and allied productive trades.

The Co-operative membership is scattered through practically every town and village in England, Scotland and Wales. The private trade members are chiefly located in Liverpool and Merseyside, Manchester, London, Glasgow and Birmingham.

Regulation of Wages in Co-operative Distribution.

Dealing with the co-operative movement first, I should like to draw the attention of the Committee to the fact that a great and growing part of the distributive trade of the country, especially food distribution, is in the hands of the co-operators. Their annual report for 1921 states that there are 4½ million adult co-operators, an increase of three-quarters of a million in two years. As many societies only allow one person in a family to be a member, a very much larger number of people than 4½ millions actually receive goods through co-operative channels, a reasonable estimate being 16 millions. The city of York, for example, claims to have half the householders of the city of York as its members; it has 12,000 adult members out of the whole population of 80,000 souls.

When comparisons are made between co-operative and private traders, the latter frequently speak as though the co-operators were an exceptionally privileged class of people to whom one could not apply ordinary business standards. The co-operative movement is not a philanthropic institution. It works in competition with the private trade, and buys largely from the same markets. It was suggested when the co-operators were giving evidence that there was not the same need to make profits in co-operative enterprise. I show below the large profits that are actually made in the movement, and as the accumulation of dividend is almost the only source from which the retail societies can draw more capital, it is essential that the businesses should produce sufficient yearly surplus to meet their growing needs.

The Co-operative Minimum Wage.

The A.U.C.E. and the Co-operative Women's Guild undertook propaganda for a general basis minimum wage, and at the Congress in 1908 after a terrific agitation the following wage scale was passed as being the lowest at which co-operative employees should be employed. This is usually known as, and throughout this evidence will be referred to as, THE CONGRESS SCALE:—

Age.	14	15	16	17	18	19	20	21
	s.	s.	s.	s.	s.	s.	s.	s.
Males ...	6	8	10	12	15	18	21	24
Females...	5	7	9	11	13	15	17	—

This congress scale forms an important landmark in the progress towards wage regulation in the distributive trades. The Women's Co-operative Guild as representing the organised consumers never claimed that this was an adequate, or for women even a subsistence wage; they fought for it as a basis to prevent sweating. The strong complaints of many of the societies that this would put them far in excess of most of their competitors is the best indication of the low wages being paid in the distributive trades at the time.

Congress Scale Compared with Trade Board Rate.

Certain features of this scale are interesting in view of the controversy as to whether it is possible to have one Trade Board for the whole of the distributive trades. This scale is an "all grades minimum." Many co-operative societies have practically every section in the distributive trade, with the allied productive enterprises. For example the larger societies have the following departments:—

Grocery, Drapery, Hardware, Boots and Shoes. Butchery, Furnishing, Ironmongery, Tailoring, Earthenware, Dressmaking, Millinery, Coals, Chemists, Jewellery, Baking, Clogging, Restaurant, Hairdressing, Undertaking, Bacon Curing, Milk, Upholstery, Hosiery, Fish, Game, etc., Greengrocery.

Each of these departments is the size of a substantial separate business.

This scale was the basic minimum for all juniors and general workers. Skilled shop assistants, branch managers, first assistants, skilled warehousemen, all received additional payment, but the basis in all departments was this scale which by 1914 was in general operation throughout the co-operative movement. In the innumerable agreements that have been concluded with co-operative societies since, copies of some of which are attached, this principle of the basic minimum has been adhered to. The attached schedule shows the wages that were being paid to Co-operative assistants as compared with the

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rate then issued by the Grocery Board about which such a storm was made. The rates now being paid after various reductions can be compared with the present grocery proposals and the milk distributive rates, by reference to schedule 2. If one large section of the distributive trades has thus successfully worked one minimum rate for all its distributive sections, it does not seem impossible for one rate to be applied to all the sections of the distributive trade, even when those are not under the same employer.

The Congress Scale not only forms an argument for one Distributive Trade Board, but also for the possibility of working a national rate. The Congress Scale applied equally to the smallest village society employing one man and a boy, and to Leeds, the largest co-operative society in the world. It may be argued that this principle has not been carried out in the many trade union agreements that have been concluded since. But surely that follows the procedure that Trade Boards were intended to institute. We have always contended as a Union that Trade Board rates were not standard but minimum rates, and that trade union organisation, operating on these as a basis, should make the adjustments between London and little Piddlington. In a pamphlet entitled "Trade Board Rates are not Standard Rates" (National Labour Press Ltd.) our Joint General Secretary (Mr. Hallsworth) supports this argument by decisions of various arbitration courts and the declarations of Trade Board chairmen.

Competition.

Many employers have complained that even the low rates that are at present being paid would drive them out of business, especially if as grocery traders they have to meet the competition of employers in distributive trades outside the Trade Boards. But the Co-operative Societies have had to meet the present competition from employers paying half or one-third of their rates. The following figures will give an idea of how by efficient management they have not only survived this competition, but made handsome profits. The figures are taken from the Annual Report of the Co-operative Union, 1921:—

Total Share Capital in 1920	76,374,691
Total Profit in 1920	25,458,551
Percentage of Profit on Capital	33½ per cent.

(Includes interest on share capital and dividend on sales expressed as interest on capital), and this not in the blissful profit-making times of war, but after the slump had set in. Even this profit would have been larger had not the Excess Profits Duty induced societies to reduce profits by selling as cheaply as possible. It cannot be said that those profits were made out of juvenile labour, for the average earnings of all employees, men, women and juniors, amounted to £2 14s. 7d. per week.

The private employers have estimated their wages cost at 5 per cent. on turnover. The Co-operative Union statistics give the wages cost of distribution per £ sales as 1s. 1d., that is 5·5 per cent. on gross turnover.

It is more difficult to get precise details of the profits of the private traders than of the co-operatives. A prominent financial authority has stated that nothing is easier than to hide away substantial profits in a balance sheet that shows to the public only a very moderate return.

The trade invariably states that there is nothing left for them to do but to pass on the increase to the consumer or to dismiss employees to reduce expenses. This would imply that distributive traders were working on the smallest margin of profit and loss, which is not by any means the fact.

But even granting this, the distributive trade is one of those most capable of passing burdens on to the consumer. Even in normal times one finds the most curious differences between the prices of similar articles at neighbouring shops. For example, I

recently saw in two shops not 200 yards apart boxes of Tunis dates, same quality, same exporter, one at 10½d. and the other at 1s. 2d. The wholesale trader has to worry about farthings per gross; the retail trader can be indifferent to pence a box or a yard, and flourish.

Basis of Wages.

But it is a dangerous argument to attempt to base wages on what an industry is said to be able to "bear." During the war industry and distribution were made to bear enormous profits, so large that the Government proceeded to appropriate part of them, but they still had to be paid by the industry. Trade has borne an increase in income tax from the original 2d. to the present 6s. What an industry can "bear" is decided by very many factors, one of the most important being the effect of foreign competition. The Distributive Trade is favourably situated in this respect as except for a section of the wholesale trade its market cannot be affected by foreign competition.

Whether this theory of what an industry can "bear" may or may not be quoted in trade union negotiations for higher rates in fixing a basic minimum, regard must be had in fixing the basic wage of a trade board as to what a man needs to maintain his wife and family in a reasonable standard of comfort. Even the Peace Treaty (Art. 427-3) agreed to "the payment of a wage adequate to maintain a reasonable standard of life as this is understood in their time and country." This should be the first charge on an industry.

If certain small and inefficiently conducted businesses are not able to pay reasonable rates they should not be allowed to drag down the standard of those who by more economical or efficient management are able to pay. If this is thought harsh it must be remembered that this is the normal process of the market. In few industries has trustification gone so fast and far as in distribution. For the small individual business to survive either increasing skill and ability are needed, or greater cheapness.

Now in the present competitive system of industry there are no such tests of efficiency for employers as those to which an employee is subjected. There is no age limit of 50 such as certain employers seek to impose on Trade Boards. The only test of fitness of the employer is that of survival. Anyone who can scrape a little money together can start a business. If he is allowed to compete not on efficiency but by cheap labour he not only injures the people he directly employs, but by this competition begins a downward tendency all round. Trade Board rates protect the scrupulous employer against this unfair competition. But it is surely an ironical state of affairs to find the great multiple shopkeepers who have risen to fortune by crushing out the small inefficient traders coming before this Committee and seeking on this one issue of wages to create an atmosphere of sympathy for the small trader.

Trade Union Action and Trade Boards.

When Mr. Cahill was giving evidence the question was raised as to why if the Co-operative employees were the people who received the best wages, should most of the strikes that had occurred take place in the Co-operative Movement. The reason of course is to be found in the high proportion of organised workers among Co-operative employees, who therefore desired better conditions, for contrary to the opinion generally held by people who have had little contact with the Co-operative Movement, Co-operative committeemen are no more anxious to increase wages of their people than are the private traders.

Conditions in Manchester Warehouses

It has been interesting to hear the pleading of certain employers who have given evidence, that

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wages are best regulated by the organisation of employers and employed. Our experience in the great wholesale trade in Manchester illustrates what this would in practice mean. The Lancashire cotton trade is the second largest trade in the United Kingdom, and Manchester, its hub, is within the first half dozen of the world's great distributive centres. We deal, then, not with insignificant firms, but with businesses of world-wide reputation.

Anything from 15,000 to 20,000 men, women and juveniles are engaged in the packing and distribution of every class of cotton goods and "fancies" for the home trade (which includes the colonial). Ten to fifteen hundred workers are employed in the largest houses, while at the other end large profits have been made in cellars and garrets on the labour of two or three men.

During 1916 and 1917, owing to the increased cost of living, there was considerable unrest among warehouse workers, very little being done by employers great or small to alleviate adequately the economic pressure. In June, 1917, a commission of enquiry into Industrial Unrest in the North-Western Area was held by command of His Majesty's Government, and special prominence was given in the report to the position of Manchester Warehouse workers:—

"These men, especially in Manchester, seem to have serious grievances causing unrest. The chief of these is their low wages, the average of which they say is not more than 30s. per week. Such advances as they have had amount only to about 15 per cent. to meet the 100 per cent. rise in food prices. They are expected to work overtime without payment, though sometimes they get a shilling as tea money, or they are given bread and jam and tea without money."

The Report concludes:—

"We suggest that this is a case where much good might be done by a general enquiry into the conditions of labour in Manchester warehouses, and that the moral influence of the Government might be brought to bear upon the employers to meet the Union representatives on the lines suggested in the Reconstruction Proposals, and see if some of the grievances cannot be speedily remedied."

During the whole of 1917, attempts were made to negotiate with individual employers, but without any substantial success. The Chief Industrial Commissioner was repeatedly approached, but as the firms did not come within the scope of the Munitions Act, November found the employees without redress.

An abstract of Warehouse Workers' Wages taken on October 14th, 1917, shows the following conditions as applying to 116 men in fourteen typical representative firms, and to 77 women in the same firm. It is not therefore claimed that the figures are exhaustive, but they are representative and reflect the general conditions prevailing in Manchester cotton warehouses.

Wages paid.

Men.

- (a) 30 men were paid as low as 22s. and not more than 30s.—25 per cent.
- (b) 39 men were paid as low as 30s. and not more than 35s.—33 per cent.
- (c) 37 men were paid as low as 35s. and not more than 40s.—31 per cent.
- (d) 10 men were paid as low as 40s. and over—8 per cent.

Women.

- (a) 23 women were paid between 16s. and not more than 20s.—29 per cent.
- (b) 47 women were paid between 20s. and not more than 25s.—61 per cent.
- (c) 7 women were paid between 25s. and not more than 34s.—8 per cent.

It will thus be seen that about 60 per cent. of the men received 35s. and under, and about 61 per cent. of the women received 25s. or less.

Class (d), men over 40s., is composed entirely of men in positions of extra responsibility; the same remark applies to Class (c) amongst the women. Men and women of special capacity in Manchester were thus paid less than casual labour in Liverpool.

Long and faithful service.

Of the men in Class (a), one man has 12, another 21, and a third 36 years' service with the same firm. Of the men in Class (b) and (c), two men have 21 years, and 22, one 24, one 25, one 31, one 35, and one 47 years' service respectively.

Of the men in Class (c) who receive 40s. and over, the average, taking all of whom we have particulars, is 15 years' service.

No recognised overtime rates are paid.

The only federation of employers was the Manchester Home Trade Association. This body was approached and the help of Judge Parry, the Chairman of the Industrial Commission, was sought. Their reply is significant, being the transmission of a resolution passed at a meeting of the Association.

"That a letter be sent to the Union in response to their request for a Conference, stating that the Committee found that none of the members of the Committee having any dispute with or demand from their employees, and as the Home Trade Association represents only a very small portion of warehouses in Manchester, the Committee does not see that any useful purpose could be served by meeting the representatives of the Union."

It may be advisable at this juncture, having noted the long delay, to emphasise the two points of the foregoing resolution.

- (1) The indifferent attitude of employers towards the very real grievances of employees.
- (2) The inability of associated employers to meet workers' demands through fear of the unfair competition of unassociated employers.

And to point the moral:—

- (a) The private views and personal attitude of an insignificant number of employers should not remain the ultimate factor in fixing the standard of life for thousands of families.
- (b) Each and every employer in a given industry may rightly be expected to accept the same standard of responsibility in respect to the wage of individual employees.

Events having come to a crisis, and a strike being imminent, the Ministry of Labour approached this Association. Their reply to the Ministry contains this passage:—

"We would also like to point out that it would be unfair to make a demand upon one section of business such as those embraced in the Manchester Home Trade Association. Doubtless you are aware that there is a London Textile Association, and the Belfast Warehousemen's Association in Ireland, and also a number of similar warehouse businesses in Scotland and various parts of the country."

In January of 1918, under the Presidency of Professor J. B. Baillie, a conference was called and an agreement reached for 40s. minimum wage, and a 50-hour week.

Sensationally low as this wage was at a time of soaring prices and unexampled prosperity, it was only paid to a fraction of Manchester's great population of distributors. The Employers' Association was too weak to hold its members—firms broke away and the paying employers complained bitterly of unfair competition. In spite of the agreement the employees' Union was forced to endless negotiation—intimidation was rife—as an example I add a specimen of the

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method adopted by a large firm which to this day is a source of trouble to the employees' organisation:—

"I hereby promise to serve ——— faithfully for the sum of £ s. d.

I also affirm that I am not a member of the National Warehousemen's Union, and if I join the Union will at once let the firm know.

Signed "

At the present time the same complaint is made by employers who pay agreed rates—that they are undercut by firms that refuse to fall into line and cannot be forced. Although agreements have been made since 1918 thousands of employees are still unprotected. In July of this year one firm (whose head is a member of Parliament) belonging to the Association, paid the rates for the first time, so that for 5½ years he has been advantageously placed in regard to his fellow traders.

This kind of action tests the patience of the better type of employer, and the men's organisation is usually blamed. Friction is thus engendered in quarters that least desire it and both Associations, that of masters and men, suffer as a consequence.

In October, 1920, one employer dismissed his entire warehouse staff (13) on receiving an application on their behalf for an increase on miserably low wages. The suggested increase would merely have brought these employees on a level with their fellows.

It should be borne in mind that this was at a time of great prosperity and no excuse for low wages existed on that score.

Sir Herbert Dixon speaking at the 'Spring Conference of the Textile Institute said:—

"I have no hesitation in saying that the textile industries never had made so much money."

The position of distributive workers in this area still demands serious consideration. Manchester has the largest engineering trade possessed by any town in the world—a fact overlooked because of its renown as "Cottonopolis." A fifteen mile radius of Manchester covers the biggest mass of population in the United Kingdom outside greater London—and in this mass are workers belonging to highly paid trades. These large and powerful groups of wage-earners tend to lift the standard and increase the cost of living so that a relatively weak, though all-important, section of workers in their midst suffer immeasurably.

The employers cannot have it both ways. If they prefer that wages and conditions of labour should be arranged between their own associations and the organisations of their employees, then they must be prepared to stop the victimisation of employees who join the union, to allow reasonable facilities for organisation, and to carry out the agreements entered into by the respective associations. If they complain that if this is done by the majority, there is always the minority that they cannot coerce, we must point out that that is just where the Trade Board will protect them. By its machinery they can either lay down a basis below which no one can go and then conclude Trade Union Agreements beyond that basis for special areas or conditions; or they can make Trade Union Agreements for the organised employees, and then make these Trade Board rates legally enforceable throughout the trade.

CONSTRUCTIVE PROPOSALS.

One Distributive Trade Board.

The foregoing evidence has we hope shown the need for the extension of the Trade Boards to cover the whole of the distributive trade, if possible, by means of one Trade Board. In view of the fact that the personnel of the present Grocery Trade Board has been carefully chosen by the Ministry of Labour so that all big areas of the country are represented, we do not think that there is any necessity for District Committees. We believe that the establishment of District Committees if they were allowed to fix rates

for themselves without ratification by a General Board would lead to chaos and friction. The multiple shops who are now complaining about the number of Trade Board rates they have to operate would then be faced by these, multiplied by the number of District Committees decided upon. We believe that a basic minimum for the whole country is the best means of arriving at reasonable Trade Board rates, leaving higher rates for industrial areas and London to be negotiated for by the organisation in the trade.

Inspectors.

The present staff of Inspectors should be enlarged and their control removed from the Ministry of Labour to the Trade Boards Office.

Chairman and Appointed Members.

The Union wishes to disassociate itself emphatically from the aspersions cast upon the Chairmen of Trade Boards and appointed members by certain of the employers who have given evidence. We believe that the appointed members have tried to be impartial, but some of them have been obviously hampered by their lack of knowledge of the trade.

We believe it would be better if the Chairman continued to be nominated at present by the Ministry of Labour, being, as is often the case, a man accustomed to weighing evidence, and that the appointed members should be chosen by the Ministry of Labour from a panel of workers and employers drawn up by the respective sides, working through the Advisory Committee of Employers' and Workers' Sides that at present exist.

Women Appointed Members.

We would like to say with all respect and diffidence that some of the women appointed members have been handicapped by the fact that their experience of life has brought them but little into intimate contact with the actual conditions of trade and industry. Many of them never speak at the meetings and appear to be completely under the dominance of the male appointed members. Excellence in charitable work does not necessarily qualify women to undertake duties of this kind, and it is regrettable that so few of the considerable number of women experts in social conditions have been nominated by the Ministry to fill these very important positions. This may, of course, be due to the Minister considering that the close experience of working conditions that these women experts have had might cause them not to be so "impartial" as might be considered desirable, but if the idea of the choosing of appointed members from panels suggested by the respective sides is not accepted by this Committee, may we hope that a suggestion should be made by the Committee to the Minister of Labour that his net should be thrown wider in the selection of women appointed members.

Powers of Ministry of Labour.

We suggest that the Minister of Labour should not have the power to hold up rates that have been passed by a majority for more than two weeks. That, if after that time he cannot confirm them, an appeal should lie to an impartial court such as the Industrial Court with a Chairman and Assessors representing employers and workers.

Period for Objections.

The present proposal period of two months for objections should still continue to operate as regards the first proposal of a new Trade Board; after that the objection period should be one month. After the objection period has expired, they should have power to make alterations in the proposed rates based on the objections received without re-proposing the rates.

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Representation of Organisations.

The Ministry of Labour should be bound to appoint on to Trade Boards persons nominated by the responsible organisations on both sides who have been invited to send representatives.

The workers have viewed with much alarm the continued suggestions on the part of employers that the representatives of workers should only be the people actually employed in the trade. This would obviously place the workers at great disadvantage to the employers by depriving them of the skilled advocacy of those accustomed to represent them.

Special Section with Regard to Women Workers.

As the N.U.D.A.W. includes a very large number of women members, I feel it my duty from my experience of the last six years amongst women in distributive trades to make a special appeal for the early extension of the Trade Boards Acts to those sections of the distributive trades in which women are very largely employed. Whatever the general findings of this Commission, I feel that they will not desire to ignore the really appalling conditions under which women are working in the distributive trades even at the present time. The Grocery Trade employs only a few women compared to other sections of the distributive trade, and it is certainly in the public interest that the extension of the protection of the Trade Boards Acts to these other women should not be long delayed.

During the War, when the extension of the Trade Boards Act was first mooted, organisation was spreading and wages were rising rapidly among the women factory workers. Women's labour for repetition work was at a premium, and many employers doubtless felt that the institution of Trade Boards for these trades would stabilise rates and delay what they considered too rapid advances. The distributive trade as a whole, though it was affected by the general rise in women's wages, seemed to have managed to increase wages less than anyone else. For example, by 1919 the general level of labourers and unskilled wages had risen 60 per cent., while in the distributive trade it was calculated to have risen only 30 per cent. These figures, of course, being heavily weighted by the advance of wages in the Co-operative Movement.

It was obvious during the war to those interested in women's welfare that the end of the war would necessarily mean that women would have to leave many of the trades in which they had taken the place of men, and they were apprehensive of the effect on wages in those trades generally considered "women's trades" which would result from the flooding of these restricted channels by workers who had been withdrawn during the war. It is cause for profound public gratitude that in the Needle Trades the Trade Boards have at least secured the regulation of reductions in wages, otherwise the competition for jobs on the part of displaced war workers would have forced rates in these trades below any decent level of subsistence. In some women's trades, especially clerical, rates have in many cases fallen back to the pre-war level in spite of the fact that the increase in the cost of living still remains above 100 per cent.

It is true to say that in the distributive trade as a whole women never received increases at all commensurate with the cost of living. The table given below contains the rates that were paid to the skilled assistants by two important Manchester distributive firms at the time of the strike in 1920:—

Age ...	18.	19.	20.	20.	21.	23.	24.	26.
Wage...	20s.	20s.	24s.	28s.	25s.	25s.	28s.	24s.

The above wages are not based on age, length of service, or skill, but on the whim of employer.

Another firm paid slightly higher rates, but they all refused to negotiate rates with the Union on

the ground that most of the firms employing similar labour in the city were paying lower rates than these.

Conditions in Cafes.

In spite of the enormous profits made by catering firms the wages of the women were and are extremely low. In Liverpool and district adult women café workers receive in many cases only 12s. plus two meals per day. The best firm that we have knowledge of pays 25s. plus dinner and tea. In Sheffield some of the largest cafés pay only 12s. per week and another rate is 17s.; in both cases dinner and tea are provided. In Nottingham, adult café workers' wages vary from 12s. 6d. to 17s. 6d. with meals. In 1914 these same firms were paying 7s. to 10s.

In most cases the girls complain bitterly of the kind of meals that were given to them, tea being almost invariably only tea and bread and margarine, and dinner being scrappy in quantity and not particularly good in quality.

Conditions in the Drapery Trade.

It is to be hoped that the Committee will very earnestly consider the bringing of the Drapery trade also under the Trade Board. Drapery is one of the most difficult of women's trades to organise or regulate, because there are undoubtedly some very good posts for women in this trade. A woman of good looks, ability, and "push" may rise to be a head showroom hand, or a buyer, before she has been very long out of her teens. These clever women can usually make their own terms with their employer, or if they are not satisfied frequently succeed in securing good businesses of their own. Even among those not so fortunately placed there is an enormous difference between the smart girls in the showroom and the sweated drudge of the cheap bazaar. In between these two extremes there is a large mass of women labour which is undoubtedly being exploited although enormously high profits have been made by the trade, and the normal margin of profit as apart from the present slump is very high. The necessity for a basic wage in this trade is shown by the following considerations:—

1. *Juniors.*—Juniors are taken as apprentices or learners at extremely low rates and except in the cases of model West-End firms who have schemes of apprenticeship, many of them get little opportunity of learning more than the department in which they have entered. If the firms were compelled to pay a decent junior rate it would be worth their while to see that these girls were properly trained.

2. *Competition of Country Girls.*—The rates of girls in the towns are continually being threatened by the competition of girls who come from the country. This is especially the case in the smart shops of the big towns, such as London, Manchester, Liverpool, etc. Girls who have learned their trade in the small country towns desire high-class experience and are often prepared to come in to well-known shops for bare expenses. It is an oft quoted saying in the drapery trade: "The greater the name, the greater the sweating." Again, of course, one makes the reservation that certain very well-known West-End firms have discontinued this competition in cheapness.

3. *Season Hands.*—There is also a competition of the season hands. Many firms greatly increase their staffs for the summer and winter sales. In some cases, of course, there is no competition with the regular hands, because these "casuals" are women who do not desire regular work, perhaps ex-employees of the firm who have married and desire to augment the family income in a perfectly legitimate way by helping their old firm in rush times. On the other hand, there are many who are forced to live on this seasonal work and who will offer while employed to come to the firm permanently at less rates than the permanent staff is receiving.

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4. *Suspensions.*—Another great difficulty in the trade is caused by the number of suspensions in dead seasons. The firm will often euphemistically phrase it by suggesting to the girl that she takes a holiday and will be sent for when wanted. This, of course, greatly reduces the annual income of the girl who is dependent upon herself. The small cheaper class shops offer more regular employment because they are chronically understaffed. The wages prior to the war in this class of shop only amounted to 10s. or 12s., and a small commission, and many are only receiving 18s. to-day.

5. *Cost of Lodgings.*—The wages being generally paid in the distributive trade do not permit of adequate maintenance for the girl who has to live on her own earnings. In Manchester the rates for board and lodging vary from 24s. to 30s. per week. For an unfurnished room, without attendance, a girl is lucky if she has only to pay 5s. or 7s. 6d. She may be able to get a furnished room for from 10s. to 15s. but often has to pay higher than this if she wants any attention or laundry. The impossibility of living on the Labour Exchange dole, the certainty of a long spell of unemployment if she is dismissed, causes a girl at the present time to accept anything that an unscrupulous employer likes to offer.

6. *Deductions for Food and Lodging.*—It is also necessary that the amount deducted by employers for food or board and lodging should be regulated, as many employers have greatly increased the value they placed upon these. Of course during the war the cost of providing food increased with the increase in the cost of living, but in 1920 girls whom I was attempting to organise in one of the less fashionable shopping district in North-West London were receiving 7s. a week and living in. At one meeting at which I was able to get particulars from about 40 girls present, there was only one who was not in debt to the firm for the provision of extras to supplement an utterly inadequate diet. The one exception was a girl who had come up from the country to gain experience and was receiving large parcels from home. I can bring actual witnesses to this if they can be in any way guaranteed against victimisation by the firm. During the war many girls were unable to take advantage of the high wages being earned in munition and other

trades because of the large debts for food and clothing they owed to their employer.

7. *Drapery Wages.*—It is, of course, very difficult to gain much data as to the wages being paid in the drapery trade except in organised houses, because of the condition of secrecy as to wages that exists. The following figures may be some guide as they are from firms who are completely unorganised:—

Liverpool. The drapery firms from which we have got returns pay from 23s. to 25s. plus tea.

In Sheffield the wages vary considerably. One set of returns shows adult rates 15s. to 25s., while some of the better firms are paying 24s. to 30s.

Bolton, the returns for adults are given as being from 15s. to 21s. The wages of 15s. were paid to girls of 18.

Difficulties of Organisation.

It may be argued that the Trade Unions ought to have done more to abolish the worse abuses that exist in the drapery trade. Where an effective organisation has been built up, wages, of course, are considerably in excess of those that have been quoted. The various agreements of the Shop Assistants' Union which they will have placed before you in their evidence and the rates given in schedule 2 attached show that a standard is being built up on at least a subsistence basis, but organisation is rendered terribly difficult by the sub-division in these firms and very close supervision by shop-walkers and charge hands. But all agreements are rendered very precarious because of the unscrupulous competition of the employer who pays the wages that I have quoted. No matter how desirous an employer may be of paying decent wages unless he can be assured that there is at least some limit placed to the competition that he has to face, he naturally tends to discourage organisation and to reduce rates. Some regulation of the drapery trade in the near future is absolutely essential if even the modest standards that have been secured in the trade are to be kept. One could almost go so far as to say that any scale allowed by the Trade Board would be preferable to the chaotic conditions that are existing in the trade to-day.

SCHEDULE 1.

FINANCIAL DATA AS TO THE DISTRIBUTIVE TRADES.

(Handed in—not printed.)

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[Continued.]

SCHEDULE 2.
COMPARATIVE STATEMENT OF DISTRIBUTIVE TRADE BOARDS' RATES AND A.U.C.E. RATES, 1920.
DISTRIBUTIVE TRADE BOARDS' RATES COMPARED WITH A.U.C.E. RATES, 1920.
Made Shop Assistants.

DESCRIPTION (Board or Agreement).	Age 14.	Age 15.	Age 16.	Age 17.	Age 18.	Age 19.	Age 20.	Age 21.	Age 22.	Age 23.	Age 24.	Age 25.	Age 26.
MILK TRADE BOARD.													
England and Wales { Area A ...	s. d. 15 6	s. d. 17 6	s. d. 22 0	s. d. 28 6	s. d. 37 6	s. d. 44 0	s. d. 50 0	s. d. 55 0	s. d. —	s. d. —	s. d. —	s. d. —	s. d. —
{ Area B ...	s. d. 17 6	s. d. 20 0	s. d. 25 0	s. d. 32 6	s. d. 42 6	s. d. 50 0	s. d. 57 6	s. d. 63 6	s. d. —	s. d. —	s. d. —	s. d. —	s. d. —
{ Area C ...	s. d. 20 6	s. d. 23 0	s. d. 28 6	s. d. 36 0	s. d. 46 6	s. d. 54 6	s. d. 62 6	s. d. 69 0	s. d. —	s. d. —	s. d. —	s. d. —	s. d. —
Scotland (whole country)	s. d. 17 6	s. d. 20 0	s. d. 25 0	s. d. 32 6	s. d. 42 6	s. d. 50 0	s. d. 57 6	s. d. 67 6	s. d. —	s. d. —	s. d. —	s. d. —	s. d. —
GROCERY TRADE BOARD.													
England and Wales { Area A ...	s. d. 15 0	s. d. 18 0	s. d. 22 0	s. d. 27 0	s. d. 33 0	s. d. 40 0	s. d. 47 0	s. d. 54 0	s. d. 55 0	s. d. 56 0	s. d. 57 0	s. d. 58 0	s. d. —
{ Area B ...	s. d. 16 6	s. d. 20 0	s. d. 24 0	s. d. 29 0	s. d. 35 0	s. d. 42 6	s. d. 51 0	s. d. 60 0	s. d. 62 0	s. d. 64 0	s. d. 66 0	s. d. 68 0	s. d. —
{ Area C ...	s. d. 17 6	s. d. 21 0	s. d. 25 0	s. d. 30 0	s. d. 37 0	s. d. 44 0	s. d. 53 0	s. d. 62 0	s. d. 64 0	s. d. 66 0	s. d. 68 0	s. d. 70 0	s. d. —
Scotland (whole country)	s. d. 15 0	s. d. 20 0	s. d. 25 0	s. d. 30 0	s. d. 35 0	s. d. 45 0	s. d. 55 0	s. d. 65 0	s. d. 67 6	s. d. 70 0	s. d. 72 6	s. d. —	s. d. —
MIDLAND A.U.C.E. AGREEMENT.													
Group 1	s. d. 17 0	s. d. 19 0	s. d. 24 0	s. d. 30 0	s. d. 40 0	s. d. 46 0	s. d. 52 0	s. d. 77 6	s. d. 77 6	s. d. 80 0	s. d. —	s. d. —	s. d. —
Group 2	s. d. 15 9	s. d. 17 7	s. d. 22 7	s. d. 27 9	s. d. 37 0	s. d. 42 6	s. d. 48 1	s. d. 71 9	s. d. 69 9	s. d. 74 0	s. d. —	s. d. —	s. d. —
Group 3	s. d. 15 4	s. d. 17 1	s. d. 21 7	s. d. 27 2	s. d. 36 0	s. d. 41 5	s. d. 46 10	s. d. 69 9	s. d. 69 9	s. d. 72 0	s. d. —	s. d. —	s. d. —
NORTHERN A.U.C.E. AGREEMENT.													
Districts Nos. 1, 2, 4, 5, 6 and 7	s. d. 21 0	s. d. 24 0	s. d. 27 0	s. d. 33 0	s. d. 42 0	s. d. 47 0	s. d. 52 0	s. d. 84 0	s. d. 86 0	s. d. 88 0	s. d. 90 0	s. d. 90 0	s. d. —
July 16th, 1920 { District No. 3	s. d. 21 0	s. d. 24 0	s. d. 27 0	s. d. 33 0	s. d. 41 0	s. d. 46 0	s. d. 51 0	s. d. 82 0	s. d. 84 0	s. d. 86 0	s. d. 88 0	s. d. —	s. d. —
NORTH-WESTERN A.U.C.E. AGREEMENT.													
(LANCASHIRE, YORKSHIRE, NORTH STAFFS, NORTH WALES, CHESHIRE, AND NORTH DEREYSHIRE.)													
May 24th, 1920 ...	s. d. 18 0	s. d. 21 0	s. d. 24 0	s. d. 30 0	s. d. 40 0	s. d. 46 0	s. d. 52 0	s. d. 72 0	s. d. 77 0	s. d. 80 0	s. d. —	s. d. —	s. d. —
SCOTTISH A.U.C.E. AGREEMENT.													
January 1st, 1920 ...	s. d. 15 0	s. d. 20 0	s. d. 25 0	s. d. 30 0	s. d. 35 0	s. d. 55 0	s. d. 60 0	s. d. 65 0	s. d. 70 0	s. d. 75 0	s. d. —	s. d. —	s. d. —
SOUTHERN A.U.C.E. AGREEMENT.													
October 20th, 1919 { Group 1 ...	s. d. 16 0	s. d. 18 0	s. d. 21 0	s. d. 24 0	s. d. 32 0	s. d. 38 0	s. d. 43 0	s. d. 60 0	s. d. —	s. d. —	s. d. —	s. d. —	s. d. —
{ Group 2 ...	s. d. 14 10	s. d. 16 8	s. d. 19 6	s. d. 22 2	s. d. 29 7	s. d. 35 2	s. d. 39 9	s. d. 55 6	s. d. —	s. d. —	s. d. —	s. d. —	s. d. —
LONDON A.U.C.E. (STOKER AWARD).													
September 6th, 1920 ...	s. d. 19 0	s. d. 23 0	s. d. 26 0	s. d. 32 0	s. d. 40 0	s. d. 46 0	s. d. 54 0	s. d. 65 0	s. d. 70 0	s. d. 75 0	s. d. 80 0	s. d. —	s. d. —
SOUTH WALES A.U.C.E. AGREEMENT.													
June 5th, 1920 ...	s. d. 19 0	s. d. 21 0	s. d. 25 0	s. d. 28 0	s. d. 39 0	s. d. 45 0	s. d. 50 0	s. d. 70 0	s. d. 75 0	s. d. 80 0	s. d. —	s. d. —	s. d. —
ARMY AND NAVY AWARD.													
January 11th, 1920 ...	s. d. —	s. d. —	s. d. 25 0	s. d. 30 0	s. d. 37 0	s. d. 44 0	s. d. 53 0	s. d. 62 0	s. d. 65 0	s. d. 68 0	s. d. 71 0	s. d. 74 0	s. d. 78 0

NOTE.—Midland A.U.C.E. Agreement—Group 2, less 7½ per cent. of Group 1. Group 3, less 10 per cent. of Group 1.
Scottish A.U.C.E. Agreement—Group 1, less 10 per cent. of Group 1.
Southern A.U.C.E. Agreement—Group 2, less 7½ per cent. of Group 1.
Army and Navy Award—Applicable not only to London, but to all Provincial Centres where they have Branches

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[Continued.]

DISTRIBUTIVE TRADE BOARDS' RATES COMPARED WITH A.U.C.E. RATES.
Female Shop Assistants.

DESCRIPTION. (Board or Agreement.)	Age 14.	Age 15.	Age 16.	Age 17.	Age 18.	Age 19.	Age 20.	Age 21.	Age 22.	Age 23.	Age 24.	Age 25.	Age 26.
MILK TRADE BOARD—													
England and Wales—													
Area A ...	12 6	12 6	12 6	17 6	20 6	25 6	31 0	43 0	37 0	38 0	39 0	—	—
Area B ...	16 0	16 0	16 0	21 0	24 0	30 0	35 0	42 0	41 6	43 0	45 0	—	—
Area C ...	18 6	18 6	20 0	25 0	28 0	34 0	40 0	47 0	45 0	47 0	49 0	—	—
Scotland (whole country) ...	12 6	15 0	17 6	22 6	26 0	31 0	35 0	38 0	51 0	53 0	55 0	—	—
GROCERY TRADE BOARD—													
England and Wales—													
Area A ...	15 0	16 0	17 6	21 6	26 6	30 0	33 0	36 0	37 0	38 0	39 0	—	—
Area B ...	16 6	17 6	19 0	23 0	28 0	33 0	36 0	40 0	41 6	43 0	45 0	—	—
Area C ...	17 6	18 6	20 0	24 0	29 6	34 0	37 0	41 0	43 0	45 0	47 0	—	—
Scotland (whole country) ...	12 0	15 0	19 0	23 0	27 0	34 0	42 0	45 0	51 0	53 0	55 0	—	—
MIDLAND A.U.C.E. AGREEMENT—													
July 21st, 1920—	16 0	18 0	23 0	28 0	36 0	38 0	44 0	50 0	—	—	—	—	—
Group 1 ...	14 10	16 8	21 4	25 11	33 4	35 4	40 8	46 3	—	—	—	—	—
Group 2 ...	14 5	16 3	20 9	25 3	32 5	34 3	39 7	45 0	—	—	—	—	—
NORTHERN A.U.C.E. AGREEMENT—													
July 16th, 1920—	21 0	24 0	27 0	30 0	37 0	41 0	44 6	53 6	—	—	—	—	—
Districts Nos. 1, 2, 3, 4, 5, 6, and 7 ...	17 0	20 0	23 0	30 0	34 0	38 0	44 0	50 0	—	—	—	—	—
NORTH-WESTERN A.U.C.E. AGREEMENT—													
May 24th, 1920 ...	15 0	19 0	24 0	28 0	36 0	42 0	46 0	50 0	—	—	—	—	—
SOUTHERN A.U.C.E. AGREEMENT—													
October 20th, 1919—	16 0	18 0	21 0	24 0	28 0	32 0	36 0	45 0	—	—	—	—	—
Group 1 ...	14 10	16 8	19 6	22 2	25 11	29 7	33 4	41 8	—	—	—	—	—
Group 2 ...	17 0	19 0	23 0	27 6	34 0	38 6	44 0	49 0	53 0	58 0	—	—	—
LONDON A.U.C.E. (STOKER AWARD)—													
September 6th, 1920 ...	18 0	20 0	23 0	26 0	32 0	37 0	42 0	49 0	—	—	—	—	—
SOUTH WALES A.U.C.E. AGREEMENT—													
June 5th, 1920 ...	—	—	20 0	23 0	32 0	37 0	42 0	49 0	—	—	—	—	—
ARMY AND NAVY AWARD—													
January 11th, 1921 ...	—	—	20 0	24 0	29 0	34 0	37 0	43 0	45 0	47 0	49 0	51 0	53 0

NOTE.—Midland A.U.C.E. Agreement—Group 2, less 7½ per cent. of Group 1. Group 3, less 10 per cent. of Group 1.

Southern A.U.C.E. Agreement—Group 2, less 7½ per cent. of Group 1.

Army and Navy Award—Applicable not only to London, but to all Provincial centres where they have Branches.

22 December, 1921.]

Miss E. C. WILKINSON, M.A.

[Continued.]

DISTRIBUTIVE TRADE BOARDS' RATES COMPARED WITH A.U.C.E. RATES.

Male Porters.

DESCRIPTION. (Board or Agreement.)	Age 14.	Age 15.	Age 16.	Age 17.	Age 18.	Age 19.	Age 20.	Age 21.	Age 22.	Age 23.	Age 24.	Age 25.	Age 26.
MILK TRADE BOARD—													
{ Area A ...	s. d. 17 6	s. d. 17 6	s. d. 22 0	s. d. 28 6	s. d. 37 6	s. d. 44 0	s. d. 50 6	s. d. 55 0	s. d. —	s. d. —	s. d. —	s. d. —	s. d. —
{ Area B ...	s. d. 17 6	s. d. 20 0	s. d. 23 0	s. d. 28 6	s. d. 42 6	s. d. 50 0	s. d. 57 6	s. d. 62 6	s. d. —	s. d. —	s. d. —	s. d. —	s. d. —
{ Area C ...	s. d. 20 6	s. d. 23 0	s. d. 26 6	s. d. 32 6	s. d. 46 6	s. d. 50 0	s. d. 57 6	s. d. 65 0	s. d. —	s. d. —	s. d. —	s. d. —	s. d. —
{ Scotland (whole country) ...	s. d. 17 6	s. d. 20 0	s. d. 25 0	s. d. 32 6	s. d. 42 6	s. d. 50 0	s. d. 57 6	s. d. 65 0	s. d. —	s. d. —	s. d. —	s. d. —	s. d. —
GROCERY TRADE BOARD—													
{ Area A ...	s. d. 14 0	s. d. 17 0	s. d. 21 0	s. d. 26 0	s. d. 32 0	s. d. 39 0	s. d. 46 0	s. d. 52 0	s. d. 59 0	s. d. 64 0	s. d. 69 0	s. d. 74 0	s. d. 79 0
{ Area B ...	s. d. 15 6	s. d. 19 0	s. d. 23 0	s. d. 28 0	s. d. 34 6	s. d. 41 6	s. d. 48 6	s. d. 55 0	s. d. 62 0	s. d. 69 0	s. d. 76 0	s. d. 83 0	s. d. 90 0
{ Area C ...	s. d. 16 0	s. d. 20 0	s. d. 24 0	s. d. 29 0	s. d. 36 0	s. d. 43 0	s. d. 50 0	s. d. 57 0	s. d. 64 0	s. d. 71 0	s. d. 78 0	s. d. 85 0	s. d. 92 0
{ Scotland (whole country) ...	s. d. 15 0	s. d. 20 0	s. d. 25 0	s. d. 30 0	s. d. 35 0	s. d. 40 0	s. d. 45 0	s. d. 50 0	s. d. 55 0	s. d. 60 0	s. d. 65 0	s. d. 70 0	s. d. 75 0
MIDLAND A.U.C.E. AGREEMENT—													
{ Group 1 ...	s. d. 17 0	s. d. 19 0	s. d. 24 0	s. d. 30 0	s. d. 40 0	s. d. 46 0	s. d. 52 0	s. d. 58 0	s. d. 64 0	s. d. 70 0	s. d. 76 0	s. d. 82 0	s. d. 88 0
{ Group 2 ...	s. d. 15 9	s. d. 17 7	s. d. 22 2	s. d. 27 9	s. d. 37 0	s. d. 42 6	s. d. 48 1	s. d. 53 9	s. d. 59 6	s. d. 65 3	s. d. 71 0	s. d. 76 7	s. d. 82 4
{ Group 3 ...	s. d. 15 4	s. d. 17 1	s. d. 21 7	s. d. 27 0	s. d. 36 0	s. d. 41 5	s. d. 46 10	s. d. 51 6	s. d. 57 1	s. d. 62 6	s. d. 68 1	s. d. 73 6	s. d. 79 1
NORTHERN A.U.C.E. AGREEMENT—													
{ District Nos. 1, 2, 4, 5, 6, and 7 ...	s. d. 21 0	s. d. 24 0	s. d. 27 0	s. d. 33 0	s. d. 42 0	s. d. 47 0	s. d. 52 0	s. d. 57 0	s. d. 62 0	s. d. 67 0	s. d. 72 0	s. d. 77 0	s. d. 82 0
{ District No. 3 ...	s. d. 21 0	s. d. 24 0	s. d. 27 0	s. d. 33 0	s. d. 41 0	s. d. 46 0	s. d. 51 0	s. d. 56 0	s. d. 61 0	s. d. 66 0	s. d. 71 0	s. d. 76 0	s. d. 81 0
NORTH-WESTERN A.U.C.E. AGREEMENT—													
{ District No. 3 ...	s. d. 18 0	s. d. 21 0	s. d. 24 0	s. d. 30 0	s. d. 40 0	s. d. 46 0	s. d. 52 0	s. d. 58 0	s. d. 64 0	s. d. 70 0	s. d. 76 0	s. d. 82 0	s. d. 88 0
SCOTTISH A.U.C.E. AGREEMENT—													
{ January 1st, 1920 ...	s. d. 15 0	s. d. 20 0	s. d. 25 0	s. d. 30 0	s. d. 35 0	s. d. 40 0	s. d. 45 0	s. d. 50 0	s. d. 55 0	s. d. 60 0	s. d. 65 0	s. d. 70 0	s. d. 75 0
{ Southern A.U.C.E. Agreement—	s. d. 15 0	s. d. 20 0	s. d. 25 0	s. d. 30 0	s. d. 35 0	s. d. 40 0	s. d. 45 0	s. d. 50 0	s. d. 55 0	s. d. 60 0	s. d. 65 0	s. d. 70 0	s. d. 75 0
{ October 20th, 1919 { Group 1 ...	s. d. 16 0	s. d. 18 0	s. d. 21 0	s. d. 24 0	s. d. 32 0	s. d. 38 0	s. d. 43 0	s. d. 48 0	s. d. 53 0	s. d. 58 0	s. d. 63 0	s. d. 68 0	s. d. 73 0
{ Group 2 ...	s. d. 14 10	s. d. 16 8	s. d. 19 6	s. d. 22 2	s. d. 29 7	s. d. 35 2	s. d. 39 9	s. d. 44 6	s. d. 49 3	s. d. 54 0	s. d. 58 7	s. d. 63 4	s. d. 68 1
LONDON A.U.C.E. (STOKER AWARD)—													
{ September 6th, 1920 ...	s. d. 19 0	s. d. 23 0	s. d. 26 0	s. d. 32 0	s. d. 40 0	s. d. 46 0	s. d. 54 0	s. d. 62 0	s. d. 70 0	s. d. 78 0	s. d. 86 0	s. d. 94 0	s. d. 102 0
SOUTH WALES A.U.C.E. AGREEMENT—													
{ June 5th, 1920 ...	s. d. 19 0	s. d. 21 0	s. d. 25 0	s. d. 28 0	s. d. 39 0	s. d. 45 0	s. d. 50 0	s. d. 55 0	s. d. 60 0	s. d. 65 0	s. d. 70 0	s. d. 75 0	s. d. 80 0
ARMY AND NAVY AWARD—													
{ January 11th, 1921 ...	s. d. —	s. d. —	s. d. 24 0	s. d. 29 0	s. d. 36 0	s. d. 43 0	s. d. 50 0	s. d. 57 0	s. d. 64 0	s. d. 71 0	s. d. 78 0	s. d. 85 0	s. d. 92 0

NOTE.—Midland A.U.C.E. Agreement—Group 2, less 7½ per cent. of Group 1. Group 3, less 10 per cent. of Group 1.

Southern A.U.C.E. Agreement—Group 2, less 7½ per cent. of Group 1.

Army and Navy Award—Application not only in London, but in all Provincial centres where they have Branches as well.

22 December, 1921.]

Miss E. C. WILKINSON, M.A.

[Continued.]

DESTRUCTIVE TRADE BOARDS' RATES COMPARED WITH A.U.C.E. RATES.
Female Porters.

DESCRIPTION. (Board or Agreement).	Age 14.	Age 15.	Age 16.	Age 17.	Age 18.	Age 19.	Age 20.	Age 21.	Age 22.	Age 23.	Age 24.	Age 25.	Age 26.
MILK TRADE BOARD—													
{ Area A ...	s. d. 12 6	s. d. 12 6	s. d. 12 6	s. d. 17 6	s. d. 20 6	s. d. 25 6	s. d. 30 6	s. d. 32 6	s. d. 32 6	s. d. 32 6	s. d. 32 6	s. d. 32 6	s. d. 32 6
{ Area B ...	... 16 0	... 16 0	... 16 0	... 21 0	... 24 0	... 29 0	... 34 0	... 36 0	... 36 0	... 36 0	... 36 0	... 36 0	... 36 0
{ Area C ...	... 18 6	... 18 6	... 20 0	... 25 0	... 28 0	... 33 0	... 38 0	... 40 0	... 40 0	... 40 0	... 40 0	... 40 0	... 40 0
{ Area D ...	... 16 0	... 16 0	... 20 0	... 25 0	... 28 0	... 30 0	... 33 0	... 35 0	... 35 0	... 35 0	... 35 0	... 35 0	... 35 0
GROCERY TRADE BOARD—													
{ Area A ...	s. d. 14 0	s. d. 15 6	s. d. 17 0	s. d. 21 0	s. d. 25 6	s. d. 29 0	s. d. 32 0	s. d. 35 0	s. d. 36 0	s. d. 37 0	s. d. 37 0	s. d. 37 0	s. d. 37 0
{ Area B ...	... 15 6	... 17 6	... 18 6	... 22 6	... 27 6	... 31 0	... 34 0	... 36 0	... 38 0	... 41 0	... 41 0	... 41 0	... 41 0
{ Area C ...	... 16 0	... 17 6	... 19 0	... 23 0	... 27 0	... 33 0	... 36 0	... 38 0	... 40 0	... 43 0	... 43 0	... 43 0	... 43 0
{ Area D ...	... 12 0	... 15 0	... 19 0	... 23 0	... 27 0	... 34 0	... 42 0	... 45 0	... 51 0	... 53 0	... 55 0	... 55 0	... 55 0
MIDLAND A.U.C.E. AGREEMENT—													
{ Area A ...	s. d. 16 0	s. d. 18 0	s. d. 23 0	s. d. 28 0	s. d. 36 0	s. d. 38 0	s. d. 44 0	s. d. 50 0	s. d. 50 0	s. d. 50 0	s. d. 50 0	s. d. 50 0	s. d. 50 0
{ Area B ...	... 14 10	... 16 8	... 21 4	... 25 11	... 33 4	... 35 4	... 40 8	... 46 3	... 46 3	... 46 3	... 46 3	... 46 3	... 46 3
{ Area C ...	... 14 5	... 16 3	... 20 9	... 25 3	... 32 5	... 34 3	... 39 7	... 45 0	... 45 0	... 45 0	... 45 0	... 45 0	... 45 0
NORTHERN A.U.C.E. AGREEMENT—													
{ Area A ...	s. d. 21 0	s. d. 24 0	s. d. 27 0	s. d. 30 0	s. d. 37 0	s. d. 41 0	s. d. 44 0	s. d. 53 6	s. d. 53 6	s. d. 53 6	s. d. 53 6	s. d. 53 6	s. d. 53 6
{ Area B ...	... 17 0	... 20 0	... 23 0	... 30 0	... 34 0	... 38 0	... 44 0	... 50 0	... 50 0	... 50 0	... 50 0	... 50 0	... 50 0
{ Area C ...	... 15 0	... 19 0	... 24 0	... 28 0	... 36 0	... 42 0	... 46 0	... 50 0	... 50 0	... 50 0	... 50 0	... 50 0	... 50 0
{ Area D ...	... 16 0	... 18 0	... 21 0	... 24 0	... 28 0	... 32 6	... 36 0	... 45 0	... 45 0	... 45 0	... 45 0	... 45 0	... 45 0
{ Area E ...	... 14 10	... 16 8	... 19 6	... 22 2	... 25 11	... 29 7	... 33 4	... 41 8	... 41 8	... 41 8	... 41 8	... 41 8	... 41 8
LONDON A.U.C.E. (Stolker Award)—													
{ Area A ...	s. d. 17 0	s. d. 19 0	s. d. 23 0	s. d. 27 6	s. d. 34 0	s. d. 38 6	s. d. 44 0	s. d. 49 0	s. d. 53 0	s. d. 53 0	s. d. 53 0	s. d. 53 0	s. d. 53 0
{ Area B ...	... 18 0	... 20 0	... 23 0	... 26 0	... 32 0	... 37 0	... 42 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0
{ Area C ...	... 18 0	... 20 0	... 23 0	... 26 0	... 32 0	... 37 0	... 42 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0
{ Area D ...	... 18 0	... 20 0	... 23 0	... 26 0	... 32 0	... 37 0	... 42 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0
ARMY AND NAVY AWARD—													
{ Area A ...	s. d. 18 0	s. d. 20 0	s. d. 23 0	s. d. 26 0	s. d. 32 0	s. d. 37 0	s. d. 42 0	s. d. 49 0	s. d. 49 0	s. d. 49 0	s. d. 49 0	s. d. 49 0	s. d. 49 0
{ Area B ...	... 18 0	... 20 0	... 23 0	... 26 0	... 32 0	... 37 0	... 42 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0
{ Area C ...	... 18 0	... 20 0	... 23 0	... 26 0	... 32 0	... 37 0	... 42 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0
{ Area D ...	... 18 0	... 20 0	... 23 0	... 26 0	... 32 0	... 37 0	... 42 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0	... 49 0

NOTE.—Midland A.U.C.E. Agreement Group 2, less 7 1/2 per cent. of Group 1. Group 3, less 10 per cent. of Group 1.
Southern A.U.C.E. Agreement—Group 2, less 7 1/2 per cent. of Group 1.
Army and Navy Award—Applicable both in London and Provinces wherever they have Branches.

SCHEDULE 3.

COMPARATIVE STATEMENT OF DESTRUCTIVE TRADE BOARDS' RATES AND A.U.C.E. RATES, 1921.

(Handed in—not printed.)

SCHEDULE 4.

COMPARATIVE STATEMENT OF WAGES RATES IN SIX TYPICAL PRIVATE ESTABLISHMENTS AND ASSOCIATIONS.

(Handed in—not printed.)

22 December, 1921.]

Miss E. C. WILKINSON, M.A.

[Continued.]

7809. *Chairman*: You are National Organiser for the National Union of Distributive and Allied Workers?—Yes.

7810. And you have come here, in the absence of your Joint General Secretary, Mr. Hallsworth, and of your General President, Mr. Jagger, who otherwise would have come to give their views?—Yes. This case would ordinarily have been taken by Mr. Hallsworth, but he is seriously ill, and, as I say, the statement has been hurriedly prepared, and for that reason I claim the indulgence of the Committee.

7811. You classify the membership of the Union, which I understand is an amalgamation of the Warehouse Workers' Union and the Amalgamated Union of Co-operative Employees?—Yes.

7812. Your membership, as we have already been told, is 130,000. You divide it into Co-operative Distributive employees, 80,000; Co-operative Productive employees, 10,000; and non-co-operative workers in wholesale warehouses, retail multiple shops and allied productive trades, 40,000?—Yes.

7813. Does that mean that it does not include any workers in ordinary retail shops?—No, it does not mean that, but I was just taking the very biggest, broadest classification. Our membership in the smaller shops, like the membership of any Distributive Union, is very small among the smaller shopkeepers.

7814. You are really predominantly co-operative; that is the biggest?—Yes, that is at present the biggest.

7815. And next to that come the wholesale warehouses and the big shops?—Yes, those are the main things.

7816. And just a small number in the small shops, chiefly, I gather, in Liverpool, Manchester, London, Glasgow and Birmingham?—That is so far as non-co-operative workers are concerned.

7817. Dealing first with the co-operative movement, you point to its importance. You say there are 4½ million adult co-operators?—Yes. My reason for entering in some detail into that is to show that when one is dealing with conditions in the Co-operative Movement one is not dealing with a small section of the Distributive Trade, but a very large section; and that is why I have used it for purposes of comparison.

7818. The 4½ millions are members of Co-operative Societies. What is the number of workers in the Co-operative shops and factories?—We reckon that we have in that 90,000, about 80 per cent. of the total of co-operative employees that there are in the country, and that figure is generally agreed to, and, I believe, is also quoted by the employers.

7819. Then the total would be something over 100,000?—Yes, about 110,000, I think.

7820. Then you refer to the co-operative minimum wage. That is a scale which was fixed at the Congress, I think, in 1908.—What happened there was that the old Amalgamated Union of Co-operative Employees and the Women's Co-operative Guild had a very long propaganda to get a basic minimum in the co-operative industries, and we got this scale, which is known as the Congress scale. It was passed in 1908. It was not immediately put into operation, except by the biggest societies. It took a good deal of trade union action before we got it generally accepted, but by 1914 this scale of 17s. for women at 20, and 24s. for men at 21, was in general operation. I quoted that scale, if I may say so, because it seemed to me the first important move towards general regulation of wages in the distributive trades.

7821. This was for all trades with which the co-operative movement was concerned, I suppose?—Yes; that was the bedrock basic minimum, except, of course, as far as actual craft workers were concerned—those such as bricklayers or engineers or plumbers; but this is both a distributive and a productive scale, because the Co-operative Wholesale Society, with its large productive factories, also adopted it.

7822. And, of course, their business includes a very great variety of trades?—Yes, quite. I quote here something like 24 different branches of grocery, drapery, hardware, boots and shoes, butchering, furnishing, etc., and I have been informed since that that is not exhaustive—that the Leeds Co-operative Society has actually more departments.

7823. And that scale was the basic minimum for all general workers?—Yes.

7824. *Sir Arthur Pease*: Have you a similar scale to-day with other rates?—Yes, I go on to point out that we have many trade union agreements since this scale was adopted. In every case we have that basic minimum in view, and if you will turn to the schedules 2 and 3, you will see that those trade union rates have in fact been built up as time goes on on that original scale.

7825. That is not quite my point. My point is, this was a basic scale at that date on which trade union rates were based. Have you another scale on which trade union rates are based to-day? Have you altered this basic scale?—No, the basic scale still exists, but of course it is very much of a basic scale, because the distributive Trade Board rates, as I say in schedules 2 and 3, are very much increased in amount; but you see they all follow the general lines. For instance, skilled shop assistants go up to 22 or even to 25 years; but you still find that the backbone, as it were, of the trade union agreement is this old Congress scale.

7826. *Chairman*: The summit has got further from the base, but the base still remains?—Quite.

7827. Of course, anything above that was at that time the subject of bargaining?—That is so.

7828. You argue that as one section of the trade has successfully worked a minimum rate, it ought to be possible for one Trade Board to fix a minimum rate for all distributive trades?—Yes. I do not want to seem to be arguing too much from the particular to the general, but I just wanted to refer there to the fact that the figures I gave of the size of the co-operative movement show that it is possible. I think, to draw a general deduction from what they do to what the whole trade might do.

7829. Are some of these co-operative shops in small villages?—Oh, I should say in almost every village of the British Islands the co-operative societies are found.

7830. This applies right through the large towns, small towns, and villages?—Yes.

7831. That is as far as the basis goes?—Yes.

7832. *Mr. Bell*: Some of the places in the outlying districts would be covered by a small branch shop?—That is quite so. Some societies would have a radius of 100 miles. I believe, as a matter of fact, the square mileage of the London Co-operative Society is 230 miles.

7833. And a number of these branch shops may be managed, say, by one man and nobody else employed there?—That is so. Of course, they very often have a branch manager and one assistant, but there are cases where there is only one man.

7834. So that these small shops are to be compared, say, with the small trader?—Yes. I should say you have almost every grade in the co-operative movement from the man who manages by himself, or, as in the case of the Barnsley Co-operative Society—the one that I know of—with the assistance of his wife, right up to the very large shops that there are in the Leeds Co-operative Society.

7835. *Dame Adelaide Anderson*: I think you suggest that the trade union organisation operating on this simple basis should arrange for the adjustments between the large and the very small places; but what would happen where there was no trade union organisation?—Where there was no trade union organisation the workers would, of course, be protected as against the worst sweating by the minimum wage; but I, of course, consider that the workers as a whole should be organised, and that it is in their interest to be organised, and that no Govern-

22 December, 1921.]

Miss E. C. WILKINSON, M.A.

[Continued.]

ment can do that work for them, nor should try to do it.

7836. At least, in your industry there is sufficient organisation to begin upon in the Distributive Trades?—Well, hardly. The Distributive Trades, I should say, are amongst the worst organised in the country, and that would be made up for, I think, by the fact that there would be a basic minimum below which the worst people could not go.

7837. This scale provides simply for age, not for differing branches of the work?—Quite; it does not provide for age or for skill. You see, the shop assistant is a skilled worker, and the rates would be negotiated above this rate; but there is a vast mass of general work, and the rate up to 21 provides for the whole of that. It is the bottom in the trade, as it were.

7838. *Chairman:* You put it very clearly in your statement, where you say: "This follows the procedure that Trade Boards were intended to institute. We have always contended as a Union that Trade Board rates were not standard but minimum rates, and that trade union organisation, operating on these as a basis, should make the adjustments between London and Little Peddlington." You would also say between the normal worker of the lowest grade and the worker of the highest grade?—Yes. Then, of course, some Trade Boards are beginning to fix skilled rates, and those are working quite satisfactorily.

7839. But, of course, those are not minimum rates in the sense in which that expression is used in that paragraph, or in the sense in which it is used in Mr. Hallsworth's pamphlet of which you give us a copy?—Quite.

7840. *Mr. Poulton:* When you refer to that, do you mean a minimum rate for each grade or a minimum rate for the whole of the country?—Of course, as far as the juniors are concerned, I think that you should have a minimum rate for the whole of the country, and that any differentiation that takes place should take place above that age.

7841. Would that be for age or experience?—Well, I mean it would really be a combination of the two. A person who had had this experience would obviously be that old.

7842. The point I want to get here is that a number of objections have been raised by the employers; it has been said that to attempt to fix a rate for age only is very detrimental. What is your opinion of that?

Chairman: That is under 21 years of age.

Witness: I am sorry, I did not quite catch your point.

7843. *Mr. Poulton:* It has been said that a rate fixed for age only is detrimental to the young employee, and the employers have said it has tended to keep them out of the calling. Do you think that is so?—We have had a great many objections on that basis on all the Boards on which I sit; but, of course, most of the schedules actually provided for that by making different rates according to the different time at which a boy enters the industry.

7844. And do you think that should be met under the variation of the rates so as to deal with any special cases?—Yes, precisely.

7845. *Chairman:* And not only special cases, but it is met, as you say, by some Boards, by special provision in the rate which they fix?—If you take the Dressmaking Board, for example, there is a certain rate based on age, by which the girl who comes in at 14 works straight through to 18, and then gets her skilled rate after that. We have made provision for a girl who does not enter the industry until she is 17, or even until she is 18, but she still gets her age rate, and that is why I say that in practice the rate is a combination of both age and experience, so far as the Trade Boards are concerned. On those rates, if a boy comes in at 17, then he gets his rate for his age, so far as the Co-operatives are concerned.

7846. But is it not a fact that some Boards have made this provision, that if a junior comes in, say at 17, she does not necessarily get the rate for 17 at once, but she has a period of probation during which she

takes a lower rate, and only comes into the proper rate for a girl of 17 when she has passed that probation?—Yes, that is so. In some Boards they have just done it simply by—to take an example—giving them 3s. 0d. less for the first six months on the age rate.

7847. That has worked satisfactorily?—That has worked satisfactorily.

7848. *Mr. Poulton:* I mean you find no difficulty in having varying rates to meet those cases?—No.

7849. *Chairman:* Then you deal with the objection that the low rates, the rates which are at present being paid—it is not the rates at present being paid, but the rates at present proposed—would drive some employers out of the business?—Oh, yes, that is so.

7850. The Co-operative Societies have had to meet their competition, and do pay a reasonable rate of wages. Then what are these figures in this paragraph?—Those figures were taken from the Co-operative Congress Annual for 1921, and those are taken from the analysis of the whole movement, and that gives the share capital as £76,000,000 roughly, the total profit as £25,000,000, the percentage of profit thus being 33½ per cent. Of course generally the Co-operative movement pays interest, say, at 5 per cent. on its share capital, and then divides the rest of its surplus as dividend on purchases; and what I have done here is to take the whole of the surplus made, both interest on the capital and dividend on the sales, and I have expressed it, as a Joint Stock Company would express it, as dividend on share capital.

7851. *Mrs. Lyttelton:* But you have not stated that it is exempt from income tax, have you?—That is rather an interesting point. The Co-operative movement is not exempt from the excess profits duty, but on income tax we claim that, just to take an example, if an ordinary trader such as a furniture dealer ordered a suite of furniture for himself and sent it home, he would not have to pay income tax on the whole of the price that he paid for that.

7852. Only I mean it does not make it quite a fair analogy, because you are here treating it as an ordinary company which would have to pay income tax. You state that they made 33½ per cent. without putting the point about the income tax. You cannot use it both ways?—You are quite right on that, but the Co-operative Society does claim that it is not privileged any more than the man who deals with himself.

7853. You stated just now that you were treating it as if it were an ordinary company. If it had been an ordinary company it would have paid income tax, and therefore the profits would not have been so high?—Yes; you would reduce that 33½ per cent.

7854. To a very large degree.—But on the other hand the excess profits duty is paid on the whole sum; I mean this is not the whole sum that is made, of course.

7855. *Chairman:* Does that £76,000,000 represent the total amount of capital?—That is exclusive of the Co-operative Wholesale Society. The Co-operative Wholesale Society is not included in there; I am dealing there with the retail Societies.

7856. But is that the real amount of capital in those Societies to-day?—That is given in the Co-operative Congress Annual for 1921. I can only take that figure.

7857. Do you really think it is right that they make 33½ per cent. profit on their capital?—As a matter of fact, those figures are reduced by bringing in Societies which are not earning so much; but in an arbitration which I took before the Minister of Labour for Northern Ireland, we showed that right up to that period the average profit in the Belfast Co-operative Society had been 44½ per cent.

7858. That seems to be capitalism of the worst kind!—No, it is not capitalism of the worst kind, because in actual practice the people who buy the goods share the advantage. It does not go into private pockets. They could, of course, sell their goods more cheaply, I suppose, and not make profits

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at all, but the old Rochdale pioneer said that that would not encourage thrift, and the idea of these dividends was to encourage thrift amongst the workers.

7859. *Mr. Poulton*: You mean by those dividends?—This is the dividend on sales and a percentage on share capital.

7860. *Sir Arthur Pease*: Are you quite sure you have not got the gross profit here, before taking off expenses?—I am quite sure that expenses are not included in that. I am only sorry that I have not brought the Annual with me, but I can produce it.

7861. They are not included?—They are definitely not included in that 33½ per cent.

7862. *Chairman*: They have been deducted, you mean?—Yes, the whole of the cost of distribution, the wages cost and establishment charges, have been deducted before that £25,000,000 figure was arrived at. I am quite sure about that, because I have had to take this particular kind of evidence when we were proving that Co-operative Societies could afford to pay more wages.

7863. *Mrs. Lyttelton*: Then the only reduction that could be made is on this income tax point?—On the income tax, yes.

7864. *Sir Arthur Pease*: Have you come across Societies which were charging so much more for their goods than that, with the dividend deducted, the price was practically the same as those of the adjoining shops?—That is what I think private traders very often put about; but it is very rigorously denied by the Co-operative movement, and I certainly have not found it. Certainly during the war the Co-operative Societies were in many cases on certain lines charging less than the private traders were, and were very bitterly complained of because of that.

7865. The case I have in mind was before the war; it was alleged then.—My experience of the Co-operative movement does not date to before the war.

7866. *Mr. Poulton*: Does not this total profit which you mention here really refer to the dividends to the members?—Quite; plus the 5 per cent. that is paid on the share capital.

7867. I want to follow up my colleague's question: Are there not, as a matter of fact, particularly in the north-east and north-west, a number of Co-operative Societies whose members insist upon a high rate of dividend, and therefore they charge more for their goods in order to have that high rate of dividend, as against the southern ones, who have a low rate?—I think that was perhaps true, especially before the war, especially in the case of the St. Cuthbert's Society of Edinburgh. That was the notorious case where, I think, they had a 4s. dividend before the war; but I should say on the whole those were very few, and that, generally speaking, in the industrial districts of Lancashire and Yorkshire the ordinary market prices were charged. With the exception, as I say, of the case of the St. Cuthbert's Society, where there were no bones made about it at all, the Co-operative Committees have always claimed, and I think justly, that their prices were the same as those of the private traders. I do not think it can be denied that during the war Co-operative prices were in some cases lower, and it was the Co-operative Societies which steadied what might have been even a worse inflation of prices.

7868. *Mr. Bell*: Would you agree that co-operative societies who desire to make a big profit and pay out a big dividend always have the opportunity of increasing the price of the commodity and thus have a margin of profit to distribute?—I think that might be so if they desired it, but I should say as a whole the members do not desire it. I know in the Manchester and Salford Society, in which I am particularly concerned, that is not the case. There was a statement made that the Equitable were actually charging more in order to get a higher dividend, and this was challenged at a quarterly meeting, and in actual practice was found not to be correct. Of course they could if they wanted to, but I do not think as a matter of fact they want to.

7869. *Dame Adelaide Anderson*: But the members consuming the goods would protest in time; they would not go on paying steadily a higher rate than the rate at which they could get commodities round about?—That is true; but I would like to point out on this question (which I think is quite important) that if you take, for instance, the case of butter, there has been a great complaint that the co-operative societies were charging more for butter than were the outside traders; but if you compared prices there, you found that a purer article, an article containing less water, was supplied by the Co-operative Society at a higher price, and the same is true of other Co-operative productions. The Co-operative Societies pay decent wages and they put on C.W.S. production, which is good production, and that of course is charged for at a higher rate than stuff coming from other factories. I think you could take innumerable instances, but if you investigate them you find it is not true that for goods of equal value the Co-operative Societies actually charge more than the private trader.

7870. *Chairman*: And your point is that they are able to pay good wages?—My point is that they are able to pay good wages, and that the profits of the distributive trades as a whole enable them to pay good wages.

7871. You put the cost of wages at about 5 per cent. on the turnover?—Yes. In 1917 the Co-operative Union estimated that it was 9d. per 2 on sales; that is 3½ per cent.; but considerable differences took place between that and the end of 1920 which brought it up to 1s. 1d., and that, I think, is a fair average. I think Mr. Cahill gave that also as the average for the private trade employer.

7872. Is that in the distributive trades, or on the whole?—No, that is purely wages cost of distribution, apart from establishment charges altogether.

7873. You point out that the distributive trade is one of those most capable of passing on its burdens to the consumer?—Yes.

7874. Now I understand that you have an argument about the attempt to base wages on what the industry is able to bear. I suppose that must enter into it to some extent?—I should think it enters in, when you are dealing with very highly skilled rates, but what I was dealing with here was that when you were dealing with, as it were, the basic level, the subsistence level, an industry ought to be able to pay that rate; it ought to be able to ensure a decent livelihood. I think I quote the Peace Treaty there, "The payment of a wage adequate to maintain a reasonable standard of life as this is understood in their time and country." It does not seem to me that there is a case for considering the small trader paying below what is enough to keep a man and his family in decent comfort. If they cannot do that, then they must make way for those who are more efficient. I do not want to seem to suggest that we want to abolish the small man, but if he is to compete he ought to compete with skill and efficiency, or, if one may say so, in the intimate contact with his customers and all the things the small man has the advantage of; but he ought not to be able to compete on cheap labour.

7875. You mean you must not have regard to what a particular employer can bear; but I suppose you must have some regard to what the trade can bear. Take the case of a trade where there is foreign competition; you must have regard to the fact, must you not, that if you put the wages too high, it may be killed by foreign competition?—That depends on what you mean; if you mean that English workers ought to work at coolie wages because certain products can be made abroad at coolie rates—

7876. That is not at all what I mean, of course.—That is where the argument leads you to, it appears to me. If you can take a certain product and you say: This can be made abroad, say, with the German mark at 1,000, or even by the Japanese or the Chinese, who will live on two meals of rice a day, therefore the English worker should be paid less, I say that is not fair—that the English worker's

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standard has got to be maintained, and if we cannot compete on those terms, then there is something wrong with our policy abroad. For instance, in the International Labour Treaty there are attempts to get rates standardised, but I do not think we should bring down English rates to that level.

7877. Do you think that we should have no regard at all to foreign competition?—Of course, you cannot make a sweeping generalisation, but I should say that the foreign competition which should be regarded is the competition of similar kinds of labour, and that other means should be taken to prevent the competition of such very lowly paid workers as, say, the Japanese or Chinese, such as is being done by the International Labour Office. In the question of foreign competition you cannot just say that, without regard to all the factors of international trade or of the exchange, can you?

7878. I wanted to know whether you thought that no regard whatever should be had to the conditions of trade—whether you thought that the only factor to be taken into account is the cost of living here, or whether you thought that the state of trade and the prospects of keeping it alive ought also to be taken into account; not, of course, with a view to fixing anything like a starvation rate of wages, but still as affecting the rate to be fixed?—Quite so; but then my feeling about that is this, that on so many of the Trade Boards such as the one with which I am particularly concerned, the Dressmaking and Women's Light Clothing Trade Board, where you have a big export trade done, the employers can say: "We cannot afford to pay these rates because Germany can make these goods at so very much less, and consequently undercut us." I think that the method of dealing with that is not by attempting to reduce the standard of the English workers to the impossible level to which they would have to be reduced to compete with Germany, but that you have to deal with those factors in another way: you would have to deal with them politically—to bring political pressure to bear upon those responsible for those conditions, and not say that wage reduction is a universal panacea which solves every kind of ill.

7879. I do not know that anyone would say that.

7880. *Mr. Bell*: You might have the same industry carried on in your own country in different areas, might you not?—That is done, of course—not in the distributive trade, but you might in certain productive industries.

7881. And the argument might be used in one area "We cannot compete with the neighbouring area" ? —That is done, of course.

7882. Perhaps not on account of the wage but on account of some other conditions: one might be an up-to-date establishment and the other not?—Quite so.

7883. So that when you deal with the argument about what an industry can bear, are you of opinion that if that were taken into consideration you might have two different rates within your own country, because of either bad management or anything else?—That, of course, does exist at present where the trades are not organised, because, as I say again, people think that by reducing wages they can cover up their own inefficiency, and often the more efficient people can meet competition and also pay decent rates.

7884. *Chairman*: Your argument would lead to one minimum for all trades, would it not?—I am arguing on the distributive trade particularly, where, of course, with the exception of the shipping section of the wholesale trade, you have not to deal with foreign competition. It is a peculiarly home trade.

7885. I mean that your argument, so far as your answers about foreign competition and other matters are concerned, would lead to the conclusion that there should be one minimum basic wage for all trades?—Of course that might be an ideal, if it is workable, but I think probably if you got a very wide extension of Trade Boards, in practice after a considerable amount of work one would find, as one is finding for

instance in the various women's trades, that the minimum basic rates tend to approximate; but I do not mean to argue from that that it is possible immediately to have a national minimum basic rate.

7886. That is what I was trying to bring you to; because otherwise there is no reason for having these different minima in different trades, unless you are to have some regard to the state of the trade itself?—Quite so, at the beginning, because in all regulation, just as in everything else, you have got to go slowly at first.

7887. And while your negotiations abroad are going on, people have to live?—Yes.

7888. You refer to the point that most of the strikes have taken place in the Co-operative movement, and you think that the reason is to be found in the high proportion of organised workers among Co-operative employees?—That is so. May I say that the heading "Cave Committee of Inquiry" is a typing error; it ought not to be in and if it can be taken out I shall be glad. It has no reference whatever to the text.

7889. I have struck it out in my copy.—May I say with regard to the conditions which I quote here that these are none of them grocery conditions. Mr. Wright Robinson and myself, coming from the same Union, have carefully not quoted the same figures. Mr. Wright Robinson's figures with regard to Manchester warehouses deal entirely with grocery and provisions, and these deal almost entirely with what is known as the home trade, that is drapery, soft goods, and that kind of thing.

7890. This refers to warehouse workers' wages to a great extent, does it not?—Yes.

7891. And you cite some cases of very low wages?—Of course when these people were organised, these were not by any means the lowest. May I point out that of the men in Class A, where I say that 50 men are paid as low as 22s., out of those 50 men we had one man with 12 years' experience, another with 21 years' experience, and a third with 36 years' experience in the same firm, and he was then getting less than 30s. per week. In Classes B and C we had men getting between 30s. and 35s. per week, some of whom had up to 47 years' experience in the trade.

7892. One of them.—Yes; one had 35 years' experience, one 31 years, one 25 years, and one 24 years; and these were firms who, as you would recognise if I mentioned the names (as it would not be fair to do), are people with world-wide reputations. These are not people in little back streets, but these are the main Manchester merchants.

7893. This was in 1917?—Yes, before they were organised at all; and as you will see in the evidence before the Commission of Inquiry into Industrial Unrest, the average of the wages of these Manchester workers was given in 1917 as being under 30s. per week.

7894. *Sir Arthur Pease*: Was this early in 1917 or later in 1917?—I have the Report here.

7895. *Chairman*: October 13th, I think.—July 16th is the date of the Report.

7896. *Sir Arthur Pease*: There was a very marked movement in the direction of increasing wages all round in 1917?—Yes. By that time we were getting them organised.

7897. *Mr. Bell*: How did these wages compare with the wages paid by the same employers, not in their warehouses, but in their productive establishments? Some of these firms whom you mention have warehouses in Manchester, but also they have factories in some other parts of Lancashire. How did the wages compare with the wages paid by the same employers where their workpeople were organised?—Of course in the case of many of these that I quote, where you are dealing with Manchester goods, their factories would be regulated by the Unions in the cotton industry, and they would be paid the Trade Union rates, because that industry is almost entirely organised.

7898. That is the point I was trying to get: as to how the wages paid amongst the unorganised workers in the warehouses compared with the wages of the

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organised workers perhaps in a factory working for the same employers?—With the organised workers they compare very badly indeed. The organised workers in the factories got much higher rates than these. You get women in the organised trades with higher rates than I quote here for men. The shirt factories, for example, of some of these firms were under the Shirt Trade Board at that time—it was set up before the war—but where they were unorganised they were very badly paid. I remember that in the case of one of these firms I had to deal with button-carding and the hook and eye trade, and that kind of thing, which was done in a factory by one of these firms, and the women were very badly paid. Their wages depended almost entirely on the state of organisation.

7899. I want to be perfectly fair. I was trying to get at a comparison for exactly the same kind of work—say a labourer or something of that kind working in a warehouse, as compared with a labourer working, say, in a cotton mill for the same employer, one organised, the other not.—The organised worker would be paid the district rate, which, of course, is higher than the rate which I quote. If you take the cotton mills, for example, there is a fair amount of general labour organised in a cotton mill which is not organised in the Textile Unions, but is organised by the Workers' Union or by the National Union of General Workers, as a rule. The National Union of General Workers in particular had a very large number of these men organised, and was getting organised rates for these people, ranging in 1917 up to about 60s. for the labourer. We were not concerned with them, because they were not on our particular job. These rates which I quote were paid to men who were doing much more skilled work in many cases, because they were not merely engaged in trucking goods about, but they were also engaged in checking invoices and all the usual things that a warehouseman does; and as my colleague reminds me, some of these men mentioned in my statement are salesmen.

7900. So that the difference in the wages paid by the same employer must be attributed to the organisation amongst the workpeople?—I should say entirely, because obviously if it were going to be done on service, the man who has had 47 years' service with a firm is entitled to more consideration than he has actually got. The firm could hardly say, for instance, that he was an inefficient worker; they had had 47 years to find out whether he was efficient or not.

7901. *Sir Arthur Pease*: Might he not be becoming inefficient?—Surely if he had given 47 years' service to one firm, a slight lack of efficiency due to his increasing age might be considered by the firm when they consider the work which he had done for them for 47 years.

7902. That was not my point. You were suggesting that he was becoming more and more efficient. He might have got over the top, that is all?—The same thing still applies; if he has gone over his crest he has given the very best years of his whole life to the firm.

7903. *Chairman*: Then you refer to some negotiations which went on, and some threats of a strike, and you say that there was a Conference and an Agreement reached for 40s. for a 50-hour week?—Yes, the Conference was only after Government pressure, as the result of the North-Western Commission on Industrial Unrest; and that is rather interesting in view of the Trade Boards, because the Home Trade Association said if they agreed to pay Union rates their competitors would pay less.

7904. Perhaps I may take the history which follows as read, and go to your constructive proposals?—Before you do that, may I point out the paragraph where I quote a specimen of the method adopted by one large firm to prevent Trade Union organisation. Now many of the employers have said that much of the work which is being done by Trade Boards ought to be done by the Trade Unions, and this is an actual copy of a document given to us by one of our members: "I hereby promise to serve R. & Co.

faithfully for the sum of"—giving his yearly income.

"I also affirm that I am not a member of the National Warehousemen's Union, and if I join the Union will at once let the firm know." This, again, is not a small employer; it is an employer of world-wide fame. If the Employers' Association say that the work which the Trade Board is now doing ought to be done by the Trade Unions, they cannot at the same time dismiss men for joining a Union, if they are going to be consistent.

7905. They do not say that.—No, they do not say it, but I think that is their practice, and the sinister remark, "if I join the Union will at once let the firm know," is evidence of what is done; and we have plenty of men who have actually been dismissed for joining the Union.

7906. *Sir Arthur Pease*: Without creating a disturbance with other people?—In the earliest stages of organisation, of course, the people were too afraid. They could not do it now, where we are organised up to 90 or 100 per cent, but still they are doing it to-day in those firms where organisation is very weak.

7907. But there are two stages: the one which you mention where the employer says, "I will not employ anybody who is in a Trade Union," as you suggested, and the other is where the workpeople say, "We will not work with anybody who is not a trade unionist."—But between those two there is a very great gulf fixed—months, or perhaps years, of organisation, and the difficulty occurs where you have the point where the employer is refusing to deal with organised labour, and then holds the threat of dismissal over everyone who joins a Union; and that is particularly the case when you are dealing with women workers.

7908. *Mr. Bell*: What would happen suppose that 100 per cent. of his workpeople let the employer know at once that they had become members of the Union?—I think that the gentleman would then call in the Trade Union official and give him a cigar, and be very nice to him; but he does not do that when you are only organised to 10 per cent. We find that organisation makes a noticeable difference in the attitude of employers who meet us.

Chairman: I think you sum it up where you say: "The employers cannot have it both ways. If they prefer that wages and conditions of labour should be arranged between their own associations and the organisations of their employees, then they must be prepared to stop the victimisation of employees who join the Union, to allow reasonable facilities for organisation."

7909. *Sir Arthur Pease*: Do you really think that there is a large amount of victimisation?—A tremendous amount, especially just now. We are having heart-breaking cases, where people have been organised to 100 per cent., and the employers say to us quite openly that they are taking advantage of the present unemployment crisis to have an open shop—to have unorganised labour. Of course, what is happening is that those people who remain union members are in deadly fear of that fact being known; they will not even go to the meetings, although they pay their subscriptions, for fear the employers shall know. Of course an employer can go to the Labour Exchange and fill the place of every one of them a hundred times. I do not say that a decent employer does it.

7910. *Dame Adelaide Anderson*: Are there not leading employers who are setting a new tone in encouraging organisation?—Yes.

7911. They exist in other industries than the distributive industry?—I should say that that is being done in some of the big West End firms, but my colleagues of the Shop Assistants' Union would know much more about that than I do. I believe that some of the big West End firms are at least not discouraging organisation; but in the distributive trade we are in exactly the same position with the trade as a whole as the position to which I referred when we were dealing with an individual employer, that is to say, that taking the trade as a whole, apart from the co-operative membership, there is a very small

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percentage organised, and the employers as a whole are not anxious that that organisation should extend.

7912. It is a new idea?—Quite.

7913. But is there any evidence that the idea is beginning to sprout at all amongst the employers, such as one met with many years ago in the great productive industries, when the employers preferred that their workers should be organised?—I think that is true, and if I may say so, I do think that the Trade Board work has encouraged that feeling amongst employers. I know that on the Dressmaking Trade Board employers who before the Trade Board was set up would not meet a union, now that they have had some experience and realise that trade union officials are not the dreadful people they imagined, will have no objection to see them, and are beginning to say openly, "If we are organised we do not see why our workers should not be"; but that is, of course, in the beginning. It is growing. It was growing considerably during the war, but now, of course, the terrific slump has thrown all power in the hands of the employers.

7914. It has arrested it?—Yes.

7915. But the Trade Board is an educative influence in that direction?—I do think it is decidedly so.

7916. *Chairman*: We will now pass to your constructive proposals. First, you are in favour of one Distributive Trade Board, and, I gather, a basic minimum for the whole country?—Yes.

7917. *Sir Arthur Pease*: For that Board, not for all Boards?—No, for this Distributive Board only.

7918. *Chairman*: Then you suggest that the present staff of inspectors should be increased, and their control removed from the Ministry of Labour to the Trade Boards Office.—It is important to emphasise the need of more inspectors even in this time of national economy.

7919. Then you say: "The Union wishes to disassociate itself emphatically from the aspirations cast upon the Chairmen of Trade Boards and Appointed Members by certain of the employers who have given evidence. We believe that the Appointed Members have tried to be impartial, but some of them have been obviously hampered by their lack of knowledge of the trade. We believe it would be better if the Chairman continued to be nominated at present by the Ministry of Labour being, as is often the case, a man accustomed to weighing evidence, and that the Appointed Members should be chosen by the Ministry of Labour from a panel of workers and employers drawn up by the respective sides, working through the Advisory Committee of Employers' and Workers' Sides that at present exist." I do not quite follow that. Do you mean one panel of workers and employers to be used for all the Boards?—What I meant by that was that there is in existence now an Advisory Committee of all the unions who have representatives on Trade Boards, and an Advisory Committee of employers, through which all the employers' sides of Trade Boards are represented. That gives you an organisation which is not concerned with one, but with all, and our suggestion was that these respective organisations should draw up an agreed panel, and that the Minister of Labour should be free to appoint one of the people of that panel for any one of the Trade Boards which he has in mind.

7920. That is what I understand.

7921. *Sir Arthur Pease*: Do you mean a panel for each Board?—No, for all the Boards—a general panel from which any Appointed Member could be drawn for any Board which the Minister was going to set up.

7922. *Chairman*: Is there any advantage in that? Would you not really be just adding one to each side, although I agree an experienced one; but still, you are adding an employer to the employers' side and a worker to the workers' side?—That looks just as though it was doing that, but in practice what it means is that when a Trade Board is working and the two sides are negotiating, the employers, say, will go to the Appointed Members and say that such-and-such is the case, and then the workers' side will go and say that something else is the case, and

at present there is no check on either of these statements. Of course, in bargaining it is a very difficult thing, necessarily, to reveal the statement of one to the other, and we feel that if you had an employer and a worker, not necessarily connected with that particular section, but connected with the general trade, it would facilitate the process of bargaining—I say "bargaining," which is quite a wrong word, but I mean the process of negotiation—and it would be possible then for the statements to be checked and for the two sides to be kept better in touch with each other than when, as at the present time, you have people who do not know very much about it being pulled one way or pulled the other.

7923. You would still call on the Chairman to make the decision?—One is perhaps making a very big statement here, but it has seemed to me that in actual practice it is the Chairman who has the deciding voice anyway.

7924. Then you deal with the women Appointed Members, and you say that some of them, although excellent in charitable work, are not necessarily qualified to deal with these trade questions. That is really an appeal to the Minister of Labour to be very careful in making his selection?—Of course one says that, as I say in my statement, with a great deal of diffidence, but one has felt that the Ministry of Labour has felt that the women who have done a great deal of social work are perhaps not quite impartial; and certainly some of the women Appointed Members seems to have been completely under the dominance of the male side. In fact, one that I know has never yet spoken at a meeting of the Trade Board; and we do feel that the whole of the women's side is so important, in view of the rates which are being paid to women workers, that the Ministry of Labour might have a wider selection. While admitting that some of the women members are quite the best people that could be imagined, there are others who quite frankly are not.

7925. But still, the fact that a person does not make a speech does not always show that he does not have considerable influence?—That is quite so, but we have found also when appealing to various Appointed Members that the woman member, quite as a matter of course, seems to be quite ignored by her male colleagues. She does not seem to have any influence. One can tell whether people have influence or not, especially when you are meeting Appointed Members in their own room; and some of us women representatives on the Trade Board feel that while some of the ladies are the most charming people possible, actually they are not sufficiently experienced in social work or in public work to be able to make their influence felt.

7926. *Mrs. Lyttelton*: You do not want to make your point a personal one, do you? You want to make it on the class from which they are generally drawn?—Quite definitely that, if I may say so.

7927. *Mr. Bell*: Could you not raise exactly the same objections to some of the men who are appointed?—Very much so. I did not in any way want to be understood to mean that the whole of the male Appointed Members are perfect by any means. I suppose that we women get into the habit of exacting a very high standard from the women—there are so few of us really—who are on the work; but I know one of the Appointed Members that we have seems to be almost completely deaf, which makes it very difficult in argument to deal with him; and I am sure that he is quite an excellent person.

7928. *Dame Adelaide Anderson*: There is a certain difficulty in finding many women with full enough actual experience of industrial life and conditions other than those who are engaged in the industry?—That is true, but the point which I rather wanted to make was this, if I may say so, that that type of woman is in actual fact in only a small number of cases being appointed, and when I discussed this with an official of the Ministry of Labour quite informally, he said, "Yes, but you see the difficulty is the woman who has done a very great deal of social work has generally made statements which show that she is not impartial." I mean, if you are having that kind of

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thing you are having the women who are being appointed having to be drawn from a very restricted class.

7929. Do you suggest that a higher standard of impartiality is being asked of the women upon the Boards?—No, not higher. Of course, I do not believe that such a thing as an impartial person exists; I believe it is as much of a myth as the economic man; but I do feel that the Minister of Labour, in endeavouring to get impartial people—people whom he considers impartial—has a wider field in the case of men, because there are, as a matter of numbers, more men engaged in general public work, and also there is the fact that the women who are engaged in social work have probably made stronger public pronouncements than their more cautious male colleagues.

7930. All you mean to do is just to lay rather more stress upon technical knowledge—knowledge of the industry?—Yes; not necessarily knowledge of any particular industry, but knowledge of how things work behind the scenes.

7931. *Chairman*: Then you suggest that the Minister of Labour should not be able to hold up rates for more than two weeks. We have heard a good deal about that; perhaps we may pass that. Then your next suggestion is that the period of objection should continue to be two months for new rates, but for variations one month, and after the objection period has expired the Board should have power to make alterations in the proposed rates based on the objections, without re-proposing the rates. I suppose you would limit that in some way?—Yes, I should limit it by saying that it must be based on the objections received, but of course one would say that it must not be too drastic. The only difficulty there, of course, is in defining what "too drastic" is.

7932. Would it be enough to say that they may make alterations with the consent of the Minister of Labour, and leave it to him to see that they are not so drastic that they really ought to be re-advertised?—Yes; though, of course, as a matter of fact that actually exists to-day. I mean, when we are coming to re-proposing there is always some doubt as to what we are allowed to put in the fixing notice which was not in the proposing notice. One would feel that probably, as you say, it would be better if the Minister had a final discretion, but a somewhat larger interpretation was given.

7933. Certainly. There should be a new provision in the Act giving express power to fix rates differing from the proposed rates, subject to the consent of the Minister of Labour?—Yes.

7934. That would give a general discretion?—Yes, quite so.

7935. Then as to representation, you say "The Ministry of Labour should be bound to appoint on to Trade Boards persons nominated by the responsible organisations on both sides".—Perhaps by trying to make it too short I have not quite explained what I mean, but I mean this: at the present time a Trade Union, for example, is asked to send in names of representatives, and it generally sends in a mixed list: a certain number of officials and a certain number of workers in the trade. The Ministry of Labour, as the result, I believe, of continual pressure from the employers' side, or as the result of their own feelings on the matter, are always trying to get the Unions to appoint more and more workers at the trade. We are dealing with a case now where we are asked to put on a worker instead of an official. In another case we put on an official whom they definitely turned down, and a worker was chosen instead. We say that we agree that a considerable proportion of the people on a Trade Board should be people who are actually working in the trade, but we do say that also a number of Trade Union officials should be there, because they are the people who are accustomed to represent the workers normally.

7936. I think no one has suggested to us that no Trade Union official should be there, but we have been appealed to to limit the number of Trade Union officials not engaged in the particular trade.—In reply to that, one says that the business of a Trade

Board partly deals with technicalities, but partly is a question of skilled advocacy on both sides, and obviously the workers, especially in the Distributive Trades, would be at a very great disadvantage if they were dealing on one side with employers who were used to the higgling of the market every day of their lives, and had nothing on the other side but workers who were not accustomed to all that kind of thing.

7937. You say "nothing on the other side." I tried to make it clear to you that no one has suggested that—at least, no one that I remember; the only suggestion is that the majority of those who represent each side should be persons who are in the trade, or who have had experience in the trade—that the number of mere advocates should be limited.—Yes; but, of course, in practice the difficulty arises where one Union has one member on a Board, where it is a small Board; there the difficulty arises as to whether that one should be a Trade Union official or a worker, and I feel that that should be left to the organisation itself.

7938. Ultimately the Minister must be responsible, must he not? He makes the appointments.—He makes the appointments, but, after all, these people are supposed to represent the organisations, and the organisations should be the people best able to know whom they want to represent them.

7939. He asks for suggestions from the organisations, which the Act does not compel him to do; they give him their suggestions, but he surely must decide whom he shall appoint to the Board?—My opinion is that if these Boards are to be really representative it should be the organisation which they represent that should decide on the persons.

7940. I will not argue it with you, but they do not represent the organisation; they are there to represent the whole of the workers in that trade.—Yes, in theory, but in actual practice the manner in which they are appealed to is, "How do the workers whom you represent view" so-and-so?

7941. *Mr. Bell*: Do you mean that if the Minister communicates with an organisation stating that he is proposing to set up a Trade Board and asks for nominations—it may be one nomination or it may be more—the Minister then should accept the nominations made by the organisation?—Yes.

7942. In an industry where, say, two out of every three are unorganised workers, if the Minister desires, as probably he will, that the unorganised workpeople should be represented on that Board, how does he obtain nominations from the unorganised workers; can you give us any information as to that?—I believe actually what he does is to send out investigators, and they suggest people; but it seems to me a contradiction in terms to have representation of the unorganised; you cannot represent the unorganised. An unorganised person who is on a Trade Board can only represent him or herself, because an unorganised person has no constituents, and unorganised people cannot, by the fact of their unorganisation, be grouped together into a constituency.

7943. *Chairman*: I should like to put this to you, because I want to follow it before we adjourn: do you think that if the Minister does not confirm the rates an appeal should lie to an impartial Court, such as the Industrial Court?—Yes. Might I say that the reason why my evidence is apparently cut into two is because I was originally only going to give evidence on women workers, but then I had suddenly to prepare the evidence for Mr. Jagger, and I had not time to incorporate my women's evidence in the general evidence which I had to prepare. That is why it is quite a separate section which is, as it were, left on its own.

(Adjourned for a short time.)

7944. *Chairman*: You were going to pass on to deal with the position of women workers. What is your chief point there?—The whole point with regard to this is to show the urgent necessity of an immediate extension of the Trade Boards to the other sections of the Distributive Trades. The reason why I put in this as a special schedule is that whatever the men's

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rates are, they are nothing like as chaotic as the rates which are paid to women workers. I give you the rates and conditions in cafés of very large café firms. Their rates vary between 12s. and 17s., and in South Wales the rates are from 8s. to 10s. They have two meals a day of more or less indifferent quality, and then of course there is the possibility of tips, a very variable quantity depending a good deal on the kind of café, and also a diminishing quantity just now. Then with regard to the Drapery Trade, I was urging that because there you have really chaotic conditions—I mean you do not have a uniform condition of very bad sweating, but you have some drapery firms paying to their women as good wages as there are to be got by women in the country—

7945. You are speaking of distributive drapery?—Purely distributive now, and retail. Certain drapery houses do offer the women a definite career; I mean a girl who is very good at her job has in the drapery trade definite prospects open to her of well-paid, interesting and responsible work; but while that is true of a section of the drapery trade, it is also true that there are first of all great extremes, such as, of course, the very cheapest class trade—the penny bazaars and the threepenny and sixpenny bazaars—and also there is a very great deal of under-payment in what one might call the middle between the extremes of the well-paid show-room hand in a very great firm, and the badly paid girl in the very cheap class trade. I have given several points there to show the necessity of Trade Boards, because not only are these standards in many cases very low, but also they are very precarious, the result, for example, of the very large number of women who came to work during the war who did not work before, and who have now got to work, and their withdrawal from what were known as men's trades. They have continued to flood the channels of those trades which were open to women; and then the drapery trade especially is open a good deal to all kinds of insidious competition. There is the competition, especially in London, of the girl who has served an apprenticeship in the Provinces, and who has wanted to go back to the Provinces, and open a shop of her own and to say, "So many years with So-and-so"—a very big, swell house, which will stand her in good stead, and which will be a definite business asset to her; or she wants to go into a country district and say that she has been so long with one of the big West End houses, or, for that matter, to a lesser degree, with one of the big Manchester or Liverpool houses. She is prepared to come and work for her bare existence; it is a definitely paying proposition for her to do that, just as much as it is for anyone to get training.

7946. Of course, the Trade Board rate would shut her out?—The Trade Board rate would say that in return for the work which she gives—and, mind you, it is quite skilled work, because she has already served her apprenticeship—the employer should not take advantage of the fact—

7947. But he is not taking advantage of her: that is not your point; it is worth her while?—Yes.

7948. Your point is that the competition with the other girls sends their wages down?—Yes, quite so, and we definitely want to prevent the competition of the pin-money worker, whether she is doing it because she lives in London or a big town, and only wants pocket money, or whether she is doing it because she wants experience, because it is such very hard lines on the girls who have to live in lodgings and have their own living to earn.

7949. I see that. On the other hand, you are taking from this country girl who wants special experience the opportunity of getting it?—No, I do not think we are, because there is a demand for her in any case.

7950. You think she would be worth her wage?—Many employers say that she is more worth her wage than the girl who has started in a London shop, because in a provincial shop she has an all-round experience; she will perhaps have gone through all the departments, whereas in the London shop she will tend to stay where she comes in.

7951. *Mrs. Lyttelton*: In fact, I suppose economically she might get a higher wage than the minimum rate, because she would have had greater experience, but it tends to lessen competition if she simply comes for the basic rate, if there is one?—Yes, quite so; and the employer does get value for his money. If she is going to be given special training an arrangement with regard to premium and so on could be made, but the point is that she is not; she is coming there because she can go back and say, "I have been for so many years, or months, at this great house."

7952. *Chairman*: Are you coming to the juniors?—I had rather go on from them.

7953. *Sir Arthur Pease*: May I ask one question there: do they ever pay premiums for coming?—Some of them do and some of them do not. I mean the girls who would come into Regent Street from Wales—I believe Wales is the great recruiting centre for many of the Oxford Street and Regent Street shops—I think would not. Some of them do. The place where you get premiums sometimes is in one of the small shops which are frightfully high class, like the small shops round Bond Street, but that is rather different from the sort of thing to which I was referring.

7954. Would not Trade Boards prevent those premiums from being paid?—I think they do. I think that the Trade Boards prevent premiums except those which are paid within one month of the person starting work. I am rather quoting from memory, but premiums, I think, can be paid for apprentices if the total is paid within one month of their starting work—some safeguard like that.

7955. *Chairman*: That prevents what is nominally a premium being a reduction of wages?—Quite so; that is the idea.

7956. I wanted to ask you a question about juniors. You say that juniors are taken as apprentices or learners at extremely low rates, and except where there is a proper apprenticeship deed many of them get insufficient training?—Yes.

7957. Have you thought over the point from the girls' point of view—as to whether it is desirable to allow girls to become apprentices on a low rate provided that they have proper security that they are taught the trade?—One would be quite willing for girls to come in as apprentices for lower rates—not necessarily low, but slightly lower than those which are being paid to the others. For instance, in the Dressmaking Trade we have made provision for that. In that case we should regard a girl who is being trained and who is going to get a higher rate—say 2d. per hour higher than the girl in the wholesale light clothing—as getting a lower rate as a learner, because it is assumed she is getting training.

7958. I am distinguishing in my mind between a learner who comes practically on a weekly contract or a short contract and an apprentice who is bound for three years or some such period as that. It was suggested to us by more than one witness that it is very desirable, in order to train up people for these trades, that apprenticeship should be encouraged, and for myself I see no way of doing that except by saying that we limit the wage for learners: it must not be below a certain point, but if you take a girl as a genuine apprentice and undertake to teach her the trade, you can take her at a slightly lower wage?—I am very much in agreement with that, because I am very anxious to get as much training for women as we possibly can. We are suffering so much from floods of untrained and semi-trained workers; they are crowding the Labour Exchanges and the Rota Committees now, whereas if proper arrangements could be made—I do not mean in this particular trade, I mean in all trades—that they should get proper training, they would be much more useful.

7959. Then you were going to mention the next point, as to season hands?—Yes.

7960. That is another form of competition?—Yes, that is a form of competition. I was making some inquiries in Manchester, and I found that in two large shops there they only had about one-third of their staff who were actually permanent hands; they

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engaged so many for the season. I know also, as a matter of fact, that in many of the London shops the same thing holds good—that a large number of girls are engaged for sale time. There is a very insidious form of competition there, all tending to break down the rates, from the girl who manages to get on for a few weeks. If she is a married woman who has possibly been with the firm, that is all right; she helps her income and helps the firm; but where she is deponent, as so many of these people are, on rushing round after the seasons and is living entirely upon that, she tends to offer to take less in order to be kept on permanently, and it is a very difficult form of competition to deal with.

7961. You could only deal with that by fixing a minimum, I suppose?—Exactly. If you fix a minimum then you may offer to take less than the skilled girl, but it is not there where the difficulty comes, because the skilled hand is worth her money. Any employer will pay for a very skilled person. It is not the tip-top people, it is the 90 per cent. of the trade who are more or less on the minimum, and who are always tending to be dragged down, that make the difficulty.

7962. You next refer to suspensions.—That, of course, is another form of competition, because you have there the income being very greatly reduced by the fact that the girl is turned out. You say, "Well, I do not suppose a Trade Board would help that; the girl would still be suspended if there were a dead season," and of course that is true; but the point is that her annual income would be higher if she got the present Trade Board rate than if, as at present, she is working for wages on which, quite frankly, many of them cannot live, if they have got to live on their own; and then when they are suspended they have nothing behind them; they have no savings, and the position of many of these girls is simply terrible when they are turned off during suspensions. In some cases it is not a question of looking for another job; they are connected with that firm, and the firm says that they will send for them when they want them, and the girl is kept hanging about sometimes for weeks without wages.

7963. Of course the fixing of a minimum rate will not prevent that?—It would not prevent that, but it would at any rate prevent her being employed on such low wages when she was employed. Is there not some danger that if you fix the minimum too high there will be more cases of suspensions?—If I may give you an example from another trade, in the Laundry Trade we found that when the rates were very low, as they were before the Trade Board—about 12s. to 14s.; I shall be giving evidence on this matter before you—an employer tended to have a very large number of people connected with his laundry, and none of them got a really decent week's work; they were there in rush times; but what we have found is that since the Trade Board rate there has been a tendency to stabilisation. He tends to keep fewer people, but he does tend to give them more regular employment; and when you have labour decasualised to that extent by a decent rate, you find that it tends—I am not putting it any stronger than that—to stabilise conditions to some extent.

7964. *Sir Arthur Pease*: Could not the difficulty of these rush periods be minimised by having more elasticity with regard to hours. Take a seaside place where the season lasts two or three months; if you had more elasticity in the matter of hours for those three months to make up for the rest of the year, could it not be met in that way?—I do not know how far that would be desirable. It is obviously not fair for an employer to work his assistants long hours during the season that suits him and exhaust them as a result. There is no doubt whatever that, say, at a sale time a girl who is at work eight or nine hours in one of those shops where people are literally fighting to get to the counter, by the time the present shop hours are ended is absolutely dead beat, and to increase hours would, I think only mean increasing the amount of sickness in the trade. I

do not think that you can get away from having extra hands taken on at seasonal times. What you want to do is to prevent them being used to break down the standards of the other people.

7965. What I was meaning was this: supposing an employee got a contract to be kept on for a year, would it be reasonable to make the time longer at one part of the year than at another part?—Of course, at a seaside place it is rather different. There she has long periods when I suppose she could recuperate. I do not think I would like to give a definite answer on that without thinking about it, but I should be definitely against it in the case of sales times, which come three or four times a year, and where the girls are working absolutely to the last limit of human endurance. During those sale times, I think, the hours are absolutely long enough.

7966. But in a seaside place there are slack times?—A seaside place is rather different from a sale. I do not suppose that you have ever been in one of the big drapery shops when there has been a sale time, but if you have ever had that experience—

7967. Once.

7968. *Mrs. Lyttelton*: It is a thing not to repeat.—(To *Sir Arthur Pease*): You do not sound as though it were a pleasant experience. It is very hard work for the girls behind the counter.

7969. *Chairman*: Then you refer, very rightly, to the cost of lodgings. That is an argument in favour of the contention that some decent wage ought to be paid, because in many cases the girl has to find her lodgings.—That is right, especially, of course, in the Distributive Trade, because so many of them are girls who come in from the country. I am not now speaking of people who come for experience, but people who definitely come to get the job. I find that it is so often assumed, quite unconsciously, when you are dealing with employers, that the girl has a home behind her, and employers will be much more sympathetic in dealing with men than in dealing with women. They say very often that the girls are filling in time between school and getting married, or that they come from a comfortable home, or that their fathers are engineers and their brothers are engineers, or something like that; but of course many of them have to live on their own. I think Mr. Cahill made the point that it was unreasonable to expect a maintenance wage for girls of 18 years of age, but if a girl has to live on her own, somebody has got to pay that.

7970. *Mr. Poulton*: You think that at that age she has had sufficient experience to earn a living wage?—I think a girl of the age of 18 ought to have a wage upon which she can maintain herself. Of course, in the Distributive Trade you have never finished learning if you are a really competent hand.

7971. *Chairman*: Then you refer to deductions for food and lodging. I suppose they are not strictly deductions, but that a lower rate is paid on the ground that food and lodging are given?—Quite so. On the Dressmaking Trade Board, for instance, it has been frequently raised that we ought to fix amounts for food and lodging for those who live in, but of course the difficulty is not as much as it is in the Drapery Trade. They vary considerably. I do not know whether you remember evidence given in 1909 before the Truck Acts Commission. There some employers said, even so early as that, that the cost was from 9s. to 18s., although an employer admitted that at 18s. he was not going to have "living in" any more; it was too expensive for him. We found, and the Shop Assistants' Union found, that 8s. was about what it cost him. He deducted a higher amount, or rather he said that that much was deducted from the nominal wage; and at the present time it is most arbitrary; the girl has no option; an employer fixes practically his own price for the food, or lodging, which he gives. I may say that even in the co-operative movement in some cases—not in all—we have had an awful lot of trouble to get fair rates placed on the food supplies. There is no living in there, of course.

7972. *Sir Arthur Pease*: Can the employer feed the girls better and cheaper than they can find them-

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selves if they do it well?—That, of course, depends a good deal on the place. In London, where lodgings are very difficult to get, perhaps that may be so, but our point is that the employers do not actually give the girls the value of the money which they say they take from their wages, but in very many cases, especially in provincial towns, the girls say that they could keep themselves on what their employer says he deducts from their wages—what the employer says it costs him—and the rest of their wages better than the employer keeps them. Of course the tendency then is that you get rates reduced down to, as it were, a barracks existence wage.

7973. I take it that your answer means that in London it would cost the employees more to keep themselves than the rates which the employers charge, but that in the country it is the other way rather?—I am not an authority on the conditions of living in London as much as my friends of the Shop Assistants' Union are, because I have not investigated London. I have investigated in the Provinces, and I should say on the whole that it would depend. I mean, in some of the best houses in London which do give decent conditions the girls are probably getting more than they might get for the corresponding amount themselves, but in the worst cases, of course, the conditions are bad and the girls are herded together, and it would be better for them to be in lodgings by themselves, even if it were a great struggle.

7974. *Dame Adelaide Anderson:* Are these charges for living included amongst the deductions referred to in the phrase in the Trade Boards Act, "Clear of all deductions"? One of the advantages of applying Trade Board procedure to the wages of girls is that you have got a minimum wage clear of all deductions?—That is so.

7975. Would deductions for food supplied and for board and living-in be amongst the charges that would be excluded?—Of course, what in practice happens, taking the dressmaking trade as a case again, is that the employer must pay that amount, and it is supposed that if he arranges with his employee that she lives in, then they can agree upon a sum which is to be paid for board and lodging. That is the theory of it. Of course, in practice when the girls are employed—

7976. It is very uncertain?—I think it is quite uncertain, but we discussed it on the Dressmaking Board, and that is what we arrived at.

7977. I asked the question because you say: "It is also necessary that the amount deducted by employers for food or board and lodging should be regulated"?—We had that question before us to regulate it on the Dressmaking Trade Board, but it was decided to defer it, because there was not sufficient living-in in the Dressmaking Trade for it to be a crying need, and it obviously had to be left to the Distributive Trade Boards—

7978. Is that special in Manchester?—No, I am talking now of the Dressmaking Trade Board for the whole country; but we certainly assumed, and neither the employers nor the Appointed Members contradicted it, that we had the right to fix it on that Board.

7979. Is there any part of the country, to your knowledge, where the deductions by the employers for articles supplied—say, clothing—are particularly heavy?—Of course in some cases an employer will allow the employee to purchase clothing at wholesale rates, and that, of course, although it sounds an advantage, is, as a matter of fact, a very serious thing. As I quote here, in one case I was organising some girls in the north-west of London; it was during the war, when munition workers were getting high wages, and these girls were working for 5s. or 7s., plus, of course, their living-in, and they were very dissatisfied because the food was not sufficient. I asked them why on earth they did not change, and go to munition work, which would be better, and I found that every one of them owed considerable debts to the employer, both for extras to make up their food and also for clothes which they had had at wholesale prices.

7980. That was in England?—That was in London. I can bring witnesses to that, only, of course, one cannot mention the firms; but I think all of them would be known if I mentioned their names.

7981. I do not know whether you are acquainted with the Factory Inspectors' Reports. In some of those Reports, just before the war, it was reported that workers were in debt to the employers to more than the extent of their earnings for the year?—Yes, in this particular case I know that not in one case, but in two or three, not only were they in debt to that extent, but the employers sometimes did not pay wages on the day they were due, and sometimes not till three weeks after they were due, and the girls were "subbing," as they say, during that time.

7982. Does that continue, or do you know of cases only early in the war?—That continued, I know, until after the signing of the Armistice when the girls were in our Union, but after then when the slump started some of the girls were dismissed for joining the Union, and the others dropped out, so I do not know the latest conditions; but I am perfectly certain that if that happened when they were organised it will not be any better now that they are not.

7983. *Chairman:* This question of getting into arrears is a matter which is really outside the Trade Board question. I am considering how it bears on our Inquiry. There is nothing, is there, to prevent the Trade Board saying to-day that an employer shall not pay his girls who live-in less than so much per week clear?—Quite so.

7984. That is how it could be dealt with?—Yes; but in saying this I am only trying to urge that the drapery trade should have a Trade Board at once, because the conditions are infinitely worse in a large mass, though as I say in certain firms they are quite good.

7985. *Sir Arthur Pease:* Supposing effect were given to the other point which you take, that the Trade Board should fix what the value of living-in was, would it be a possibility to fix what they had to have for that living-in?—It would be rather difficult to draw up the menus, would it not? You would have to trust to the inspectors and to complaints there, I think, in actual practice. If the girls complained that they were badly done by, the conditions would have to be inspected. You could have some general phrasing; but that is a difficulty.

7986. The point which you mentioned about the menus is exactly the one which struck me.—We could not say that there must be oatmeal porridge and marmalade. It would be difficult, but on the other hand the inspectors are very good and very well trained, and, dealing as they do with all sorts of complicated questions, they could see whether, in their view, the accommodation and the food supplied met with the provisions of the Trade Board. I mean if they can deal with the very difficult questions which they have to decide, such as what is and what is not a subnormal worker, they could deal with the question merely of food and lodging and whether it is adequate enough, if it is only a question of deciding it on the calories, because in feeding a lot of people you obviously have definite menus, and the employers would have to decide, if it came to the point, on the number of calories on which it could be done. I do not say at all that it would be an easy thing to do.

7987. Of course it would mean an additional number of inspectors, and you are already saying that there are not enough?—At present there are not only not enough, but they are ridiculously inadequate, are they not?

7988. This would mean additional inspectors?—Yes, but I think that efficient inspection is a thing which reduces itself as you go along. Once you get the thing going and the worst abuse is removed, then things tend to keep more or less right without so much inspection. It is at the beginning that the amount of inspection is needed.

Chairman: I think the rest of your statement we have anticipated.

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7989. *Mr. Poulton*: Have you any special or particular suggestion to make as to improvements which could be made for the administrative work of the Board?—Do you mean in connection with the inspectorate?

7990. No, in making the work easier with regard to the procedure as to notice of alteration or increase of wages—varying wages?—I make those suggestions in my statement, where we suggest that the Minister of Labour should not have the power to hold up rates, and also make a suggestion with regard to shortening the period of objections. I do not know whether that is what you mean; but I think those are quite minor points compared with the increase of the inspectorate which is so badly needed.

7991. *Dame Adelaide Anderson*: Before that you say that the staff of inspectors should be removed from the Ministry of Labour to the Trade Boards Office. What is the particular purpose which you have in view?—Our difficulty is that at the present moment the only thing we can do with regard to inspectors is just to send on complaints to the Ministry, and the Ministry, with a very small staff at its disposal, takes months before the complaints are investigated. We have claims held up for a long time. Then with regard to prosecutions the Minister has entire discretion with regard to that, and we feel that the inspectors ought to be much more closely connected with the Trade Boards than they are at the present time. As it is they are almost divorced, which means as far as that side of the work is concerned that the Trade Board can only appeal to the Minister.

7992. It is rather a question of number, I understand, from what you have just said: that is to say that increased numbers of efficient inspectors would do what you want?—I think they would do a great deal towards it, but I still think that even if you had a larger number of inspectors their work would be more efficiently directed by the head of the Trade Boards Office, than by the Ministry of Labour, because at the present time the staff at Montagu House and the staff at the Trade Boards Office are working entirely separately, and we cannot get at the inspector who, for example, has sent in a particular report. We cannot, for example, deal as we did with the very important questions which came up on the Laundry Board; we could not get at the inspector; the Ministry of Labour merely send us replies.

7993. But it is open to anyone to write to an inspector?—Yes, but it is hardly the sort of general complaints that I am dealing with; I am dealing with specific points which arise on the Boards. You may have certain piece-rate questions concerning the policy of the Board, and you want those questions dealt with, as it were, as a block, and you want to get at the inspector who is dealing with them, and

you want to be able to say that these should be dealt with at once, and in a particular way. At present we cannot do that.

7994. Of course the basis upon which an inspectorate should be built up is a big question, but there is a great deal in having the work of the inspectorate co-ordinated and systematic, and not directed by different persons. You are not proposing that the inspectors should be directed by each separate Board?—No, quite definitely not, because every Board would demand the whole of its inspectors for its own work. I mean that the administrative head of the Trade Board office—I am not talking about personalities now; I do not mean necessarily that he should be the head of the inspectors, but whoever is at the head of the inspectors should be controlled by the Trade Board Department, and not, as at present, almost entirely divorced from the administration of the Trade Boards.

7995. *Sir Arthur Pease*: You mean that on a difficult point the Trade Boards might ask the head of the Trade Boards to instruct an inspector to attend a meeting of the Trade Board?—Yes. We cannot instruct an individual inspector; that is the difficulty. We can have perhaps a head officer, or we can have one of the Ministry of Labour officials but no immediate connection with the individual.

7996. *Chairman*: You could not have several people ordering about the same inspector?—I think it would be a perfectly fatal thing to have every Trade Board doing as it liked with the inspectorate staff. I am not suggesting that, but I am suggesting that the present control of the inspectorate is in nothing like close enough contact with the Trade Boards.

7997. With the Trade Boards Department?—With the Trade Boards Department, yes.

7998. *Mrs. Lyttelton*: What is your opinion about Trade Boards dealing with skilled rates and the variation of rates?—You mean, should the Trade Board set up skilled rates?

7999. Yes.—I think they should set them up as sections. You would have one department of the trade considered as skilled, and you would have a separate minimum rate for that.

8000. You are really in favour of settling the minimum rate for each section of the trade, rather than attempting as a Trade Board to deal with varying skilled rates?—Yes, I am in favour of that.

8001. Quite definitely?—Yes, quite definitely, because I think so much of that work is definitely Trade Union work. If it is claimed that an unorganised person is unprotected, at that one says is that it is a pity, but they have their own remedy.

Chairman: We are very much obliged to you for your evidence.

(The Witness withdrew.)

Mr. ALFRED W. BURROWS, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

STATEMENT OF EVIDENCE of Mr. A. W. BURROWS, National Union of Distributive and Allied Workers.

In submitting supplementary evidence on behalf of the National Union of Distributive and Allied Workers, I am desired, on behalf of the 13,500 members in our Midland Division, to state that they are unanimous in supporting the continuation of the Trade Boards.

The Distributive Trades were, generally speaking, wretchedly paid in pre-war days, and the rise in the cost of living has, for a large proportion of them, only aggravated that position.

In 1910 our organisation (then known as the Amalgamated Union of Co-operative Employees) in the Midlands adopted a Scale of Wages for the Division, in which they incorporated what was known as the Congress Scale, which has already been dealt with.

This Scale gave principally the following rates:—

Juniors.	14	15	16	17	18	19	20	21	—
Boys ...	s. 6	s. 8	s. 10	s. 12	s. 15	s. 18	s. 21	s. 24	Per week.
Girls ...	5	7	9	11	13	15	17	—	

In view of the fact that the adult rates were for skilled grocery, drapery salesmen and women, these could not be termed extravagant demands.

In the Midland Division there are 141 Co-operative Societies, but after hard struggles, strikes, etc., we had made the following progress, as can be seen by our Annual Reports for the years mentioned:—

1913.—	Only 28 Societies had adopted the Scale.
1914.—	39 " "
1915.—	41 " "

In addition, a number of Societies were paying the Scale to males only, but although the Annual Congress

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[Continued.]

of the Co-operative Societies had themselves adopted the Female Scale as a reasonable minimum rate, this was the big bone of contention. A few Societies in industrial centres had also agreed to pay higher rates for men than those mentioned.

Generally speaking, it was true that the Co-operative Movement, as a whole, paid higher wages to the ordinary employee than the private trade, and in negotiations to secure our Scale, we gained considerable information as to the rates being paid outside the movement.

In hundreds of instances we found skilled grocers, working in industrial centres, receiving 20s. and less per week, drapery salesmen of adult age receiving 20s. and 21s. per week, while youths were paid almost any small sum, as low as 7s. 6d. for those 18 years of age being found.

But particularly bad has been the pre-war treatment of women in distribution, as owing to a large number whose parents were willing to subsidise their earnings, the rates were appallingly low, so low, in fact, that one cannot imagine how those dependant upon their own wages managed to exist at all. Scores of cases were found where adult women were receiving 10s. and less for a full week's work, often of 60 hours.

The Midland Division contains, in addition to industrial areas, parts which are purely rural, and when in the autumn of 1916 we carried an active campaign into Shropshire and Mid-Wales, it was found that conditions here were extremely bad.

At the time we launched the campaign (September, 1916), the Labour Gazette gave the cost of living as being 50 points above July, 1914, but a few instances of wage rates will show the conditions prevailing:—

Adult Male Grocers, 18s. to 22s. per week.
First Hands Grocery (Male), 20s. to 24s. per week.
Adult Female Shop Assistants, 7s. to 12s. 6d. per week.
Branch Manageresses, 15s. per week.
Boys at Wages ranging from 5s. at 14 years to 14s. at 20 years.

The figures include those paid by private traders and some co-operative societies, but when an advertisement by the co-operative societies for an assistant occurred, they had a large number of local applicants, which pointed to the fact that the societies on the whole paid better wages.

Our first agreement with the Co-operative Hours and Wages Board for Shropshire and Mid-Wales was made in February, 1917, at a time when the "Labour Gazette" gave the cost of "All Items" as being 65 to 70 points over July, 1914, this settlement gave to many of our members advances varying from 7s. to 12s. per week, this being particularly noticeable with women in societies in Group 2. In the case of one branch manageress her wage was

doubled to make it 24s. per week, and in conversation with her we learned of others in that district, occupying similar posts in outside trade, who were as bad off as she had been.

Again, in September last, when cost of living was 161 points up, we had a dispute with a Lincolnshire society who were paying adult shop assistants 40s. and 45s. per week, adult female assistants 25s. and 28s. per week, while the head milliner who managed the millinery department, responsible for buying, got 35s. per week, but inquiries brought to light the fact that numbers of female drapery assistants in the town were getting 20s. and 24s. per week plus a commission, which in the most favourable case only came to 2s. 6d. per week.

As other witnesses connected with the Unions organising this class of worker have emphasised, there is a tremendous difficulty in organising them, as, owing to the low wages, they cannot afford to pay Trade Union subscriptions. Despite the fact that they perform a valuable function in Society, they are too often in receipt of wretched wages, and not working in large numbers together (and this is especially true of country areas), the discontent has been of the passive type, and in our opinion it needs the legal compulsory powers of a Trade Board to secure for a large number, the larger proportion in fact, a fair and reasonable standard of life.

Objections.

The main objections would seem to be largely based upon the inability of the trader in the rural or country districts to pay the rates, and carry on his business successfully.

This objection has been met in a large measure, in my view, by the A, B and C grading which has been adopted.

The Division I represent, containing, as it does, the following counties:—

Derby, Nottingham, Northampton, Lincoln, Leicester, Rutland, Stafford, Warwick, Worcester, Shropshire, Montgomeryshire, and parts of Huntingdon and Denbighshire,

has a large proportion of country or rural area within its boundaries. For the purpose of our Divisional Agreements with the co-operative societies in the Division, the societies are grouped into three groups, and the wages for Groups 2 and 3 are 7½ per cent. and 10 per cent. respectively less than Group 1. (See Schedule.)

Both parties to the Agreement of 1919 felt that some method of this character was necessary to meet the situation, and though we do not regard it as ideal, it certainly has, in the main, proved satisfactory.

The actual figures for Groups 2 and 3 work out as follows:—

Juniors.

		14	15	16	17	18	19	20	21
<i>Males.</i>		years.	years.	years.	years.	years.	years.	years.	years.
Group 2	...	14/4	15/9	20/4	25/-	35/1	40/8	47/2	66/7
" 3	...	13/9	15/2	19/10	24/4	34/3	39/8	46/-	64/10
<i>Females.</i>									
Group 2	...	13/5	14/9	18/11	23/2	30/-	31/5	37/-	41/7
" 3	...	13/-	14/5	18/6	22/6	29/3	30/8	36/-	40/6

These figures are higher than the rates proposed by the Grocery Trade Board, and we submit that co-operative societies in rural and country districts while paying these rates have been able, in addition to paying 5 per cent. interest on share capital and allowing for depreciation, etc., to return to their members as a dividend on purchases a very substantial sum of money.

This, to our mind, clearly proves that it can be done as a business proposition, or there is some special advantage in the co-operative method of business.

Let me quote from the balance sheets of a few societies in such districts.

Wirksworth Co-operative Society (Derbyshire).

Balance sheet for half year ending January 31st, 1921.

Share Capital, £4,223.

Half yearly sales, £22,794.

Net profit after paying 5 per cent. interest on share capital and allowing for depreciation, etc., £2,251, paid out at 2s. 4d. in the £ on purchases. If paid out on share capital would have meant a half yearly dividend of about 45 per cent.

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[Continued.]

Mayfield Co-operative Society (Derbyshire).

Balance sheet for quarter ending June 25th, 1921.

Share Capital, £2,198.

Quarter's trade, £2,586.

Net profit after paying 5 per cent. on share capital and allowing for depreciation, etc., £139 paid out at 1s. 1d. in the £ on purchases. If paid on share capital would have meant a further dividend for the quarter of 6 per cent.

Market Harborough Co-operative Society (Leicestershire).

Balance sheet for half year ending July 6th, 1921.

Share Capital, £50,768.

Half year's trade, £70,443.

Net profit after paying 5 per cent. on share capital and allowing for depreciation, etc., £4,072. Paid out at 1s. 2d. in the £ on purchases, but if paid out on share capital would have meant a half yearly dividend of 8 per cent.

Daventry Co-operative Society (Northamptonshire).

Balance sheet for quarter ending September 6th, 1921.

Share Capital, £28,082.

Quarter's trade, £33,676.

Net profit, after paying 5 per cent. interest on share capital and allowing for depreciation, etc., £1,620. Paid out at 1s. in the £ on purchases, but if paid on share capital would have meant a quarterly dividend of about 6 per cent.

Gainsborough Co-operative Society (Lincolnshire).

Taken from Annual Return to Chief Registrar under the I. & P. Society Act, 1893.

Year ending January 4th, 1921.

Share Capital, £129,083.

Annual trade, £304,323.

Net profit, after paying interest on share capital at 5 per cent., and allowing for depreciation, etc., £28,162.

This would have paid a dividend of about 22 per cent., which together with the 5 per cent. paid as interest, would give an annual return on share capital of 27 per cent.

With these results, which are all I have been able to gather together at short notice, it cannot be maintained that the proposed Grocery Trade Board rates cannot be paid and a business successfully run.

Surely the workers cannot be expected to subsidise inefficient management.

It should be remembered that in these districts the grocer's shop is more often than not of the character of an "emporium," carrying a large range of commodities, many of which have no connection with grocery. It is not unusual for the following to be included: grocery and provisions, drapery and haberdashery, sweets, ironmongery, corn and offals, boots, and last but not least, paraffin oil. He is in fact, the general supplier of the necessities of life.

In many of these shops it is a family concern, the man carrying on the trade with the assistance of his wife during the "rush" periods. They do not employ anyone but a boy to sweep up and run the errands, who may possibly be a "friend of the family," but whose chance to learn the trade is practically nil.

Where the trade warrants the employment of assistance, it would appear that this argument resolves itself into pleading the necessity to underpay the shop assistant in order that others may have cheap food, etc.

But does the customer get cheaper commodities from this class of trader? None whatever; he has no advantage, for one has only to make a purchase at such a shop to find that fact out. But surely the fact that our industrial centres, where higher wages will be paid, are crowded with "country" people

purchasing the commodities of life, is because they can shop cheaper and better.

It may possibly be urged that this class of trader is at a big disadvantage owing to his position, but there are several factors which have to be taken into consideration.

It is true that transport costs will be higher, and that buying in smaller quantities he has to pay higher wholesale prices. But on the other hand he has big advantages in the fact that rent and rates, two very serious items in industrial centres, are considerably lower, he has low advertisement charges, if any, and far less capital invested in "fixed stock."

What is true of the grocer and draper is also true of the butcher in these districts.

If, under these circumstances, it is the wages at the lowest Trade Board rate which will prevent him successfully managing his business, one is entitled to pity the poor lad, taken on out of friendship and given a training in the trade, and to ask if it is likely to make him a proficient worker?

Too many a youth has entered shop life on this "friendly footing," only to find out too late that he has never been trained in a manner calculated to make him a proficient worker. There seems but little real friendship in actions which lead in this direction.

What usually happens is that when he wants something more than "friendship" for a wage, he is too old for them, and he must seek employment elsewhere, when he discovers he has never learned his trade properly, and those engaged in organising shop workers all know the tragedy of these cases.

It is bad for the lad, for his parents, for the trade and the nation itself.

It is argued that the junior rates prescribed by the Trade Boards are too high, a fact which we dispute, but we do submit that it is highly desirable that the wages of juniors should be of such a character as to prevent an excessive amount of juniors being employed.

In the past, the custom was, particularly in the drapery and millinery retail trades, for juniors to work a period for nothing, and a further period for "pin" money. The effect of this has, without doubt, been to steadily increase the number of juniors in proportion to adults, thus steadily ousting adults from the occupation to be replaced by a junior at low wages.

That a sufficient quantity of juniors must constantly be trained to fill the natural vacancies is readily admitted, but when that number is greatly exceeded the adults suffer either by loss of their occupation, or they are forced to accept a lower wage in consequence of the economic competition of the low junior rates.

It further has the effect of compelling the employer to have some regard to the training the junior receives, and it materially assists in eliminating an early age those who are not adapted to the trade.

Further, the parent cannot be expected to subsidise the youth, and incidentally the employer, and the rates should be sufficient to maintain him or her. We would point out that at adult age the shop worker does not get the wages of unskilled labour.

It has been urged that the operations of the Trade Boards will cause greater unemployment.

Experience shows that for years prior to the outbreak of the War, a general speeding up had taken place in distribution. Newer and more scientific methods had been applied. The rise of the multiple firms and the co-operative movement had directed the attention of architects to the necessity for planning shops on a more scientific method.

It is obvious that the planning of a shop, quite apart altogether from such important matters as sanitation and ventilation, will have an effect upon the staff required to successfully and efficiently carry on the trade.

Badly arranged fixtures, narrow passages behind counters all mean more labour, and it is the rise of this new type of shop which has materially assisted in carrying out the speeding up.

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[Continued.]

Naturally, too, the class of trade will materially effect the question, but, taking all into consideration, staffs to-day are, in my opinion, as low as they can possibly be. I do not believe that greater unemployment will follow, but that greater efficiency will result which will benefit all concerned.

Men Returning to Shop Life on Demobilisation.

It has been urged that the workers in the distributive trades are content with the present state of affairs, but there is a great deal of dissatisfaction prevalent amongst them, which but for the unemployment crisis would doubtless have come to a head.

The treatment meted out by a number of employers to "demobbed" service men does not argue well for the appreciation of the services these men performed in France, etc.

In hundreds of cases rates of pay were offered which would not enable them to live. Coming new into civil life, unused to the new conditions with respect to cost of living, often being only too anxious to get back to their families after such an experience, many accepted the rates offered, but experience soon pointed out their folly and they were determined to improve the conditions.

Let me quote you a few typical instances reported to me in 1919 and 1920.

- (1) A boot and shoe salesman married with four children offered 35s. per week.
- (2) A grocers' assistant married with children offered 40s.
- (3) A butcher (skilled slaughterman and maker-up of pork goods) offered 40s. for a week of about 55 hours.

These cases could be multiplied, but the effect has been to awaken those engaged in shop life, and they are profoundly dissatisfied with present conditions.

At the commencement illustrations were given of what were the rates prevailing in pre-war days, but to-day the conditions for a big percentage have not, comparatively speaking, appreciably improved. Below are given rates prevailing in sections of the distributive trade which we have organised since 1914.

Wholesale Grocery.

Unorganised until October, 1919, when the following is a selection of the rates paid, when cost of living was 120 points up:—

Males.			
Age	Occupation		Wage s. d.
44	Provision hand	37	6
67	Bacon roller	32	0
Adult	Warehouseman	37	0
63	Bacon washer	32	0
Adult	Bacon washer	28	0
52	Bacon roller	42	0
32	Prov. Department foreman ...	45	0
31	First counterman	42	0
55	Butter cellarman	38	0
52	Skilled counter hand (orders)...	45	0
52	Warehouseman	35	0
?	In charge of sugar room desp.	37	0
21	Order department	32	6
44	Provision hand	37	6
42	Head stock-keeper	45	0
50	Warehouseman	40	0
33	Warehouseman	35	0
48	Credit and Returns Dept. ...	35	0
Females.			
32	Tea packer	35	0
24	Tea packer	25	0
25	Tea packer	25	0
22	Grocery hand	25	0
22	Grocery hand	24	0
26	Cellar assistant	27	6
23	In charge of cellar	30	0
19	Counter hand	27	6

Hairdressers (Organised in February, 1919).—
Wages then in operation varied considerably, but best rates were:

30s. under 21 years.
50s. over 21 years.

plus a very small commission on fancy goods and tobacco.

Fishmongers.

Unorganised until January, 1919, when wages for adult males were 40s. per week.

Nothing was allowed for meeting trains in on Sunday during mackerel season.

Present Rates.

£3 10s. to £3 15s.. Double time for salting mackerel on Sundays, 1s. 6d. for each time they meet train on Sunday and no fish arrives.

One week's annual holiday.

Two weeks' sick-pay and then very generous treatment.

Pork Butchers.

Unorganised until end of 1918. Wages for adult males 37s. 6d. to 45s.

1921.

£3 10s. to £4. 2s. 6d. each visit to feed pigs on Sunday. One week's holiday. Full sick allowance. Wholesale price for own goods

Only last week, however, we secured the information respecting the wages of female drapery assistants in Derby, and found that 25s. at 21 years was practically the adult female standard, a wage only equal to 12s. 6d. in pre-war days, while male drapery assistants were receiving 40s. to 45s. per week, equal to about 22s. 6d. in pre-war days.

We are constantly receiving information of shop workers who, through the pressure of the times, are being forced to accept rates far below what it absolutely necessary to enable them to live at least decently.

Profits of Co-operative Societies.

That the distributive trade can pay these wages and successfully carry on is demonstrated beyond all doubt by the fact that co-operative societies, paying higher rates than those suggested by the grocery trade, successfully competes and returns to its members a substantial sum every year.

I should like to quote the balance sheet of a few societies, whose rates are far in excess of the proposed Trade Board rates, and who are making good progress. (*Specimens only printed.*)

It must be clearly understood, that with a co-operative society before the net profit is arrived at, the gross profit is charged with interest at 5 per cent. on share capital, allowances made for depreciation and for reserve. The net profit is the "balance for disposal" and is paid to members on their purchases and not as an ordinary limited company does, as a dividend on share capital.

Derby Co-operative Society.

Balance sheet for half-year ending June 29th, 1920.

Share capital, £698,165.

Half-year's trade, £944,120.

Net profit, £35,789.

Paid out at 1s. 6d. in the £ on purchases, but would be equal to about 4 per cent. on capital.

Pinxton Co-operative Society. (A mining and agricultural area.)

Balance sheet for quarter ending June, 1921.

Share capital, £49,795.

Quarter's trade, £14,088.

Net profit, £1,138.

Paid out at 2s. in the £ on purchases, but equal to a 3½ per cent. dividend on capital for the quarter.

Coolville Co-operative Society. (Mining and agricultural area.)

Share capital, £158,773.

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[Continued.]

Quarter ending March 26th, 1921.

Trade, £148,200.

Net Profit, £12,836.

Paid out at 1s. 8d. in the £ on purchases.

Quarter ending June 25th, 1921.

Trade, £110,226.

Net profit, £6,566.

Paid out at 1s. 2d. in the £ on purchases.
(Covers the period of the colliers' dispute.)

Quarter ending September 24th, 1921.

Trade, £110,210.

Net Profit, £7,416.

Paid out at 1s. 4d. in the £ on purchases.

Total net profit for the nine months is £26,818,
equal to a dividend on share capital of 16½
per cent.*Ripley Co-operative Society.* (Mining and agricul-
ture).

Quarter ending June 25th, 1921.

Share capital, £492,537.

Trade, £143,500.

Net profit, £12,710.

Paid out at 1s. 8d. in the £ on purchases, but
equal to 3 per cent. on share capital for the
quarter.*Leicester Co-operative Society.*Balance sheet for half-year ending June 30th,
1921.

Share capital, £621,060.

Trade, £289,302.

Net profit, £32,351.

Paid out at 1s. 2d. in the £ on purchases, but
equal to 5 per cent. on share capital for the
half-year.*Long Eaton Co-operative Society.*This town has suffered amongst the worst in the
country with unemployment for a period of over two
years.Balance sheet for half year ending July 18th,
1921.

Share capital, £318,487.

Trade, £348,797.

Net profit, £13,922.

Paid out at 1s. 6d. in the £ on purchases, but
equal to a half-yearly dividend on capital of
4 per cent.

Summary.

In conclusion I desire to briefly summarise the
various points as follows:—

- (1) That prior to 1914, the wages paid in the distributive trade were extremely low.
- (2) That rates paid to-day are in a very large number of cases even worse than in 1914, bearing in mind the cost of living.
- (3) That the rates paid to-day in country districts are below any reasonable standard of life.
- (4) That the Trade Boards have made provision for these areas by having three Groups, viz., A., B. and C.
- (5) That it is possible to pay these rates is proved by the fact that the co-operative societies in country areas are paying higher rates and making substantial profits.
- (6) That a general analysis of the balance sheets of co-operative societies shows that the distributive trade can pay high wages and still retain a good margin of profit.

It would appear to me that the distributive trade should have one Trade Board only, and not the large number suggested. The rise of the modern emporium has materially changed the structure of distribution. In these large emporiums a drapery salesman works alongside a boot and an outfitting salesman. To have differential minimum rates would be to create dissension and friction.

By a unanimous vote our members have shown that they desire the continuation of the Trade Boards, believing that it is in the best interests of the nation as a whole.

SCHEDULE.

PRESENT SCALE OF WAGES IN OPERATION IN CO-OPERATIVE SOCIETIES IN THE MIDLAND DIVISION.

Group I—Societies.

Age ...	14.	15.	16.	17.	18.	19.	20.
Males ...	15/6	17/-	22/-	27/-	38/-	44/-	51/-
Females ...	14/6	16/-	20/6	25/-	32/6	34/-	40/-

Adult Males.—72s. per week.

Adult Females.—45s. per week.

Male Shop Assistants.

Age ...	21.	22.	23 years.
Wage ...	72/-	72/-	74/6 per week.

First Assistants.—(Male and Female.)

To have at least 4s. per week over the above scale in shops where not less than four are employed, and 8s. per week over the above scale where six or more are employed.

Definition.—The assistant capable of taking charge during the absence of the manager.

Branch Managers.

Group 1.—£4 6s. per week minimum.

Scales as per blue scale less 6s. per week.

Branch Manageresses.—55s. minimum.

Warehouse Managers or Foremen.—86s. 6d. minimum.

Transport Workers.

A.—Motor Mechanics, 86s. 6d.

B.—Motor Drivers, 76s. 6d.

C.—Horse Transport and Stable Hands, 72s.

D.—Transport Workers regularly taking cash or tokens shall be paid 5s. per week over the above rates.

E.—Sunday Stable duty to be paid for at the rate of 5s. for a maximum of five horses.

F.—That the above rates for Transport Workers shall apply to all persons 18 years of age and over, who are in charge of vehicles.

G.—That sub-clauses D and F shall not apply to Milk Deliverers.

Clerks.

Age ...	20.	21.	22.	23.	24.	25.	26.
Males ...	54/-	72/-	74/6	76/-	79/-	84/-	89/-
Females ...	43/6	45/-	47/6	50/-			

Check Clerks.

Males ...	21 years.
Females ...	72/-
	45/-

Charge Clerks.

To be paid additional rates according to their responsibility, by negotiation between the N.U.D.A.W. and the employing Society or District Hours and Wages Board, but in no case shall the advance be less than 12s. 6d. per week.

Special Cases.

Special cases shall be the subject of negotiation with the individual Society, and in case of disagreement it shall be referred to a sub-committee, consisting of equal representatives from the Joint Hours and Wages Board and the N.U.D.A.W.

Hours of Labour.

The working week shall not exceed 48 hours. The working week for clerical workers shall not exceed 44 hours.

Holidays.

Six working days' annual holiday with pay to all employees after 12 months' service, and for all adults after two years' service, 12 working days' annual holiday with pay.

Wages During Sickness.

Twelve days' full pay in any 12 months, where absence from duty is vouched for by medical evidence.

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[Continued.]

Overtime.

All time worked before and after the usual hours to be paid for at the rate of time and a quarter, with double time for Sunday labour. Fifteen minutes to be allowed, when necessary, for the clearing of shops.

That any class of labour not covered by the above minimum scale of wages shall be the subject of negotiations between the union and the employing society or the District Hours and Wages Board.

Group II Societies.

That the scale of wages for societies in Group II shall be $7\frac{1}{2}$ per cent. less than that for Group I. Except in Clause 6 where the exact rates are stated.

Group III Societies.

That the scale of wages for societies in Group III shall be 10 per cent. less than that for Group I. Except in Clause 6 where the exact rates are stated.

GROUPING OF SOCIETIES FOR THE PURPOSE OF THE MINIMUM WAGE SCALE.

Group I.

Birmingham District.—Birmingham, Dudley, Soho, Ten Acres and Stirchley.

Coventry District.—Coventry, Lockhurst Lane, Nuneaton, Rugby.

Derby District.—Bolsover, Derby, Ilkeston, Long Eaton, Pinxton, Ripley, Tibshelf.

Leicester District.—Barwell, Coalville, Hinckley, Leicester, Wigston.

Lincoln District.—Gainsborough, Grantham, Lincoln.

Northampton and Earls Barton District.—Northampton.

Nottingham District.—Annesley Colliery, Annesley Woodhouse, Bulwell, Cinderhill, Codnor Park, Hucknall Torkard, Kirsby-in-Ashfield, Langwith, Langley Mill and Aldecarr, Mansfield, Netherfield, Nottingham, Pleasley, Selston, Stanton Hill, Stapleford and Sandiacre, Warsop Vale.

Stafford District.—Burton-on-Trent, Stafford, Tamworth, Walsall, Wolverhampton.

Group II.

Birmingham District.—Alcester, Halesowen, Kidderminster, Worcester.

Derby District.—Wirksworth.

Leicester District.—Ashby, Burbage, Enderby, Fleckney, Hathern, Loughborough, Melton Mowbray, Mountsorrel, Oadby, Ratby, Rothley, Shepshed, Stoney Stanton, Whetstone.

Lincoln District.—Boston, Newark, Retford.

Nottingham District.—Ruddington, Southwell.

Kettering and Wellingborough District.—Kettering, Rushden, Wellingborough.

Shropshire and Mid-Wales District.—Oakengates, Oswestry and Shrewsbury.

Stafford District.—Cannock, Tipton, Wednesbury.

Group III.

Birmingham District.—Bidford, Fenny Compton, Highley.

Coventry District.—Atherstone, Blue Lias, Harbury, Long Itchington.

Derby District.—Lea and Holloway.

Kettering and Wellingborough District.—Burton Latimer, Desborough, Finedon, Higham Ferrars, Irchester, Irthlingborough, Market Harborough, Raunds, Ringstead, Rothwell, Thrapston, Walgrave, Wollaston.

Leicester District.—Barrow-on-Soar, Broughton Astley, Croft, Cosby, Great Glen, Groby, Glenfield, Huncote, Kirby Muxloe, Markfield, Quorn and Sapcote.

Lincoln District.—Spalding.

Northampton and Earls Barton District.—Brixworth, Brington, Cogenhoe, Daventry, Denton, Earls Barton, Ecton, Hackleton, Harlestone, Harpole, Long Buckley, Moulton, Pitsford, Yardley Hastings.

Nottingham District.—Keyworth, Lowdham.

Shropshire and Mid-Wales District.—Aberystwyth, Chirk, Ellesmere, Ironbridge, Prees, St. Martins, Welshpool and Whitechurch.

Stafford District.—Bridgnorth, Hollington, Mayfield, Rugeley.

8002. *Chairman:* You are midland divisional officer for the same union, the National Union of Distributive and Allied Workers?—Yes.

8003. You have some supplemental evidence to submit to us, a good deal of which consists of figures which we have read, and which we will take as part of your evidence. You refer first to the co-operative scale, of which we have heard?—Yes.

8004. And you refer to the progress which was made in getting those wages as shown by your reports?—My point there is that in the Midlands where we have a large agricultural or rural district, as well as industrial centres, even in the co-operative movement itself we have made very little progress in securing the adoption of that old congress scale, particularly with regard to the Midlands; and of course it is generally true that the co-operative movement pays better wages to the average employee than has been the custom in the trade outside.

8005. But you have progressed a long way in getting that scale adopted?—Yes, we have progressed somewhat.

8006. But still there are cases, as you point out, where astonishingly low wages are paid?—That is so.

8007. You say that scores of cases were found where adult women were receiving 10s. and less for a full week's work?—Yes; that was particularly true of Shropshire and Mid-Wales. In those districts where you have an agricultural area, even in 1916 and 1917 the wages paid when the cost of living had advanced considerably were what we could only regard from a trade union point of view as scandalous.

8008. I am taking this shortly, because we have read it through. You refer to your first agreement with the Co-operative Hours and Wages Board: that, I suppose, is an employers' association?—Yes, built up purely to deal with the wages question.

8009. For Shropshire and Wales?—Yes.

8010. You had an agreement with them in February, 1917, and that had a great effect on the wages that they paid?—Yes.

8011. In September last you say when the cost of living was 161 points up, you had a dispute with a Lincolnshire society who were paying adult shop assistants 40s. and 45s. per week, and adult female assistants 25s. and 28s. per week?—That was in another agricultural part of the country, where we found that those low rates were being paid.

8012. Did you succeed in getting them raised?—Yes, we raised them considerably. The matter finally went to arbitration, and those rates were raised considerably. They were raised to over £3 for the average adult male.

8013. When you say September last, do you mean September, 1920, or September, 1921?—I mean that for September, 1920, because in September last, of course, the cost of living was not up 161 points.

8014. You say that the main objections to the Trade Board seem to be based largely on the inability of the traders in the rural or country districts to pay the rates, and to carry on the business successfully. Has that been met by the system of differential rates in different areas?—In my view the grading put forward by the Trade Boards into Grades A, B and C, while it is not based on a perfect system (and it is, of course, very difficult to find a perfect system), does meet to a large measure the objection which is raised that the trader in the rural or country district cannot pay the rates. Under that he is not asked to pay the rates which are operative in an industrial centre, and to that extent his case is largely met.

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8015. How was that met in your agreement with the employers?—For the whole of the Midlands it has been met by a grouping into three groups. We did not take population as the sole factor, but we took it more on the zone system. We took the zone round an industrial centre, and made that our basis, the places included in the zone being regarded as industrial.

8016. Where shall I find that? Is it among these scales?—Yes, it is included in Schedule 3. You will find the grouping in the blue leaflet at the end of my précis.* You will notice there that the group is dealt with right at the outset. I do not and did not agree that three groups were necessary, but in negotiations for a settlement both sides have to give way somewhere.

8017. *Mr. Layton:* Does Group 3 include agricultural villages?—Group 3 is practically agricultural villages themselves. I think, if you will take the bulk of them, they are agricultural villages in the main. The first that catches my eye is Mayfield in Derbyshire, and the remarkable feature of it is that the societies which are now in Group 1 state very deliberately in the negotiations that they themselves are hard put to it to-day to maintain the same ratio of profit as the small agricultural villages which are in Group 3.

8018. *Sir Arthur Pease:* That is so all through, is it not? The big establishments are harder hit than the small ones?—I would not like to say all through, but I do think that in the distributive trades during these present difficult times the trader in the small place has an advantage.

8019. *Mr. Layton:* Why?—In the first place his stocks were never heavy when the crash came and reductions took place, and in the second place, systematically, or at any rate for as long as I remember, in distributive trades they have always been slightly in excess in price of the retailer in big centres. In the third place he has, in my opinion, a very big advantage in that his rent, rates and taxes are not as high, or by any means such a serious item as they are in an industrial centre. In my opinion he has great advantages.

8020. *Sir Arthur Pease:* The rates and taxes are a very much more serious item now than they were, are they not?—I think that would be more true in the industrial centres than in the rural centres, and therefore to-day the men in the rural centre is getting an even bigger advantage.

8021. *Chairman:* This was an agreement made with co-operative societies, was it not?—Yes.

8022. You give the rates which were agreed to, and you say that they are higher than the rates proposed by the Grocery Trade Board?—That is so. A comparison will show that the present rates in operation, even for Group 3, are higher than the rates which are proposed by the Grocery Trade Board.

8023. They have been able to pay those rates?—They have paid those rates, and, in my opinion, they have made a fair and reasonable profit on their transactions.

8024. On page 4 and onwards of your précis I notice you give figures showing the profits which have been made by a number of co-operative societies?—Yes, and all those co-operative societies, with two exceptions, will be graded in Grade A in the Trade Board rates. The two exceptions are Gainsborough, which will be in Grade B, and Market Harborough, which in the old Census returns would come in Grade A, but I do not know, and have not got the present figures of the last Census, so I cannot tell whether it has been transferred to Grade B, or not. It was just getting towards the border line. The rest will all be in urban districts, and be graded under A. My point is this, that the co-operative movement in these districts has been able to pay higher rates, and has made a fair and satisfactory return on a successful business, and therefore it ought to be possible for the ordinary trader to do exactly the same.

8025. *Mr. Layton:* When you speak of A and B,

you mean the Trade Board A and B, do you not?—Yes, I was speaking of the Trade Board A, B and C.

8026. *Chairman:* You put forward the argument in the middle of page 8 which we have heard from Mr. Wright Robinson, that where the trade warrants the employment of assistants it would appear that this argument resolves itself into pleading the necessity to under-pay the shop assistant in order that others may have cheap food, and so on?—That is our contention. We believe that the trader in the rural district can, with efficient management, make the profit necessary to pay a reasonable wage which will maintain an assistant in a decent standard of life, and still have finally for himself a substantial profit on his transactions.

8027. *Mr. Poulton:* As a matter of practice, do the employers who have put up that plea reduce the cost of their commodities below what is charged in other places?—No; I think everybody is bound to admit that the prices in rural districts are, on the average, higher than they are in industrial centres. Were it not so the people from those rural districts would not go to shop in the industrial centres at the week-end. There must be some advantage in shopping in those large centres at the week-end, or they would not do it, and it lies in the fact that they get a better selection at a cheaper rate.

8028. *Chairman:* There is something in the attraction of the town itself, is there not?—Not being fond of country life myself, I should think there would be, but the main attraction to compel a woman to carry home with her a large parcel of the necessities of life must be an economic one as far as she is concerned. If I may deal with a point which was raised this morning, it is not true on the average that the Co-operative Societies charge higher prices than anyone else. If they were to do that they would lose their market. There are cases where it is true that prices are slightly on an increase, but taking quality for quality, on the average the Co-operative Society is as cheap.

8029. *Sir Arthur Pease:* My argument was that where an article was 20s. in a shop, and the Co-operative Society is charging 23s., you have to get back the 3s. before the price is really the same?—If that were the case in actual practice, yes.

8030. I have heard it alleged that it was before the war?—It may have been alleged, but I say that these societies which I have quoted in rural districts—and I know everyone of them, having been there—compare favourably as regards prices with the prices of private traders; they are able to buy in the market and still pay the rates of dividend and make the profits that I have submitted.

8031. Does the Co-operative Society charge a different rate in the country district from what it does in a big centre?—No, and to illustrate that, let me take the Derby Society that spreads out over a radius of 40 miles: you can buy any article at the same price at their smallest village store as you can in the centre of Derby. One price rules throughout the Society. Then I can take you to the Alcester Society in Warwickshire: that district covers a radius of about 35 miles, and exactly the same price list rules for Little Pakenham as rules for Alcester itself.

8032. *Mr. Layton:* Do the women not go into town then?—Yes, they do; but they do not carry home their parcels. The attraction in town is the fashion, and so on.

8033. *Sir Arthur Pease:* That means that the rural people can live as cheaply in the country where there are Co-operative Societies as they can in the towns?—Yes, I believe that to be true.

8034. *Chairman:* I suppose in the case Sir Arthur Pease has put to you of a Co-operative Society charging 3s. extra profit, that would not go to the individual purchaser, but to the members as a whole?—But the profit being returned in ratio with the amount purchased, that extra profit would naturally go back to the party who had made that purchase.

8035. The whole of it?—There would naturally be some regard paid to management expenses, but in a case of that description it would go back in the

* See page 577.

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main to the customer. Of course I would not admit that it happens. The average working class woman of to-day has absolutely no money to play with, but she must find the cheapest market.

8036. *Mr. Layton*: Will you say what, in your view, is the justification for the difference in wage between groups 1, 2 and 3?—I think the justification in the main is the fact that rents in the country districts are, to some extent, lower, I did argue that the same minimum rate should obtain, but we were faced with strong opposition from that point of view, the other side putting up the case that rents were considerably cheaper in the rural districts.

8037. Was it based entirely upon rents?—Upon rents, and the production of a garden which is an argument that I will not admit. But you cannot get out of the minds of other people that both rents of houses and gardens are cheaper, and they maintain that it is cheaper to live in the country than in an industrial centre. The argument about rent is very largely a true one.

8038. You do not suggest to us that the profit of those societies in country districts is in fact more than in town branches of the co-operative movement, do you?—No, it is not more.

8039. In spite of the lower wages?—The country branch of a large society does not pay lower wages. To illustrate my point the Derby society pays the Derby rate even in a country village store which is controlled by the Derby society, because we contend that one rate should govern one employer.

8040. But you have three scales here?—Yes, but the Derby district is in Group 1, and all those branches are in Group 1.

8041. Then you might have a branch of the Derby Society, and in close proximity a local society in one of those villages?—You would not find that with respect to Derby, but you might find cases of that. I agree. Take Leicester: In Leicester you will find a case where the Leicester society has a branch at Anstey in close proximity to the late Markfield society, which is now taken over by the Coalville society.

8042. *Sir Arthur Pease*: Do not many of these co-operative society stores in very small places actually lose money, and are they not really carried on the backs of the big society?—I have yet to be persuaded personally that the co-operative movement will keep on any business long on which it cannot make a profit.

8043. Possibly they just do not lose, but they make their profits in big centres, and do not more than make ends meet in the small ones. Would you agree with that?—No, I do not agree with that, because the system of the co-operative movement, particularly with its grocers' shops, is not only to check the manager by a leakage system, but also to check the shop by the gross profits of the shop itself, and my experience is that if a man systematically comes much below the average, whether it is a country shop or a town shop, there will probably soon be an inquiry as to why that average has not been reached.

8044. You could not expect a man to make the same proportion of profits with a small turnover as with a big one, could you?—In certain circumstances, yes. If he is selling small quantities it is not an unprofitable business.

8045. Do you mean by that small lots to each person?—Yes. If you go into the poorer parts of any place where the people buy in small quantities, such as pennyworths, there is a bigger ratio of profit.

8046. I understood you to say that they charged the same price for the same article all the way through?—Yes, I think perhaps you are not following my argument, which is that if a person goes in for a pennyworth of anything which costs 1s. 1d. a lb., he naturally gets an ounce.

8047. *Mrs. Lyttelton*: You always pay more for anything which you buy in small quantities, whether in towns or in the country?—You can buy a pound cheaper than you can buy an ounce, where an article is 1s. 2d. a pound.

8048. *Chairman*: I suggest you can even buy one pound of something at the same price as two pounds?—Yes, that is true, but I should think you might very often buy a pound at a cheaper rate than you could buy an ounce. Take, for instance, an article which is 7d. a pound, if you buy a quarter of a pound you will pay 2d. for it.

8049. *Mrs. Lyttelton*: Your point is that the small trader can make proportionately as good a profit?—Certainly, that is my point.

8050. *Sir Arthur Pease*: It depends on the class of trade he is doing, does it not?—Yes, but in any case whatever the class of trade he can make a profit sufficient to pay the Trade Board rates, and still leave himself with a very substantial margin.

8051. If he has a sufficient turn-over?—If he has not a sufficient turn-over he has not sufficient turn-over to keep a staff.

8052. *Mr. Layton*: You have a Group 2 here in this agreement?—Yes.

8053. It appears to fall between Scale A and Scale B, so far as rates are concerned, because your Scale A here would correspond to your Group 3, and Scale B to some extent to your Group 1?—Yes.

8054. But you have here a Group 2 in which some towns appear to be above the 10,000 line, and in which most of them probably would be below. Would you agree as to the desirability of a further subdivision in the case of a bargain of this kind; a collective bargain—would not the argument be equally applicable to the Trade Board, and would it not furnish an argument for having a new group?—No, I think not, because the Trade Board rates are rates applicable to the country, and as minima are low minima. The proposed Grocery Trade Board rate is a low minimum rate for a skilled grocer, a skilled provision hand to receive. I contend that there is a high degree of skill necessary in the distributive trade, and such rates, in my view, are not rates that ought to be paid to a skilled man, but they are merely minimum rates on which a substantial advance ought to be negotiated.

8055. But you have made this arrangement under which the current rates paid by a society in Worcester are 7s. less than those paid in Rugby or Nuneaton?—Yes.

8056. That is a considerable difference, but in the Trade Board figures you would group those two towns in the same group?—There is not 7s. difference; there is a difference of $\frac{7}{8}$ per cent.

8057. I am looking at the wages in the middle of this Schedule?—Those are for branch managers. You are referring to page 8, I presume.

8058. Where are your general rates?—They are on page 7. You will find there is a summary behind that blue form which gives the rates for Group 1. For male shop assistants they are now 72s. at the ages of 21 and 22, and 74s. 6d. at the age of 23.

8059. What is the difference between the scales?— $\frac{7}{8}$ per cent. between Group 1 and Group 2, and 10 per cent. between Group 1 and Group 3, and that, of course, was arrived at by negotiation, and it does not follow that it is satisfactory to either side; it is a compromise.

8060. *Chairman*: Then you refer to the fact that sometimes boys are taken on at very low wages or none. I find that on page 8 of your précis?—Yes.

8061. And you say it is bad for the lad and bad for trade?—We think that the training, or the supposed training which boys receive, or are supposed to receive, in many of these rural shops is of such a character that when they reach the age when they want a wage to live upon, they too often find themselves seeking fresh employment, and being faced with the fact that they have never been properly trained, and do not know their occupation. There is a vast difference in the trainings received by the boys. As far as we are concerned we are very anxious that the boys and girls in the distributive trade shall receive the highest possible training, because we believe that there is a high degree of skill required in the industry itself. I do not believe that many of these rural grocers can train a boy properly.

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8062. *Mr. Poulton*: Why?—In the first place, they have not the trade to show him and to train him in all the ways that are necessary behind a grocer's counter. To mention only one example, they cannot teach him the provision trade to anything like the extent that he can be taught in an ordinary store belonging to, say, a multiple firm or to a co-operative society. He will not see the different grades of bacon; he will not see the different cuttings up; and on the provision side particularly, dealing with bacon, a provision hand is either a source of great profit or great waste to the employer.

8063. *Sir Arthur Pease*: Then the conditions in this trade are exactly opposite to what they are in the dressmaking trade, because we have just been told that the training in the country is better than the training in the town in that trade?—There are exceptions in this matter. Some of the country shops, particularly those in market towns, give them a high class training, but, taken on the average, it is not true to say that it is an efficient training which is given in the country districts.

8064. *Mr. MacCallum Scott*: In the small country towns it would be good, but in the small villages it would not be good?—In the small country towns certain of the shops will be able to give a good training, while others will not.

8065. I suppose the same thing will apply in the big towns; in London there would be some shops which could not give a good training?—Yes, that is true, because there are some men who could not impart it.

8066. *Chairman*: Dealing with the question of unemployment you say, "It has been urged that the operations of the Trade Boards will cause greater unemployment."—I believe that to be true in the main.

8067. The numbers could not be reduced without touching the efficiency, could they?—That is so; they could not be reduced without touching the efficiency in the shops. Our experience this year, in particular, has been that the distributive worker has been flung haphazard on the unemployed market, and staffs of shops have been so reduced that they have got beyond what we believe to be the absolute minimum for efficient service. We want fully skilled shop assistants. A shop assistant has not only to be a salesman (and salesmanship demands a fairly high degree of skill), but also any of you who have read the great advertisements which the London colleges put forward will realise readily that salesmanship is not something to be very easily gained. Apart from that fact, if you take the provision hand, he has handed to him a side of bacon, perhaps, which is charged to him at a side price, and he has to make that price up by charging various prices for the various cuts. A high degree of skill is necessary to enable that man to be right at the end. Suppose he has an ordinary roll of bacon, or particularly some of the Irish rolled bacon which has been coming into England lately; there is a solid 2 lbs. of fat at each end, and while it may be true that in country districts they like a good deal of fat, that is not so in towns, and the waste and the loss to the employer comes in where an unskilled provision hand has been cutting that bacon, and two large end pieces are left. A skilled provision hand will not leave large fat pieces at the end to be sold as fat to the waste man. Again, you must have a high degree of skill to be a good salesman. Is there anyone who will suggest for a moment that a drapery salesman is not a skilled man? He must be skilled, and in addition to that high degree of skill he must have a great deal of patience.

8068. *Chairman*: The patience is not always on the one side!—But it always has to be on the side of the employee.

8069. Then you refer to the low wages for the ex-service men on demobilisation, and give some instances.—We give these illustrations to show that even when men were being demobilised the rates were low.

8070. You put in an agreement between the hair-dressers in Leicester and the Union.—Yes, the reason we have done that is to prove that the trade can pay a fairly substantial wage and yet make a profit. I might say with regard to those wholesale grocers quoted we can give you the present rates in operation. The present organised rates in operation are, for adults, 55s. to 65s.—I have classified them so as not to read out every individual case—and for foremen, ranging from 70s. to 85s.

8071. Which do you wish to compare those figures with?—We compare them with the figures given here of the wholesale grocery when they were unorganised.

8072. That is at the top of page 11, is it?—Yes. I have not given the full detailed figures. It is just to give you an idea that these rates can be substantially improved and profits made by the employers.

8073. Then perhaps we need not go through these next figures in detail; but you give another set of cases, and you deal with the profits of the co-operative societies.—And all the societies quoted will be in Scale B, every one of which is paying Group 1 wages on our scale, and they are making what I regard as being reasonable profits even in 1921. You will notice that these balance sheets are all for the present year, the year of the slump. I have not quoted last year, feeling that the figures given this year were even more important from our point of view, and particularly is it true with regard to Long Eaton, where the lace trade is one of the staple occupations, or was, I should have said, one of the staple occupations. For over two years that town has suffered fearfully from unemployment, being one of the six worst places in England; and despite the bad trade, despite the fact that this society believes it has reached as a society the rock bottom of the trade that it is possible for them to reach if the people are going to live at all in Long Eaton, even still it has made a profit, and its prices are so keen that they have competed a good many of the people off the market place of Long Eaton itself, proving that they can cut the price; and if they can do that, our point is that so can, and does, the ordinary employer.

8074. *Sir Arthur Pease*: Are they charging less at Long Eaton than they are at other places?—No; I should say that Long Eaton will be charging less in some cases than in others, but their rates are so low that they have now taken a stall on the market place, and they have competed with the butchers there and competed a good many of them off the market place.

8075. *Mrs. Lyttelton*: I suppose you would admit that they have one great advantage over the small trader—that they can buy in far greater bulk. A big society with branches all over the place can buy in greater bulk?—Yes, but buying in far greater bulk to-day is not an advantage. It is a much greater advantage to-day to be able to buy in less quantities, because one never knows to-day where the market really is, and while they have under normal circumstances an advantage in that direction, they have also got the fact that their interest on the money has got to go on all the time.

8076. Still, broadly speaking, it is more to the advantage of the big co-operative trading society than to the small owner?—Speaking economically, of course, big businesses are always more profitable and more economical than are smaller businesses.

8077. I mean, it is not quite fair to compare a small co-operative shop in a village with a small privately-owned shop in a village?—But the case I have quoted in support of my argument is that in rural districts they are all small self-contained rural societies; some of them have only one shop; they are owned by the villages themselves, and I have not in any one of those cases quoted a big society. I have purposely taken the very small societies which can only be called rural societies, managed by men from the farms.

8078. *Chairman*: Then on page 16 you sum up your points: "(1) That prior to 1914 the wages paid in the distributive trade were extremely low; (2) That rates paid to-day are in a very large number of cases even worse than in 1914, bearing in mind the cost

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of living; (3) That the rates paid to-day in country districts are below any reasonable standard of life; (4) That the Trade Boards have made provision for these areas by having three groups, viz., A, B and C; (5) That it is possible to pay these rates is proved by the fact that the co-operative societies in country areas are paying higher rates and making substantial profits; (6) That a general analysis of the balance sheets of co-operative societies shows that the distributive trade can pay high wages and still retain a good margin of profit." Then you are rather an advocate of one Trade Board for the whole of the distributive trades?—I am an advocate of one Trade Board for the whole of the distributive trades. I believe it is possible, and I think our experience in arranging rates has proved it to be possible, to have one Distributive Board, because if you have to face the difficulty of there being varying rates for shop assistants in your large emporiums, it is going to create a great deal of friction where two shop assistants are working different classes of articles. Very often there is only a small difference between the articles themselves, and to find in many instances the difference in the degree of skill would be chasing relativity all over the earth, and we feel that if you have two varying rates it is going to lead to greater friction and more trouble inside the distributive trade.

8079. It was suggested to us that there might be three Boards; one for provisions, another for soft goods, and a third for other distributive trades. What do you say to that?—Well, that would certainly be far better than the 30; but I do believe that the one would be better even than three. Still, I would prefer three to the suggested number put forward.

8080. I suppose it might be said that a Board representing all distributive trades would have to be a very large one?—I think with organisation on the employers' side and organisation on the workers' side a true representation of the country could be found. But in my opinion the bigger the Board the less effective it is likely to be.

8081. *Sir Arthur Pease*: The bigger in numbers, you mean?—Yes.

8082. *Chairman*: That is why I put the point to you: You mean that the Board need not be very large if the employers of all the trades got together and selected their representatives, and so with the workers?—That is my view.

8083. That would be a way of reducing the numbers?—Yes.

8084. *Sir Arthur Pease*: Would it not be possible if the Board was rather large to keep one Board and split it into sections dealing with the different branches?—Yes. Of course, I am speaking without any practical experience on a Trade Board, but it would appear to me as an onlooker that there are difficulties in that direction.

(The Witness withdrew.)

Mr. JOE COULDWELL, called and examined.

The witness handed in the following statement as his evidence-in-chief:—

On behalf of the Federation of Journeymen Butchers, I wish to point out how necessary is the continuation of the formation and bringing into operation of Trade Boards, especially in connection with the meat trade as a whole.

Previous to the war the rates of pay on an average were not more than 30s., and the hours worked anything between 80 and 100 per week.

During the war and the operation of the Food Control Board the rate of wages was more than doubled and the hours lessened by almost one half, especially in the case of shopmen.

Since decontrol, and the employers in the meat trade being able to return to more normal conditions, the majority are again gradually drifting back to the old conditions of low wages, and as the employers have no method of enforcing any particular

8085. Of course, there would not be if you were going to fix one minimum rate; but there are all the questions of subnormal people, and that could be dealt with in each section separately, could it not?—I think it is possible that they could. As I say, I am speaking without practical experience on the Board itself.

8086. *Mr. Layton*: What sort of organisation do you have for fixing these Midland rates with the Co-operative Societies? Have you a Board covering the whole area?—The Co-operative Societies in each district have fixed up what they term an Hours and Wages Board, in reality an Employers' Association, in the 10 districts. One from each of the 10 districts is sent on a central body known as a Joint Wages Council, and we meet that Joint Wages Council.

8087. How many persons would be present at those meetings?—They have 11 on their side, and we simply meet them as an independent body and discuss and negotiate. It is not by any means a Conciliation Board.

8088. That covers the Midlands?—That covers the whole of the Midlands, and what is true of the Midlands is true of the North-Western, the Northern and other districts; but not the South.

8089. That covers all the Distributive Trades, not merely the Provision Trade?—All the Distributive Trades of the Co-operative Society.

8090. You would obviously want a much larger body then to cover the Distributive Trades of the Midlands alone?—Well, I am opposed emphatically to District Boards.

8091. I was merely putting it to you as bearing on the question of the size of the Board you would have to have for the country as a whole?—I do not think that follows. It might be possible for them to have, for instance, a bigger council of the employers' side and a council of the employees' side, or a meeting or conference of that description; but it is not necessary for all that number to be on the Board itself.

8092. You say you are opposed to District Boards or District Committees of the Board?—I am.

8093. But that is the way you negotiate your own wages?—Yes, because we are hoping to advance towards a national settlement.

8094. And do you think that system of wages could be applied to the country as a whole without further complication?—I think the system of the Trade Board has adopted a minimum.

8095. I mean this agreement?—No, I do not think you could apply that. I am speaking quite personally, and for myself I do not think you could apply that generally throughout the country. That is why I am a supporter of the Trade Board to get a minimum—a base—on which it could be built.

rate of wages or hours through their local associations, nothing but a compulsory Act, will bring about a fixed payment and hours for the workers.

Although, as mentioned above, the butchers have not only local, but country associations, and also a National Federation, to which they are all practically affiliated, these are purely of a voluntary nature, and even when any of them agree on a certain rate of wages and number of working hours, if any individual member does not wish to fall into line with his association's recommendations, he simply falls out of membership and imposes such conditions as he thinks fit.

At the present time the National Federation of Meat Traders' Association and the Lancashire County Council of Meat Traders have recommended a 48-hour week, but in many cases this is not being adhered to, and we have one association wanting our agreement to a 60-hour week with a reduction of 25 per cent. in wages.

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[Continued.]

This is not an isolated case as a very large number of employers are working their men 60 hours per week, even where agreements for less have been made, and owing to the great amount of unemployment in the country, the men have either to submit, or be thrown out of work, and this increasing of the number of hours is tending to further increase unemployment.

It cannot be said with truth that employers cannot afford to pay the wages, as it is a well-known fact that during control and since, butchers have never made so much profit in their lives, and the general public have been plundered to a very large extent.

Further, I would point out that the Meat and its Allied Trades are of such magnitude, overlapping itself inside its own industry, as even in limited or multiple companies' establishments they have separate departments for meat, and the staff of particular departments do not handle other goods such as sugar, soap, ironmongery and other miscellaneous goods, but at the same time, during slack parts of the day in the shop, some of the staff may be drafted into the slaughterhouse, or room where small goods are made up, and with the small employer in the private trade and Co-operative Societies, this is the general practice, that it is most imperative that there should be at least two Trade Boards to meet the position as a whole.

A Draft Order was issued on January 11th, 1921, for a Meat (Distributive) Trade Board, but it has not started to function up to the present time. This delay is certainly uncalled for except from the employers' point of view in his having a free hand to bring about similar conditions to those which prevailed in the old days when "Butchers' hours were all hours."

The 14 definitions set out for this Board certainly cover the trade fairly well, so far as the slaughtering, preparation, selling and making up of small goods and bye-products of fresh and frozen meat are concerned, but there is still outside the scope of this Board the bacon factories who deal more particularly with pigs and their many small goods manufactures such as sausages, brawns, pressed and potted meats of many descriptions, glazed goods, polonies, etc.; and also the bacon and ham curing, boiling, steaming, or otherwise preparing for sale, and for this section a separate Board should be set up, as some 20 or 30 definitions are needed to cover the whole.

Along with both these necessary Boards is the preparation of guts and skins, or runners, in which sausages, etc., are filled, but as in some cases this is done by the workers in one or other of the departments it could be dealt with under its respective heading. In this particular industry, the old rate of wages for males was from 16s. to 24s. per week, for a varied week of "all hours when required," and generally running to 80 or more.

Considering that at least there are upwards of 40 or 50 different sections of workers employed in the above operations and that in every case both employer and employee are not connected in any way whatever with trade outside meat or meat products it is impossible for them to be represented even in part on any mixed Board consisting of other food trades, as it is only practical men who could deal with the position, and in order that all sections could be represented this would require a big Board if other industries were included, and it is computed that in the above-named trades at least half a million male and female workers are employed.

It is quite useless for employers to talk about Trade Board rates being the cause of more unemployment, as none of them pay wages unless they get value for the money, nor do they keep staffs in excess of their requirements. The fact that the hours they wish to keep their employees at work entirely disproves such statements and shows that if a reasonable number of hours were worked, they would be compelled to employ larger staffs in order to deal with their trade.

(Signed) J. COULDWELL,
General Secretary.

8096. *Chairman*: I think you are General Secretary of the Journeymen Butchers' Federation of Great Britain?—Yes.

8097. Those are working butchers, I suppose?—Yes.

8098. Are you a member of the Grocery Trade Board?—Yes, we have one seat on that Trade Board.

8099. Is that because they deal with bacon, and so on?—Yes, because there is a certain overlapping in some small directions.

8100. As regards meat there is a Trade Board formed, is there not?—The Draft Order was issued on January 11, but the Board has never become operative.

8101. It has not gone through?—No. Why that is so one hardly knows, because the Ministry of Labour issued a letter on August 23, 1920, saying: "I am directed by the Minister of Labour to refer to your letter of the 31st July on the subject of the proposed application of the Trade Boards Acts to the meat distributive trade, and in reply to state that the Minister is fully aware of the necessity for establishing a Board as soon as possible. In so large and complex a trade a number of difficulties of definition and demarcation are, however, bound to arise and, as you will appreciate, it is of the utmost importance that all such points should receive due consideration. Nevertheless good progress is being made, and the Minister hopes to issue at an early date the notice of his intention to apply the Trade Boards Acts to the trade. A draft definition is being drawn up, copies of which will be sent to your federation for their observations." That was on August 23, 1920, and then on January 17, 1921, I received a copy of the draft Order; and that draft Order has not yet been put into operation. Why it has been held up one can hardly conjecture, because the Ministry have had inspectors all over the country, and we have had two or three deputations to the Ministry of Labour in order to help to get the definition and the demarcation of the Trade Board, the people it should cover, and so on; and the report of the inspectors was that it would be absolutely necessary to have one Trade Board and possibly two. They thought it would be hardly possible to work it with one Trade Board, although one Trade Board might be sectionalised into two; because the bacon factories cover a big number of employees, and they can hardly be compared, or put on the same lines as the meat trade. Of course, what is meant by the meat distributive trade is not altogether simply the retail trade, but it also covers the wholesale slaughtering and the wholesale from the market. I presume you have copies of the draft Order?

8102. *Chairman*: Yes. There was an opportunity for objections, and I gather from what you have said that questions have arisen as to definition, and so on, and as to whether there should be two Boards or one. Am I right in understanding that from you?—No, I hardly think so. I think it must have been put up by the employers, because the draft Order of January 11 states definitely the sections that it shall apply to, and a copy of one that was issued some months before—the draft Order of January 11 is revised.

8103. But you know this is a draft Order to which objections may be made by one side or the other?—Certainly, yes.

8104. Therefore you cannot say it is definitely settled until the objections have been considered. However, I am not concerned to deal with that. Now as to one Trade Board for all the distributive trades or one Trade Board for all the provision trades, and separate Boards, what does your federation say?—On behalf of our federation, and being a practical worker in the meat trade, I may say that it will be practically impossible, to my mind, to run a Meat Trade Board in conjunction with the others, even if it is sectionalised, because the Ministry of Food returns show that there were 52,000 butchers' shops in the country; there are 14,000 slaughter houses, and the trade is so split

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[Continued.]

up, that while it may overlap itself inside, it does not go outside into other sections of trade. For instance, it is not often that a grocer is a butcher, nor do they deal in many other goods; the butcher's shop is simply a butcher's shop, and to my mind and to the mind of our members, it would be impossible for grocers, drapers or other representatives on the various Trade Boards to deal with the different gradings which there are connected with the meat trade. In the bacon factories alone you get about 40 different grades of men.

8105. You are contemplating that a Trade Board shall deal with each separate grade of men in each trade. Would there be any difficulty in one Trade Board fixing the minimum rate—that is the lowest rate for all these provision trades?—I must say we do not look upon the meat trade as a provision trade. The provision trade does not come into the meat trade at all.

8106. Is meat not provision?—Well, it is not called provisions in the ordinary sense of the term.

8107. Possibly not, but I am dealing with the suggestion that there should be one Trade Board for all the food trades. At all events, meat is food, is it not?—Yes, it is food.

8108. Is there any reason why one Trade Board should not fix the minimum rate of wages for the work of the lowest grade in all the food trades?—Yes, because we claim that even the unskilled man in the meat trade is very different from the porter in the grocery warehouse, or in the grocery trade, because there is a certain amount of skill even among the unskilled. If you take a walk round Smithfield you will see men carrying beef there. Well, you would find very few porters who are in a grocery warehouse who could do that kind of work. Even with the unskilled men there is a certain amount of skill and knack in carrying stuff that they have to carry; and then there are the semi-skilled and the skilled. We claim that especially in the skilled section, as men have to serve a considerable amount of time, not exactly as apprentices, in learning how to take a hide off a beast—it takes them some few years to learn that—there is a very great amount of skill in it; and in fact that right through the trade there is a certain amount of skill in every different section of it.

8109. Then I suppose those men are paid more on account of that?—They should be, but it does not always follow.

8110. But even if a minimum wage were fixed for all the food trades, there is no reason why a journeyman butcher, if he is worth it, should not get a rate of pay higher than the minimum?—Yes, but unfortunately the workers in the trade are so unorganised right throughout the country, and their kind of employment is very individualistic. That is, if you get into the provinces a butcher employs perhaps one man; or if you take a small town the biggest butcher in the town will not employ possibly above two butchers, and he simply gets them at a very cheap rate, and if a man does not like it there is always somebody ready to drop into his place. I think the meat trade is the worst trade in the country. Pre-war men had to work 80 to 100 hours a week for less than 30s. a week—men who have to take off the hides and deal with by-products.

8111. *Dame Adelaide Anderson*: Their work would approach more nearly to the work of a tanning yard?—Yes, it does approach to that, because that is the next place to which the hide goes.

8112. *Mr. Layton*: You say there is always a man to drop in when one drops out. Is that because the butcher's trade is very easily learnt or that there are many people in the country who are trained for the work?—The butcher himself in 90 per cent. of cases is a man who can do the skilled work himself; and when the beast is knocked down and stuck he can take the hide off and leave a semi-skilled man to do the other, so long as he gets the hide off all right. One cut in the hide may mean a loss of 1d. or more a pound on it.

8113. Would you call the selling in the butcher's shop semi-skilled work?—That is skilled work too, on account of the cutting, because in cutting beef or mutton up practically one cut of the knife may mean a loss of many shillings to the employer.

8114. When you were speaking of low wages you were only referring to the slaughterhouses?—No, to the trade as a whole.

8115. *Mrs. Lyttelton*: You mean some occupations are classed as unskilled when really they are skilled?—They are not classed as either skilled or unskilled, but when you take 28s. or 30s. a week for 100 hours a week, it is extremely low.

8116. *Mr. Layton*: But if so much turns upon the skill with which the man in the shop deals with the meat, is not the employer willing to offer him a corresponding wage to retain his services?—No, not always.

8117. You give the impression here that the level of wages is very low, and you suggested just now that it tended to become depressed because it was easy to replace the men?—In the provinces more particularly you have the butcher, the owner of the shop, and his wife and his son and daughter in the shop; you will often see them there. We had a case at Taunton where there is a man who worked for a butcher for 16 years, and when we asked for £2 a week the butcher discovered that the man was not skilled; and that was while he had been killing six or eight beasts every week for a number of years, and between 20 and 30 sheep. When we asked for £2 a week for that man the employer found that he was not worth it. Then he would do the skilled work himself, and he would put his wife and girls to look after the shop. He leaves the unskilled men or lads to do the cleaning up and the rough work which follows on slaughterhouse work.

8118. What wages do your men get now—I mean the ordinary journeymen butchers?—They are very varied. In the North they are considerably higher than in the South.

8119. Can you give us some instances?—The average man at the present time in the North is getting £4; some are getting £3; some are getting £5.

8120. £3 to £5?—Yes, in the industrial towns.

8121. Elsewhere what do they get?—Anything from 50s. to £3, and we have some cases at present—though they are not the general rule—where they are getting 28s. and 30s.

8122. *Sir Arthur Pease*: Whole time?—Whole time.

8123. *Mr. Layton*: Without allowances?—Yes. And down at Portsmouth only last week they were offering slaughtermen very low wages. Our rate down there is £4, but men were coming in from the country round about and offering themselves for £2 and 50s. for the simple reason that they were unemployed, and they left the butchering trade to go into other classes of industry, and now that those avenues are closed against them they are offering their services back again at rates from £2 to 50s.

8124. *Mr. Poulton*: Is that without any extras?—Without any extras except what they can make themselves.

8125. But you feel on the whole that your trade is such as to demand a separate Board?—Yes.

8126. *Chairman*: But that is in order to get these high rates of wages?—Certainly not to get high rates of wages; it is in order to get the butcher who employs one or two men—and they are in the majority, taking the country throughout—it is in order to get them to pay even that rate, even a minimum rate, a living rate.

8127. What do you suggest is a living or a minimum rate for a butcher; that is what I want to get from you?—Opinions would differ very much on that. £4 might be a living rate in some places, and about £3 might be a living rate in another, or very near it.

8128. Why I call it a high rate is because it is very much higher than the last rate fixed in the grocery trade and many others. I want to know whether your purpose is to try to get for the butchers a higher rate than that fixed for grocers' assistants,

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and so forth?—No, we want a minimum rate that will even approach that, in the Western area more particularly.

8129. What you want to get is that the lowest paid of your men should get a living wage?—Yes.

8130. Is there any reason why that should not be obtained by a Board dealing with all the food trades?—I contend that a Board to cover all the sections of beef and pork is impossible. Even the National Association itself cannot deal with the meat trade as a whole; they have had to sectionalise the trade, and surely if a body of practical men like the National Federation of Meat Traders cannot deal with their own particular trade, it would be an impossibility for men representing grocers, drapers, and all the various other food trades, to deal with it.

8131. *Sir Arthur Pease*: Are you not confusing the difference between minimum and standard rates? If you fix one minimum or one or two minima, it is a comparatively simple thing; but if you are going to fix grade rates all the way through you have a very complicated question to deal with?—That would be the question of whether the Board had the power to fix more than one rate. That would be a rate perhaps for unskilled, semi-skilled and skilled; that would be a question for the Board to deal with.

8132. Minimum rates?—A minimum rate for either the one or the whole of the three sections.

8133. The Board have the power to do it; if one Board had to do it they would have to make a very much simpler arrangement than if they had one Board for each trade, would they not?—Considering that the meat trade has connected with it in one way or another hides, and skins, and fats and all that, there are practically half a million workers in it, and I think it demands very, very reasonable consideration for a separate Board, because the trade overlaps itself inside so much although it does not go outside. You may get a man who may be a beef butcher in the morning selling in the shop; in the afternoon possibly he is a slaughterman; and later on still he may be a maker-up of small goods dealing with some pork; but while it overlaps itself inside it does not go outside.

8134. You say the meat trade has nearly 500,000 workpeople employed in it?—Yes, but that is covering the bacon, the fresh meat, frozen meat, and bacon factories, dealing with meat purely except in a cured state.

8135. *Mr. MacCallum Scott*: Are the wages in your trade at present on the average higher or lower than they are in the grocery trade?—Well, the skilled men are certainly higher.

8136. Your men are higher?—The skilled men.

8137. What about the unskilled level?—The unskilled are very, very low.

8138. Lower than the grocery?—Yes, especially in the Western and the Southern parts of the country.

8139. Do you want a higher minimum for them than prevails in the grocery trade?—No, we want to get a minimum rate for the bottom man.

8140. Supposing you had one Trade Board for all distributive trades, would it not be likely to fix the same minimum for the unskilled; that would represent a rise?—Yes.

8141. That is not enough from your point of view; you want separate minima fixed for each class of labour above the minimum?—Yes, and it must be dealt with by practical men. When you get the wholesalers, when you get a place like Smithfield Market, the wages there were 25s. a week in pre-war days; and after control came along and we had a representative on the Control Board, they went up. Now since the control came off we are beginning to deal with them individually, and now there are so many unemployed that no one knows what they are getting. We hear of figures as low as 30s. at the present day.

8142. It is not because you are afraid for the lowest end of the scale that you are against one Board?—No, certainly not.

8143. You are looking solely to the higher end of the scale?—No, we are not looking solely to the higher end of the scale. The reason we are looking for the one Board is to be dealt with by practical men, and to bring sufficient employers and employees representing the Meat Trade—what is called the Meat Trade, wholesale, retail, beef and pork and the bacon factories—under one Board; it would mean, for all these sections to be represented, a Board of, at the very least, 10 employers in each to deal with the different sections, and it would make one general Distributive Board a very, very big one.

8144. Do you think the degree of skill in the case of a shop man who is cutting meat is much greater than the degree of skill required by a good grocer?—Yes, certainly, and also reckoning the calculating on the scale. Of course, in these days of pneumatic scales and scales with a diagram of showing what the amount comes to, it is different; but the grocer generally has to put his hand out and take a packet of tea; whereas a butcher has to cut the meat, and if a lady goes in and asks for 3 lbs. of meat she does not want 2 lbs., and she probably does not want 4 lbs. The man in the butcher's shop has to reckon up what it comes to.

8145. You would not regard the scale fixed for shop men in the grocer's shop as adequate for a minimum for butchers?—Certainly not. In regard to Co-operative Societies we have much better conditions than in the Grocery Trade Board for the employees in the Co-operative Societies' Butchering Departments throughout the country. Take Harris's—one particular firm—they floated the company, turned it into a limited liability company with two and a half million pounds—one and a half million pounds issued; so you can realise the immense amount of money that there is in the trade, that is to say, under the one firm.

Chairman: Thank you.

(The Witness withdrew.)

(Adjourned to Tuesday, January 10th, 1922).

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MISS ELLEN C. WILKINSON, M.A.

[Continued.]

EIGHTEENTH DAY.

Tuesday, 10th January, 1922.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE,
G.C.M.G. (Chairman).
THE RIGHT HON. LORD WEIR OF EASTWOOD.
DAME ADELAIDE M. ANDERSON, D.B.E.
Mr. W. T. LAYTON, C.H., C.B.E.

SIR ARTHUR F. PEASE, BART.
MR. E. L. POULTON, O.B.E., J.P.
MR. A. PUGH.

MR. H. D. HANCOCK (Secretary).

MISS ELLEN C. WILKINSON, M.A., Called and Examined.

The Witness handed in the following statement as her evidence-in-chief:—

As chairman of the workers' side of the Laundry Trade Board, I have been appointed by the workers' representatives to lay before you evidence as to the work done by the Laundry Trade Board, the desirability of maintaining a Trade Board for this industry, together with certain suggestions for improvements in the machinery.

Necessity for Trade Board in laundry trade.

It is generally admitted that the laundry trade before the advent of the Trade Board was one of the worst paid industries in the country. While certain model laundries paid fairly reasonable wages and gave good conditions to their staffs, very many were far from satisfactory, working under bad conditions for very low pay, and up to the full legal limit allowed by the Factory Act, namely, 60 hours per week.

Much valuable work was done by the women factory inspectors, but, owing to the very large number of small laundries, the difficulties of inspection were enormous.

Wages paid previous to the Trade Board rate.

Before the war, laundry workers were largely unorganised, and the only authoritative figures available as to the rates paid are given in the 1906 Wage Census of the Board of Trade. The average earnings of laundry workers were given as follows:—

	Men.	Boys.	Women.	Girls.	All Work-people.
Laundry (Factory)	26/2	8/9	12/10	6/6	13/-
Laundry (Work-shop).	22/6	9/4	12/9	6/7	12/7

Between 1905 and 1912 the Board of Trade estimated an increase in the cost of living of 11·3 per cent.

Prices were rising until 1914. On that increased basis cost of living had risen to 110-120 in the latter half of 1918. In that year a complete census of the wages of laundry workers in Bradford was undertaken by the then A.U.C.E.

In Schedule 1 the Committee will find an analysis of the results of this census which will give some idea of the conditions prevailing in the laundry trade at that time of high prices. I do not quote Bradford as being the worst town, but simply because I was concerned in that census, and we have a signed statement from every one of the women involved. The Bradford laundries had, of course, to meet the competition of mills and munition-works, which were offering good wages and regular work. Thus it was possible by trade union agitation to force up wages very considerably even in the first agreement by which we secured the following rates:—

Under 15 16 17 18 years of age.
Wage 10/- 12/- 15/- 17/6 per week.
18 years of age and over, wage 20/- per week.

That this scale, which was about the highest obtained by any trade union at that period, was only secured by threat of a strike at a time when the employers were at their wits' end for labour is an eloquent comment on the wages that were being paid.

The agitation for securing a Laundry Trade Board for workers was commenced immediately after the passing of the Trade Board Act of 1909, and I think it may be agreed that there was no trade in which a Board was more badly needed.

EFFECT OF THE TRADE BOARD ON THE LAUNDRY TRADE.

Reduction of employment.

The most convincing proof of the good effects of the Trade Board has been the gradual conversion of the majority of the employers to its activities. While they had fought hard against having a Trade Board, their federation, both on the Trade Board, and, I understand, before this Committee, has stated that they would not like to see the Board abolished for their trade. There are, however, a large number of

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MISS ELLEN C. WILKINSON, M.A.

[Continued.]

employers who feel that the Trade Board rates have adversely affected the industry. It is argued:—

- (a) That the present Trade Board rates have caused a reduction of employment in the laundry industry. Figures are frequently quoted of the number of workers given by the census of 1911, and those employed at the present day. In this connection it must be realised that when the trade was unregulated, a very large number of casual workers were connected with laundries. Owing to the nature of laundry work, it suited most employers to keep a very small staff, but to have a large number of workers who came in on a daily or hourly basis for the rush time at the end of the week. It was noticeable even with the early trade union agreements that the fixing of a weekly wage led to a better organisation of the laundry, and, while less people were actually employed per week, those who were employed got a chance of a decent week's work. While not wishing to prevent the married woman, as such, from supplementing her income by industrial work, the trade union women felt that it was unfair that women, whether married or single, who had to live on their own earnings should have their rates imperilled by certain women who only wanted a few hours' work per week. When the Board laid down the principle of the *guaranteed week*, a very valuable piece of social legislation was secured, in that much of the labour in the laundry industry was decasualised, and a step had been taken towards making this trade one in which a girl could enter and look forward to reasonable maintenance. The principle of the guaranteed week was, in the first place, confirmed by the Ministry of Labour, and later declared to be *ultra vires* by a new legal adviser of the Ministry. We were not allowed to meet this legal adviser to discuss this, or to take other opinion. Lawyers, like doctors, do not always agree, and the workers' side wishes to protest against the destruction of this very useful piece of work on the mere word of invisible legal advisers.
- (b) Employers argue as though wages were the only factor in the admitted reduction in the total amount of laundry work now being done in steam laundries, but no one who investigated the situation could deny that many factors other than wages have contributed to this, and that, no matter how low the wages might be in the laundries, this reduction would have taken place. Improved appliances for the home, the shrinkage of middle class incomes, and the perpetual assumption of the employers that the only way to meet advances in costs is automatically to increase prices have all had their effect. Laundry employers like others will have to consider other methods, and make appeals to other sections of the community, if they are to prove themselves capable of continuing the laundry trade of the country, and prevent the municipalisation of this very important service.
- (c) The employers have undoubtedly been helped by the prevention of cut-throat competition among themselves, and this could be entirely eliminated if better methods of enforcing the rates than the present haphazard inspection could be devised by the Ministry.

Wages Rates fixed by the Laundry Trade Board.

(a) Continual complaints have been made by the federated employers, that the rates fixed by the Board

are national rates, and do not make provisions for differentiation in the cost of living between various areas. We believe that they have stated before this Committee that the rates should be fixed on the area of the lowest cost of living, and that variations above this should take place by trade union action. The workers' side of the Trade Board would point out to this Committee that in practice rates have been fixed on the level of the rural areas. The rates for the Laundry Board throughout have been so low, that even the employers have admitted on the Board, that they are not sufficient for the industrial areas, but in practice, there has been the continual attempt, unfortunately in many cases successful, to keep the industrial areas down to the Trade Board rates.

(b) The Co-operative movement which is in competition with the private laundries has been paying as much as 10s. per week above the Trade Board rates, to women of 21 and over, who form the bulk of the workers in these laundries and yet they have been able to pay very comfortable dividends.

The Co-operative minimum rate until the recent reductions (bringing the minimum at 21 to 39s. as from January 1st) was:—

Age ...	14	15	16	17	18	18	20	21
Wage ...	16/-	18/-	21/-	26/-	32/-	35/-	38/-	44/-
Highest Board Rate.	16/-	18/-	21/-	26/-	32/-	—	—	—

One of the large Co-operative laundries in the North of England with an average annual turnover of £26,000 paid the Co-operative minimum wage of 27s. per week at the beginning of 1918. When the Trade Board minimum of 54s. was established, this laundry paid the Co-operative minimum rate of 44s. for female workers at 21 years. Its total capital was £20,000 and during four years of war it made a net profit of £10,482 or over 50 per cent. of its share capital, being an average annual profit of 12½ per cent.

As proving that the rate of wages is not the only factor in determining the ratio of wages to revenue, let me add that during the four years in question the wages cost in this laundry averaged 49·58 of the revenue and was therefore ·42 below the ratio generally accepted by the employers as being satisfactory.

To sum up on this question of wages rates, we would submit to this Committee that experience on the Laundry Trade Board has, in spite of all difficulties, converted the laundry employers to the wisdom of Trade Boards. A stable rate has been secured in what had been a very sweated and chaotic industry. However much we differ with the employers as to the rates to be fixed, there is now complete unanimity on the Board that Trade Board rates of some kind are desirable.

We should like now to deal with the evidence of the employers, to answer certain points that they have made, and to agree with much that they suggest with regard to the improvement of the Board.

Trade Union Officials.

(a) Mr. Stark made a point that the Board was dominated by trade union officials, and rather suggested that in at least one case which he illustrated the officials were fighting for something that the workers did not want. I am asked to controvert the suggestion very strongly that on the case quoted there was a division between officials and workers on the workers' side. It was a division caused by different customs in different districts, and not a division between officials and workers. In no case has such a division occurred. What happens is that on both sides the policy to be pursued on the Board is argued in private side meetings, and both the employers and workers leave the actual debate in the Board to the two leaders of either side.

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[Continued.]

(b) It further must be remembered that the workers' side is not as homogeneous as the employers, and that a large number of unions are represented thereon. Some of the officials may not have worked in a laundry, but they have all of them taken part in disputes in the laundry industry. They thus have an extensive knowledge of different conditions in laundries over wide areas. Analysing the officials now sitting on the Laundry Board, we find that they come from the following towns or districts—London, Manchester, Birmingham, Bristol, South Wales, Lincolnshire, Kent, Newcastle, and Leeds, besides one or two who have experience of laundry conditions all over the country. It is thus possible for them to take wide views from the areas that they have covered, while the detailed knowledge is supplied by workers who have had experience at one or two laundries in which they have actually worked. It is difficult to see how the number of officials on this Board at any rate could be reduced, without seriously prejudicing the effectiveness of the workers' side.

(c) The work of a Trade Board is not finished when rates have actually been passed. It was one of the ideals of the early trade board movement that the Board should not be a mysterious thing, acting far away from the workers in the Trade, but that they should understand that it was partly their Board, representing them as much as their employers. It is very essential that the workers, by means of meetings, conferences, and all the usual trade union machinery, should be kept in touch with what the Trade Board is actually doing. With the best will in the world, this cannot be done as effectively by a girl who has her living to earn in a laundry, as by an official whose business it is to attend these meetings and to report.

I have dealt with this point in some detail, because it is not merely the question of the advocacy on the Board itself, which could be done by a couple of officials if all the rest were workers in the trade, but it is also a question of keeping the different districts in touch with the particular Board, and with all the complicated machinery which results from their deliberations.

POINTS IN AGREEMENT WITH THE EMPLOYERS.

(a) Objection Period.

We are in general agreement with the employers when they desire that the objection period should be reduced from two months to one, and that if objections render it necessary and advisable to make certain alterations in the proposals, it ought to be possible to incorporate them in the order issuing a fresh set of proposals.

(b) Arrears.

We further agree that a note of the arrears of pay due by an employer who has been found not to be complying with an Order, should be sent to him as soon as possible after the investigation. At the present time, cases reported to the Ministry have been allowed to accumulate such arrears that it would completely ruin the employer to pay them, and the Minister then refuses to prosecute, whereas had the matter been dealt with at the beginning, it could have been put right without injury to anyone.

(c) Inspection.

We would like to re-inforce what the employers have said with regard to the inspection of small laundries. The whole position of the inspectorate is completely unsatisfactory. When the Committee realise that for the whole of South-East Lancashire, with its teeming population and hundreds of thousands of workers who come under Trade Boards, there is but one man to inspect and report, you will realise that the present inspection is simply a mockery.

(d) Machinery for Enforcement.

We are continually urged to consider the national financial position, but if the Treasury feels it impossible to give sufficient money for an adequate

number of inspectors, we should like to suggest that this Committee take into consideration the question of simplifying the machinery of prosecutions and securing the enforcing of the rates. At the present time, cases reported to the Ministry cannot be dealt with for months, owing to lack of staff. It is, of course, true that it is open to the trade union to take proceedings on behalf of its members, but to deal with even a tithe of the complaints that are being continually received would be impossibly expensive for any large general union with a considerable number of members covered by Trade Boards. The Workers' Side suggest that machinery analogous to the machinery of the Munitions Tribunal should be set up to deal with Trade Board complaints. It would be thus possible for trade union officials themselves to appear before the Court, and would save expense in every direction. This matter will be more fully dealt with in the general evidence from the workers to be given later, but the case of the Laundry Board is a very good illustration of the necessity of some such improvement in the machinery for enforcement.

(e) Institution and Hotel Laundries.

Regarding the laundries carried on by hotels and shipping companies, or by institutions, this Committee has already laid before it the resolution that was passed by Sub-Committee of the Laundry Trade Board, and I understand that Mr. Stark dealt very fully with the unfortunate delay of the Ministry of Labour in dealing with this very important question. We would like to emphasise, and agree with all that the employers have said on this head. We do feel that the delay is inexcusable in view of the complete unanimity of both sides of the Board on this matter.

(f) Trade Board Accommodation.

We also support the plea of the employers for better accommodation for the unfortunate Trade Board members who have to deliberate in the rooms at Old Bailey for many hours at a time. We are lost in admiration of the competent strike leaders who were discovered on the Employers' Side of the Laundry Board in our recent endeavour to get these conditions improved, but so far it has produced no effect on the Treasury and Office of Works. If a suggestion could be made by this Committee that at least the cubic air space of the Factory Acts should be allowed to Trade Board members, it might have more weight.

CONCLUSION.

I would like to conclude this evidence by stating that in the opinion of the Workers' Side the Laundry Trade Board has done something towards removing a condition of affairs that was little short of a national disgrace. In these days when there is so much facile talk about economy, it cannot be too frequently emphasised that low wages and bad conditions of labour mean a greater loss of national efficiency, a greater burden on the whole community than any nation can afford. As Dr. Janet Campbell stated in the Report of the War Cabinet Committee of Women in Industry (1919):—

"The conditions under which women were employed before the war were not such as to enable them to develop full health and vigour. Low wages, an unsatisfactory and inadequate dietary, long hours and lack of exercise in the open air resulted in physical and industrial inefficiency. The result of the employment of women under war conditions has emphasised the importance to health of good food, clothing, and domestic comfort which can be obtained when the wages represent a reasonably adequate recompense for labour."

It is too lightly assumed that we are not going back to pre-war conditions. The reductions that are at present taking place, even in Trade Board rates, are tending to bring the workers' standard perilously near those admittedly bad conditions. We trust that this Committee will recognise the danger to the community that the weakening of any safeguards of the workers' standard would entail.

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[Continued.]

SCHEDULE I.
HOURS OF WORK AND WAGES PAID IN BRADFORD LAUNDRIES IN 1918.

Females.															Males.									
Laundry.	Women Workers other than Ironers.										Ironers.					Inside workers.								
	Hours.	Wages (over 21 years).			War bonus.	Average hours worked by piece-workers.	Hours.	Wages (over 21 years).			War bonus.	Hours.	Wages (over 21 years).			War bonus.								
		Lowest.	Highest.	Average for whole laundry.				Lowest.	Highest.	Average for whole laundry.			Lowest.	Highest.	Average for whole laundry.									
A. ...	58½	s. d.	s. d.	s. d.	s. d.	—	s. d.	s. d.	s. d.	s. d.	—	s. d.	s. d.	s. d.	s. d.									
B. C. ...	54	19 0	20 0	19 8	—	40	15 0	17 0	15 8	—	—	—	—	—	—									
D. E. ...	48	16 9	16 9	16 9	1 0	38	14 9	18 0	16 4	1 0	—	—	—	—	—									
F. G. ...	51½	12 0	22 0	16 0	1 0	40	17 0	17 0	17 0	1 0	—	—	—	—	—									
H. I. ...	52	13 0	24 0	17 8	1 0	48	13 0	19 0	16 9	1 0	—	—	—	—	—									
J. K. ...	58	13 0	20 0	16 11	2 0	58	18 0	20 0	18 6	2 0	58	50 0	50 0	50 0	—									
L. M. ...	50½	15 0	21 0	17 4	2 0	46	15 0	21 0	18 8	2 0	—	—	—	—	—									
N. O. ...	54	21 0	24 0	23 0	1 0	54	18 0	18 0	18 0	1 0	—	—	—	—	—									
P. Q. ...	55½	16 0	27 0	20 0	2 6	50	15 9	23 9	19 11	—	55½	45 0	45 0	45 0	—									
R. S. ...	52	12 0	17 0	15 0	2 0	43	15 0	22 0	17 7	2 0	—	—	—	—	—									
T. U. ...	45	11 8	18 0	13 6	2 0	45	12 0	20 0	15 0	2 0	52	38 0	38 0	38 0	1 0									
V. W. ...	54½	15 6	25 0	18 4	—	54½	14 0	20 0	15 8	—	—	—	—	—	—									
X. Y. ...	55	14 0	18 6	16 9	2 0	55	17 6	24 0	20 9	2 0	—	—	—	—	—									
Z. AA. ...	49	17 0	18 0	17 6	—	49	16 6	18 3	17 4	—	50	40 0	40 0	40 0	—									
AB. AC. ...	50	15 0	22 0	17 11	2 0	50	16 0	26 0	22 6	1d. in 1s.	54	40 0	47 0	43 6	2 0									

SCHEDULE II.
HOURS OF WORK AND WAGES PAID IN BOLTON, LEEDS AND MANCHESTER LAUNDRIES IN 1919.

Females.															Males.													
Laundry.	Women Workers other than Ironers.								Ironers.							Inside Workers.												
	Hours.	Wages (over 21 years).						War bonus.	Hours.	Wages (over 21 years).						War bonus.	Hours.	Wages (over 21 years).						War bonus.				
		Lowest.	Highest.	Average for whole laundry.						Lowest.	Highest.	Average for whole laundry.						Lowest.	Highest.	Average for whole laundry.								
				s.	d.	s.	d.					s.	d.	s.	d.					s.	d.	s.	d.		s.	d.	s.	d.
BOLTON.	48	s. 14	d. 0	s. 18	d. 0	s. 15	d. 6	s. 2	d. 6	48	s. 12	d. 0	s. 19	d. 6	s. 17	d. 3	s. 1	d. 10	54	s. 24	d. 0	s. 36	d. 0	s. 30	d. 0	s. —	d. —	
LEEDS.																												
A. ...	51	18	0	23	0	19	6	—	—	51	—	—	—	—	20	0	3	0	—	—	—	—	—	—	—	—	—	
B. ...	55	18	10	21	6	19	10	2	0	49	20	0	25	0	20	0	—	0	—	—	—	—	—	—	—	—	—	
C. ...	55½	16	0	23	0	19	0	2	0	55½	15	0	23	0	19	1	in £	2	0	—	—	—	—	—	—	—	—	
D. ...	60	12	0	21	0	17	10	3	0	60	15	0	21	0	19	0	5	0	—	60	35	0	41	0	37	4	2	0
E. ...	49	16	0	20	0	17	8	1½d.	pr. hr.	49	20	0	21	0	20	2	1½d.	pr. hr.	—	—	—	—	—	—	—	—	—	
MANCHESTER.																												
A. ...	56	17	9	17	9	17	9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
B. ...	51½	14	0	25	0	18	7	—	—	51½	17	4	25	0	20	9	1d.	in 1s.	51½	42	6	42	6	42	6	—	—	
C. ...	54	16	0	24	0	19	7	1	0	54	18	0	19	0	18	8	1	0	—	—	—	—	—	—	—	—	—	
D. ...	48	14	0	25	0	20	0	2	0	48	14	6	20	0	17	7	3	6	—	—	—	—	—	—	—	—	—	
E. ...	53	15	0	20	0	17	8	2	0	53	18	0	22	0	19	0	2	0	—	—	—	—	—	—	—	—	—	
F. ...	50	18	0	21	0	19	10	5%	1	0	45	15	0	23	0	20	8	1d.	in 1s.	—	—	—	—	—	—	—	—	

8146. *Chairman:* Miss Wilkinson, you are Chairman, I think, of the Workers' Side of the Laundry Trade Board?—Yes.

8147. You have been appointed by the Workers' representatives to lay before us evidence as to the work done by the Laundry Trade Board?—Yes.

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[Continued.]

8148. And you say that before the advent of the Trade Board the laundry trade was one of the worst paid industries in the country?—Yes.

8149. Before the war laundry workers, I understand, were largely unorganised, and the only authoritative figures available as to the rates paid are given in the 1906 wage census of the Board of Trade?—That is so.

8150. You give figures in your memorandum. The men in factories received 26s. 2d., and in workshops 22s. 6d. Boys received 8s. 9d. and 9s. 4d.; women 12s. 10d. and 12s. 9d.; girls 6s. 6d. and 6s. 7d. Then you say: All workpeople, 13s. and 12s. 7d. What does that mean?—That, like all averages, is rather an artificial figure. It simply means that the Board of Trade have taken all the people and have added up all their wages and divided them by the number. It does not seem to me that that shows very much, because obviously it is an average between 26s. 2d. and 12s. 9d. I simply give that because it was in the schedule. The important thing is the wages of adult workers in power laundries, which is what "factories" means practically, namely, 12s. 10d. and 12s. 9d. in laundries without power.

8151. *Sir Arthur Pease*: Is that the adult rate?—Yes, for those over 18.

8152. *Chairman*: Then you say that from 1906 to 1912 the Board of Trade estimated an increase in the cost of living of 11·3 per cent. Prices were rising until 1914, and on that increased basis the cost of living had risen to 110-120 in the latter half of 1918, in which year a complete census of the wages of laundry workers in Bradford was undertaken by the Amalgamated Union of Co-operative Employees.—Yes. They were unorganised at that time, and we had schedules given to every one of the women whether they were our members or not. About 400 were returned, and on the first of my Schedules I give an analysis of the various laundries—the larger laundries of course; not the very small laundries. It shows the average rates that were being paid and the hours worked. I give the lowest and the highest rates as well as the average in order to show that we are not striking averages between 12s. and 22s.

8153. Those letters are just factories, I suppose?—They give the key to the names of the laundries. I did not give the names, but of course I can do so.

8154. The hours seem to vary from 45 to 60 if you include Bolton.—Yes. In the case of one—K—where the hours are given as 45, that laundry at that time was working rather short time. Generally speaking, the hours in every case were well over 50, because when we came to negotiate we could not get a 48-hour week at that time. 50 hours was considered a great reform when we won it on that agreement.

8155. In the case of women workers other than ironers, I see the wages range from 13s. 6d. to 23s.—Yes.

8156. And for ironers they range from 15s. 8d. to 22s. 6d., with a war bonus in each case.—That is so.

8157. Then with regard to inside workers, to whom does that refer?—Those are male inside workers. They are merely washhouse men—enginemen and stokers. We have given the highest figure even though only one woman in the laundry was getting that; and we have also given the lowest. In each case the war bonus is included in those figures, but I give the war bonus separately to show how much had been given.

8158. *Mr. Layton*: How many people are covered by the return?—Just about 400. I think the actual number was 408.

8159. *Chairman*: Then on that I suppose there were negotiations and you obtained an agreement?—Yes. The agreement is given. It ranges from 10s. at 14 years of age to 20s. at 18 years of age and over. For adults that made an average increase of about 5s.

8160. *Lord Weir*: Was Bradford a particularly bad district, or could you take it as a representative district?—I took it because it just happened to be the town I was organising at the time, and was the only town where I could get the most complete schedule; but I also give a schedule showing the laundries in Bolton, Leeds and Manchester.

8161. Those might, perhaps, be taken as representative of the industrial towns?—Yes. As I say in my evidence, Bradford had to meet the requirements of mills and munition works. At the time when these particulars were obtained, there was very keen competition, especially for junior female labour for repetition work.

8162. *Dame Adelaide Anderson*: Is it not always the case that wages in laundries in textile towns are affected by the wages paid in the mills?—Very much so. I should think, in taking Bradford and Bolton, which are two textile towns, one has got about as high a rate as would be paid anywhere in the country, with the possible exception of London. The competition for female labour is much greater in these towns than it is in London.

8163. *Mr. Poulton*: As you come farther south would it not be the fact that wages get rather lower?—Much lower.

8164. *Mr. Pugh*: Have you anything in the nature of a piece-work system in the laundry trade?—Yes; ironers all work on piece-work. Roughly speaking, the method of calculating the piece-work was by taking 3d. in the 1s. on the selling price for plain articles, and 4d. in the 1s. for fancy articles. About this time prices had risen enormously in the laundry trade, and, of course, the girls had been getting very much higher wages than these I quote on the 3d. and the 4d. on the selling prices. As the selling prices increased, however, they did not get the increase, but were given a war bonus of 1s. or 2s.

8165. Was any piece-work arrangement included in this statement of yours?—Yes, all the ironers that I give there are on piece-work.

8166. *Sir Arthur Pease*: By "selling price" do you mean the cost of washing?—I mean the selling price to the customer. If a customer paid 1s. for an article, the girl who ironed it was supposed to get 3d. That was pretty general before the war, when, of course, laundry prices were fairly low; but as they increased enormously during the war the corresponding ratio was not maintained, and the girls got instead this utterly inadequate 1s. or 2s. war bonus.

8167. *Mr. Pugh*: Do you mean what the customer gave for the article?—Of course, there was always a good deal of friction in the laundry about it, but that was the theory. The girls in actual practice said they were not getting a quarter of what the selling price was. You must remember, although it looks high, it is calculated in the laundry trade that wages average about 50 per cent. of the total turnover. Wages are the heaviest charge that a launderer has to meet.

8168. *Sir Arthur Pease*: Suppose a shirt sold for 10s., would the girl get 2s. 6d. for washing it?—You must not argue on what you are having to pay now. For instance, you may have to pay 2s. for a silk blouse. That does not mean to say that a girl now gets 6d. It was calculated on when you paid 6d. or 8d. when the girl would get 2d. That is exactly how the laundry piece prices were calculated before the war. I am talking about washing the article, of course.

8169. You said it was the selling price?—I am sorry. I did not think you meant what the customer originally paid in the shop.

8170. *Mr. Poulton*: I thought there was some confusion.—I mean the actual price to the customer of the article as laundered.

8171. *Lord Weir*: On the Board you have taken account of that by fixing a piecework basis time rate, have you not?—Yes, that is so. We thought that was more satisfactory than going back to the old system, because laundries vary both as regards prices and organisation.

8172. You probably for some reason did not care to crystallize that practice of a percentage on the laundering price?—The workers' side would have been perfectly delighted to have crystallized that practice at present prices, but we had no hope of getting that from the employers' side. At the present moment we have a Committee which is being set up to work out a definite piecework schedule; but that Committee is only in the midst of its work at the moment.

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[Continued.]

8173. Do you mean a Committee of the Board?—Yes, a Committee of the Board.

8174. *Chairman*: Then, Miss Wilkinson, you go on to deal with the effect of the Trade Board on the laundry trade. You say that while the employers fought hard against having a Trade Board, their federation do not now desire to see it abolished?—That is their statement on the Laundry Board, and I believe it is their statement before you.

8175. I daresay it was, but I have not been able to find it. Then you deal with the suggestion that the Trade Board rates have caused a reduction of employment in the laundry industry?—Yes.

8176. *Mr. Poulton*: On this point in the last few lines of (a) you make a protest there against this invisible legal adviser. Has your union taken any advice on this matter as to whether they thought it was *ultra vires*?—We consulted our own advisers and they gave an opinion that it was not *ultra vires*. This point, however, was raised by our General Secretary who was then on the Board. He was simply told that the advice of the legal adviser of the Ministry carried with the Ministry. But we wish to emphasise that this was a new legal adviser apparently who made this decision, and of course it is a point that it is extraordinarily unfortunate that the whole question of whether a guaranteed week was or was not *ultra vires* was decided on this rather casual industry, because it has wiped out the fixing of weekly rates for trades, such as the distributive trades, which have never known any other kind of wage-fixing than weekly rates.

8177. *Lord Weir*: There is surely nothing in the Act which prevents the Board from fixing overtime conditions; in fact, it has to fix overtime conditions. Could it not fix a guaranteed day?—No. We are advised by this same legal adviser that the Board is only able to fix an hourly rate. It can state what is a normal day. You may say that the day is 9 hours and 5 hours on Saturday, or a 48-hour week, and that after that overtime has got to be paid. But the point about the guaranteed week is that you fix, say, 30s. for a week of 48 hours, and the employer then is bound to pay a worker 30s. so long as she is not absent owing to her own fault; that is to say, if there is not work for her, or if the machinery breaks down, or anything that is in the employer's control but not in the control of the worker, then he has to pay the 30s. That is the point about the guaranteed week.

8178. *Sir Arthur Pease*: She has an upstanding wage?—She has an upstanding weekly wage.

8179. *Lord Weir*: The Act does not protect her obviously on that.—On the present reading the legal adviser stated that it did not.

8180. *Chairman*: Then your next point is about unemployment. Your point, I think, is that whereas it may be that women and girls who get employed for part of a week have been thrown out of employment, yet others have been employed for the whole of the week and get what you call a decent week's work?—Yes, that is really rather a strong point. We found, for instance, in organising laundresses in South-East Lancashire that one laundry would have really a very large number of people on its wages books—more than could ever have worked a full week's work—and that when we had a guaranteed week what immediately happened was that these casual people were no longer required, but those who remained did get a 48-hour week. There was at that time simultaneous collection and delivery arranged, which was very important, and the result was that you got quite a host of casual people, none of them getting a living wage and none of them getting a decent wage.

8181. Has that gone on since this ruling about the guaranteed week?—That, of course, struck at the very heart of it, and the simultaneous collection and delivery has not gone on. But, nevertheless, I think that the general effect of the Laundry Board even now has been to work for the employees, as they have got to pay these wages to get a definite number of people on their staff instead of a number of casuals.

8182. *Sir Arthur Pease*: Are not there some of the employees who only want to work one or two days a

week?—Yes. The difficulty is that there are also a large number of laundry employees who want a full week's work and we make the point that their work should not be imperilled by, say, married women who have other sources of income, and who come in to make a little extra.

8183. *Chairman*: It is the fact, is it not, that there is more unemployment in the laundry industry than there was?—That is stated, but we have been getting some figures from the Labour Exchange. For instance, in Manchester there are no skilled laundresses at all on the books of the Employment Exchange. I got the figures only recently for the Lady Mayoress's Unemployment Committee, and the only laundresses they had who were unemployed were old women who put themselves down as washerwomen.

8184. But there is; I took it from your own statement, where you talk about the admitted reduction?—Yes, but it is rather a different thing which I mean there. What the employers say is, they give the actual figures; I have not got them at the moment, but I think it is 103,000 who were given as employed in the last census of 1911, but to-day they know that that is only, I will say—they are not actual figures—80,000; look what the Laundry Board has done! I want to point out that it has meant a reduction in the number of people employed, but not an increase in unemployment among people employed.

8185. *Mr. Pugh*: Do you say that what has occurred is you have considerably reduced the number of casual employees?—Quite.

8186. *Chairman*: I read this paragraph differently. —I am sorry if it was not quite clear.

8187. You say there is an admitted reduction, and then you give some reasons for it at the top of page 3: "Improved appliances for the home, the shrinkage of middle-class incomes, and the perpetual assumption of the employers that the only way to meet advances in costs is automatically to increase prices, have all had their effect." I read that to mean "have had their effect in reducing the amount of employment"?—Yes, but in (b) I say: "Employers argue as though wages were the only factor in the admitted reduction in the total amount of laundry work now being done"; that, of course, is what is always raised at every Board meeting that we have, that the amount of laundry work now going into the steam laundries is less than it was.

8188. It is so, is it not?—Oh, it is so; that is admitted.

8189. Your answer is that laundry employers must consider other methods and make appeals to other sections of the community if they are to prove themselves capable of continuing the laundry trade of the country, and prevent the municipalisation of this very important service? In other words, as I understand it, you admit that there is a reduction of laundry work, but you say that it is the fault of the employers in increasing their prices too much—that they must reconsider that, and mend their ways?—Yes. I am not stating that merely from my point of view. Many employers have said, including quite important people on the Laundry Board, that they are not sure that the continual increase of prices was in fact a wise policy, and ask whether it could not have been done in other ways. You see, at the present time the laundry trade is tending to become by this continual increase in prices not even a middle-class service, but an upper middle-class service, and there is a large amount of laundry work to be done, and it is a question whether other methods could not be employed in order to increase the amount by mass production and to reduce prices.

8190. I do not venture to go into that, because, of course, it is a technical matter; but am I right in understanding this paragraph to mean that there has been a reduction in the amount of work, and that it is partly due to increased prices, and that those increased prices are attributed to the increase of wages?—Yes, that is so; that is the argument of the employers which I am trying to combat.

8191. I understood it to be your argument and your admission in this paragraph?—No, I am so sorry,

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[Continued.]

apparently we are getting a little confused. The point is that the employers invariably attribute the admitted decrease in the amount of work in the steam laundries simply to wages, and I wish to point out, while admitting the decrease, that in fact there are a large number of other factors.

8192. Chief amongst those being the increase in prices?—Chief amongst those being the increase in prices, yes.

8193. Which they, at all events, attribute, as I said, to the increase of wages?—Which they attribute to that, but which I, in paragraph (b), say I do not think is by any means the only cause.

8194. *Lord Weir*: You say that the increase in prices for laundry work, while it has been brought about by increased wage cost, can only be reduced, in your opinion, by the employers taking up better methods; that is the only way the cost can be got down?—I should not go so far as to say the only way, because I should say the charges now being made for laundry work are excessive. The laundry rates have never been as high for wages as rates which have been fixed by other Trade Boards. I mean, the employers speak as though they were having to pay abnormally high wages, which really they are not.

Chairman: Perhaps we can go to the next paragraph, about wages.

8195. *Dame Adelaide Anderson*: May I just ask one point before we leave this? A little while back, I think you said wages were a larger proportion of the cost in any case in laundries than in any other industries; did I understand you rightly?—I said that, roughly, the wages are 50 per cent. of the turnover; that, I think, is admitted.

8196. Has the laundry industry the same resources to fall back upon for reduction as an industry dealing in the manufacture of raw material—turning out articles from raw material?—Of course, the margin in the small laundry is small, obviously; but I should say that, in the steam laundry, there is room for a great increase in improved machinery, and that kind of thing, and improved organisation.

8197. But with regard to the raw materials used in the laundry, the soap, soda, and so on?—They have increased, but they are decreasing considerably.

8198. But necessarily wages, whatever the reason, do form a larger proportion of the costs than in a manufacturing industry?—Yes, but that does not necessarily mean a dead cost. By improved machinery and improved methods of organisation, not having piece-workers waiting, and so on, you can make that 50 per cent. a much more productive thing than in some of the wasteful ways it is being done.

8199. You can make it a more productive thing?—Yes, I mean without any speeding up of the girls. We continually have complaints from piece-workers that they are kept waiting about, or that they are given very different masses of stuff to do instead of having the work sorted out so that one girl is working more or less on the same kind of thing, which she can do very much better.

8200. *Chairman*: I suppose it is true that this rise of wages, however proper it may be, has fallen pretty heavily on the small owners, and they have had to put up their prices?—Well, of course, prices are increased by the various local associations, and the difficulty has been that the steam laundries always say that they are under-cut in prices by the small laundries.

8201. *Mr. Pugh*: I suppose you have the condition that obtains in most trades, that where you have to depend almost entirely on hand labour the cost of labour must be proportionately higher?—Yes, quite.

8202. Your point is, if mechanical assistance is brought in the labour cost is reduced as a result?—Yes, proportionately.

8203. *Chairman*: Of course, it is more difficult for a small establishment to afford expensive machinery than a larger establishment?—Could I give a point to show what I was answering to Dame Adelaide Anderson? If you take the co-operative laundries, they have been working practically since 1919 on a 44s. rate for women at 21. They were paying 44s. when the other laundries were paying 32s. at 18. Now, when we have analysed their balance sheets we have found that the cost of labour has been—I think it was

—49·2 per cent. There you have a case where, although the wages were very much higher—and, of course, the profits were high too—yet the proportion, the 50 per cent. about—was still maintained. It is not the actual amount that is paid per individual, but how you use that individual work that decides on your profit.

8204. So you mean they have better machinery?—Yes, up-to-date machinery; and also they have better methods of organisation and so on.

8205. They are large concerns, I suppose?—Yes, large concerns.

8206. *Sir Arthur Pease*: Would not the co-operative societies deal with comparatively simple articles compared, say, with a London West End firm?—Of course a very fashionable West End laundry is a thing by itself, but the co-operative laundries always deal with various things. It is not by any means purely working-class trade.

8207. We have had in evidence that the labour on certain articles is 20 per cent. in some cases and 80 per cent. in other classes; would not that apply to laundries to some extent?—Of course, if you are doing fashionable garments you charge very much higher. The prices of a West End laundry are very much higher than the prices in a laundry in the North, because of the hand work.

8208. But is not the cost of labour on one class of article very much higher than on another?—Yes, but what you lose on the swings you make up on the roundabouts, you must remember.

8209. Not if the class of article is one that the whole laundry is dealing with?—But what I am trying to point out is that you cannot compare the co-operative laundries in Leeds and Bradford with the private laundries in the West End of London. You must compare them with the laundries in Bradford and Leeds. They are doing the same kind of work.

8210. The figure you gave us was 49·1 as the wages costs in the Co-operative Society's Laundry. If they were doing a comparatively simple kind of repetition work, so to speak, you would expect the wages to be lower, would you not, than in a laundry doing a very high-class trade?—That would be the fact if they were doing anything different from their competitors; but my point is they are not. They are doing pretty well the same work as their competitors in the same town.

8211. *Lord Weir*: Do you think it is quite fair to make that comparison? The co-operative laundry is rather a big unit, and a well-equipped unit, and should not you compare it rather with the corresponding unit in the corresponding industry rather than with the average of all the others?—Oh, yes, quite; but then there are very well-equipped laundries in private trade.

8212. Which would disclose a totally different result from what you have given?—No; my point was this, that this 50 per cent. applies to the quite well-equipped laundry like Tooting's, or Whiteley's in London; they would give the same average; that is the recognised average in the laundry trade. It of course ranges, say, from 40 to 54 per cent. But taking the range of an enormous number of laundries, you get about 50 per cent.; and I wanted to point out that the same average was maintained even where you got very much higher rates than were in fact being paid by the Trade Board.

8213. *Chairman*: Then you go on to deal with the Trade Union officials point. Perhaps I may take that as read; it will be part of your evidence. I do not understand that one sentence in paragraph (a). I think that refers to a point which Mr. Stark put forward, does it not?—Yes.

8214. You say there was a division; the union did not agree with the trade union officials on the Board. You say there was a division caused by different customs in different districts. What is the meaning of that?—The meaning of that is this, that in Lancashire, for example, it is the custom to work on Good Friday and to have a corresponding holiday either

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in Wakes Week, which is the time when the whole town takes a holiday, or in the Easter week. Now a girl in a Lancashire laundry does not want to have a compulsory holiday on Good Friday, because it is to her disadvantage. She knows, of course, if she is to be paid double for the work she does on Good Friday the employer will give her that holiday. She would prefer to take her time when all her comrades are having the holiday at the same time.

8215. Why do you say Lancashire? Mr. Stark said that practically every laundry in the country works on Good Friday?—We disputed that. We said it was not the case in many laundries in the South and Midlands.

8216. There is that difference between you, I understand?—Yes. I just wanted to point out that, because there is that difference.

8217. I understand from what you say that you are in conflict with what Mr. Stark says?—Yes, I wish to contradict what he says.

8218. Then you agree that the period of objection might be reduced to one month, and if amendments are made they might be incorporated in the Order?—Yes.

8219. I suppose that means without re-advertisement. Then you say that a note of the arrears of pay due by an employer who has been found not to be complying with an Order should be sent to him as soon as possible. You agree with the employers with regard to the inspection of small laundries; that the present provision is insufficient. As to the machinery for enforcement, you suggest that machinery analogous to the machinery of the Munitions Tribunal should be set up to deal with Trade Board complaints. That was an informal kind of tribunal at which complaints were made and supported by the trade union officials?—Yes. Our feeling about that is that the present machinery is extraordinarily costly for a big union. It is usually said that there is no reason why the Ministry of Labour should do all the prosecuting. It is open to any Trade Union to appear on behalf of its members; but if you take the general trade unions, dealing perhaps with 40 or 50 Trade Boards, it would be an enormous expense for them to have to engage a solicitor and deal with all these cases; whereas in this Munitions Tribunal they could send their trade union officials to deal with the cases; and, of course, it is not a case of moral turpitude being involved; it is merely a matter of getting the employer to pay up.

8220. I am not quite sure about that. It is a criminal proceeding, is it not?—Yes, but my point is this, that in a great many cases the employer pays up when he has to, and if he refuses to pay up the question of criminal procedure would then come in.

8221. Mr. Poulton: But if the trade union came in, would not they have to take it up on shortage of wage on a particular week, whereas the Ministry can take it up on the ground that they have not complied with the law as laid down?—That sort of details would have to be adjusted, but if it was decided by the tribunal that case after case was given where the rates had not been paid, a man would not as a matter of fact have to pay for the—

8222. Chairman: What I was putting to you was quite a different thing. The proceedings before the Wages Tribunal were civil proceedings; the employer was summoned for payment of money. Under these Acts he is summoned for an offence against the law under the Criminal Law. Is not that quite a different thing?—Yes, I think it is. I quite see that point, but I only wished to point out that it seemed to me possible for something of this kind to be worked out if any amendment was being made of the Trade Boards Act, because you have had cases, such as the case at Portsmouth, where the Magistrates refused to convict on the ground of the offence against the law; they convicted on the point that they had not put up the notices in the workshop.

8223. But surely it is a very different thing for a man to be sued for payment of money, when he may dispute his liability without the least moral turpitude, as you say, and for a man to be prosecuted for a crime—an offence against a law. Surely that is a very different thing?—Of course, I am not by any

means a legal expert, and I dare say many people on the Board know much more about it than I do; but it did seem to those of us who were discussing this matter that in this case something of the kind of a Munitions Tribunal could be worked as a court of first instance, because obviously there are cases, quite a number of cases, where the employer disputes liability, as, for instance, the very complicated question of piece work. You may have, for example, a laundry in which a very large percentage of the people have earned the piece rates, and where the employer says that his piece rates are therefore high enough for the normal piece worker to earn the rate. You have had cases where the inspectors and the trade union officials have maintained that they are not; and that those piece rates are, as a matter of fact, fixed on the very quick worker. Now, that is a case of disputed liability, and if you give that into the hands of an ordinary solicitor, he is not a technical expert, and he is somewhat at sea, and that is a case where the trade union official and the employer could argue it out before an impartial court.

8224. Dame Adelaide Anderson: Cannot they do that now before an ordinary court? Cannot civil claims be made? You are asking for special machinery—for a new tribunal. Is it only for the Laundry Trade Board or for Trade Boards generally?—Trade Boards generally. I think when the general evidence comes to be given on behalf of the workers' side this point will be elaborated, and perhaps it would be as well if further questions were put then; but this is put forward, I think, by large numbers of the workers' side as being machinery which would enable the Trade Board Acts to be enforced much more cheaply than they are at the present moment, and which would largely do away with the need for a very large staff of inspectors.

8225. Making civil claims through a special channel?

8226. Chairman: No, no; is it confined to civil claims?—No, all claims under the Trade Board Act. I merely gave that as showing that there were certain kinds of Trade Board claims that were of the nature of civil liability.

8227. Mr. Pugh: But you want to distinguish between a genuine dispute as to whether the employer is entitled to pay so much, and a case where he is obviously breaking the law; and your point is where there is a genuine difference or dispute as to what should be done, that should be settled by a court; whereas, when it is a case where the employer is not complying with the law, the ordinary procedure should apply?—Yes, but my feeling was that it would be very much simpler if you get that liability tested and agreed by an impartial court, where the employers' officials and the trade union officials could appear without bringing in legal machinery, and that only then if the employer refused to agree to the decision of this court, then it would be a case for prosecution in the ordinary court.

8228. But you could not take the Portsmouth case, for instance, to an arbitration court?—I think the Portsmouth case could have been taken before such a court as this tribunal until, of course, the magistrate had given that decision. The moment the magistrate had given that decision it had, of course, assumed a very different aspect, because you had a magistrate refusing to enforce the law.

8229. But supposing you had an employer knowing very well he was not complying with something which the law said he ought to do, could not he use the arbitration court as a means of delaying or evading a legal decision—legal in the sense that it comes within the Act relating to your Trade Board?—I do not think the question of delay would come in, because although it might delay it to have it tested by this tribunal, he would have to pay retrospectively from the time he infringed the Act; so that, taking the case to this court first, and then, if he refused to obey, taking it to the ordinary courts, would not in fact save him anything; he would have to pay up his arrears.

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8230. *Lord Weir*: There is just one point on that still. Your suggestion does not appear to help the unorganised worker in any way; you confine this suggestion to this: "It would then be possible for the trade union official to appear before the court;" but the chief people who want protection against evasion by the employer are surely the unorganised workers, of whom there are, say, 80 per cent.—If the unorganised workers want protection it is perfectly simple for them to join a trade union and get protection.

8231. That is quite true, but you have told us, I think, that there are only about 20 per cent. of the workers organised?—Oh, no; I have not told you that in the laundry trade.

8232. What is your percentage?—I do not think I could give a percentage, because we are in continual controversy with the employers as to the number of people there are in the laundry trade.

8233. Can you give it approximately?—The percentage is very much higher than 20 per cent. in the industrial towns. The percentage is very much lower in the rural areas.

8234. Those rural areas are the places where the evasion takes place?—But, as I say, it is perfectly simple for them to communicate with the nearest trade union office dealing with them, and for their very small trade union contribution they would receive protection. I am afraid I am not particularly interested in the unorganised worker.

8235. *Chairman*: Then your next point is that you agree with the employers about the small laundries?—Oh, yes, and I should like to emphasise that. That has really been quite a serious business. Right from the beginning we have had continual assurances from the Ministry of Labour that hotel and shipping laundries would be dealt with. There are not the same difficulties with regard to inspection and so forth with regard to them as there are for the institution laundries, and yet ever since the Laundry Board has been established this matter has been delayed, and we have had continual joint deputations. There is the completest unanimity between the employers and the employed sides on the Board, and yet we have not been able to have anything done, and then now we have been told that the setting up of this Committee, which obviously is not concerned with a very technical point like this, delays the putting into operation of the repeated promises of the Ministry that hotel and shipping and railway companies laundries would be dealt with.

8236. Then you speak about the accommodation at the Old Bailey being very bad?—It really is. appallingly bad.

8237. I think everybody is agreed on that.—But I did want to point out there that it was the employers who led the strike, and they led that strike very well. It was quite a 100 per cent. strike, but unfortunately it did not have the effect that we had hoped.

8238. Then you state your general conclusions, and you say at the end—which is important—that there is a risk of the trade going back to pre-war conditions if the Trade Board should cease to function?—Oh, if the Trade Board should cease to function I think there is no doubt that there would be an immediate return to pre-war conditions, and I wish to emphasise there that the continual reduction in Trade Board rates would tend to bring about that in the industrial towns, though, of course, not so much in the rural areas.

8239. *Lord Weir*: How do you suggest that that should be got over?—What?

8240. The continual reduction of rates of Trade Boards.—Well, I think that there ought to be a common understanding that there is such a thing as a rate below which the Trade Board rates should not fall if they are going to give a decent standard of life to the worker. At present we are, of course, at the mercy of the Appointed Members if they wish to give continual reductions, and we feel that there is a danger that the state of one trade in a state of slump should reduce the workers' wages to below the pre-war level; and it is very much more difficult, of course, to get them up again.

8241. *Dame Adelaide Anderson*: That is, you would rather have a more restricted area covered by laundries than that it should be a larger industry with worse conditions of wages?—I am afraid I do not quite understand your question.

8242. Supposing you fix this standard, a living wage, and the whole of the trade cannot bear it, some of it will go?—Yes.

8243. And you consider it is better that it should go than that you should have more laundries with worse paid workers?—Well, I do think on that that it is rather important.—

8244. It is an important point to face?—It is an important point, and I think we ought to face it, because the laundries which would go would be the small, insanitary, badly-managed laundries, which are a menace to the whole trade. The well-equipped steam laundries throughout the country can well afford to pay these rates. For example—I have not the cutting here, but in a recent Association meeting addressed by one of the employers' officials 80 per cent. of the people there stated that they did not intend to give the reduction which the Trade Board had given. I mean these rates are not only not excessive, but they are admitted by the employers themselves not to be large enough for the big steam laundries. We are continually being dragged down by these small, insanitary and badly-managed laundries, and I think it would be to the benefit of the whole trade if they were done away with. No doubt it sounds harsh, but it does not seem to me right that people should employ labour under bad conditions and then expect, because of that, that all the rates have got to be fixed to meet their convenience.

8245. There is one more question about the guaranteed week. You would include that—that the trade should be organized so as to bear the guaranteed week?—Yes, I do that, because—

8246. To carry it, I mean?—Yes. The employers organized on that basis; they did not propose to pay for labour that was idle, and, therefore, they proceeded to organize their business so that labour should not be idle.

8247. It was an agreed thing between the employers and workers?—Oh, no. The employers voted against it on the Trade Board; it was carried against them, but when it was carried then they had to organize in order that it should not cause a loss, and the organisation was going on splendidly and the system was getting into order when the bolt from the blue came, in the shape of the legal decision of the Ministry.

8248. *Mr. Poulton*: On the point you mentioned just now as to the rate of wage, you said that the larger employers said that the rate was not sufficient and that you were continually dragged down by the worse employers. Does that mean that the better class employers took advantage of the Trade Board rate, which is a minimum rate, to bring the others down to the minimum although they were not obliged to do it?—Well, I think that is, as a matter of fact, what is happening, though not generally. For instance, in Manchester we have been working all this time under a trade union agreement and not on Trade Board rates; but there is, of course, the pull all the time to reduce the Trade Board rates, and in many cases the employers, as in Birmingham, Newcastle, and a large number of places, have simply informed the Trade Union that the agreement no longer applies, and that they propose to enforce the Trade Board rates.

8249. Which means that they bring everybody down to that rate?—Yes.

8250. *Sir Arthur Pease*: Then the Trade Board rate is really becoming a standard rate?—Well, do not all minima tend to become standards? Minima always tend to become standard in actual practice unless with very highly-organised workers. It is human nature that the employer does not pay more than he has got to pay. That is our experience.

8251. *Chairman*. That, of course, depends on the strength of the Union?—Yes, quite. As I say, in Manchester and Bradford, and a fair number of other towns, the Unions are powerful.

8252. *Dame Adelaide Anderson*: It depends also on the state of prosperity of the country. The higher wages would depend not only on the trade union organization, the power to enforce, but also on the

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general prosperity of the country—the ability on the part of the general public, the consumers, to pay?—That would be so if it had not been our experience during the war that that did not happen until the workers were organised. I think an increased prosperity tends to make it easier to organise the employees; there is not the same fear of unemployment; and then it is easier to get wage agreements; but left to themselves I do not think that that makes very much difference as to the amount of wages that are paid by the employers, taking them all round.

8253. Surely if the community is very poor that tends to reduce prices, and in the long run wages?—That is quite true, but the contrary is not necessarily true: that when the country is rich, as it apparently was during the war, that necessarily means that wages are increased correspondingly unless there is the organisation to increase them. That is our experience.

8254. But employers would be more ready to increase wages in those circumstances?—Yes, a very large number of employers would, but I am talking about the very large mass that we have to meet.

8255. *Sir Arthur Pease*: Then you think that it is quite impossible for a minimum wage not to become a standard wage in the majority of cases?—To be quite accurate, I should say there is a very strong tendency for the minimum rate to become the standard rate.

8256. *Mr. Pugh*: You referred to Appointed Members in your argument as to the tendency for wages to go down. I would like to get your opinion with regard to the Appointed Members in relation to your suggestion of a sort of Arbitration Court. Would you consider that the Board, dealing with its own questions, should, instead of Appointed Members, have an Arbitration Court to go to on any point upon which it could not agree? What is your view with regard to the utility of the Appointed Members in bringing the parties together and getting equitable settlements?—I think it is very useful to have a Chairman on the Board who is appointed from the outside, both for discussion and for negotiation. My feeling is that the other two Appointed Members ought not to be, as it were, duplicate Chairmen, silent when the Chairman is there, but that one of them ought to be chosen from a panel appointed by the employers' side of the whole of the Boards, and one of them chosen from a panel appointed by the workers' sides. Then, as it were, you would get two assessors to sit with the Chairman.

8257. And the Board then would be, as it were, its own Arbitration Court in case the employers' and workers' representatives could not agree?—Yes, quite so. If you had any difficulty after that, if you wanted a Court of Appeal after the Chairman had given his decision and so forth, then I think the suggestion of something like the present Industrial Court would be useful instead of what happens at present: the veto or otherwise of the Ministry of Labour, with its endless delays.

8258. *Mr. Poulton*: Then you would vary the Appointed Members to that extent: following the suggestion made just now, rather than having the present Appointed Members?—Yes, I think the present Appointed Members tend rather to duplicate the Chairman.

8259. *Chairman*: Or rather to triplicate the Chairman?—Yes, to triplicate the Chairman. I beg your pardon.

8260. *Lord Weir*: One question in connection with the laundries of hotels and shipping companies. Have you many members in those laundries?—Yes, the biggest Unions have quite a large number of members in those laundries.

8261. What kind of wages do they get—good wages?—Yes, fairly. Some of them get somewhere about Trade Board rates, some of them get above and some get less. They are not of course subject to inspection in the same way as the laundries coming under the Trade Boards, and they are not bound to pay the Trade Board rates.

8262. I wondered whether they were big enough units to enable you to organise them so that you could

secure, as a rule, at least the Trade Board rates?—In the two cases that come within my personal knowledge, Liverpool and Portsmouth, they are organised, but in other cases they are not. Even so, we think that these people should be bound to pay at least the minimum to their workers—that they ought to honour the present Trade Board rates. It has been contended by the employers, and evidence has been given to attest the truth of it, that certain big shipping laundries in Liverpool and in Portsmouth, when they have not got the big contracts in from the ships, are tending to collect and take in the work of the ordinary commercial laundries.

8263. The point which I wanted to get at really was this: Is it not the case that these big laundries really do pay comparatively high wages—that they pay over the Trade Board rates of wages?—I should say that it was true in the case of the big shipping laundries; I should say that it was not true in the case of hotels. The hotel laundries are most difficult to organise, of course, because in so many cases it is difficult to get at the girls, and there I should say that as a general rule they pay less.

8264. *Sir Arthur Pease*: Do they live in in the hotels?—Some of them, but of course some do not. I should say that generally speaking they do not, but we have some cases where they do.

8265. *Dame Adelaide Anderson*: In all these places they have to conform to the standards laid down by the Factory Acts?—Yes, and of course for laundries, if I may say so, the Factory Act is an Act which very badly needs revising. It is somewhat old now, is it not? It has not kept up with the present conditions of industry. I mean it still gives 60 hours as the number to be worked in a week.

8266. As regards hours, that is a new movement, but as regards sanitation, safety, and the certificates of physical fitness, and so on, the standards in force are precisely the same standards in hotel laundries and shipping laundries as in any other laundries?—Quite, but the point to which I was referring when I said that they were not open to the same inspection is that any private laundry is open to have its books inspected by Trade Board Inspectors, who will see what rates they are paying. That does not apply of course to hotels, shipping and institution laundries.

8267. But under the Factory Act the same law applies as regards safety, sanitation and physical fitness?—But not as regards hours, does it?

8268. The same as regards hours, yes. I understood you to refer to the standard hours under the Factory Act being longer than are now obtaining in industry?—Do you not think it is true, if I may ask, that the whole of the Factory Acts have not kept pace with the modern movements in industry, and that the actual protection which is given by the Factory Acts is nothing very much to boast about?

8269. I was not upon that point at all. All I wanted to elicit was that, whatever the standard of the Factory Act is, it applies in a shipping laundry as it does in a private laundry?—Yes, I do not think I was disputing that.

8270. *Mr. Layton*: Just now you spoke of the tendency of minima to become standard rates. Do you want the Committee to understand that in fact this rate of 7½d.—I think that is the current rate—is the general rate right through the country districts as well as the town laundries?—Yes.

8271. They are actually paying the same rates?—Yes.

8272. I think you said elsewhere in your statement that there was a lot of evasion, or you suggested that the inspection was inadequate?—I suggested that the inspection was very inadequate, yes.

8273. Do you think that lower rates are paid really?—Yes. For instance, we had a case before the Board quite recently where the Glatness Laundry had never paid those rates.

8274. That would not be an unrepresentative case; there would be a lot of cases of that kind?—Yes; but of course the whole difficulty is the inspection of the

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smaller laundries. I should not say that there was much evasion on the part of the bigger laundries.

8275. Would you consider it sound to have the same rates for London and for rural districts?—Our whole difficulty with regard to that has been the almost impossibility of getting anything like a reasonable differentiation. Laundries of course collect their work by motor vans. You might say, for example, that Leeds and Bradford, which are big industrial towns, should pay (for the sake of argument) an 8d. rate when the country is paying a 7d. rate; but there is, as a matter of fact, a very large laundry in Pudsey, which is equidistant between Bradford and Leeds.

8276. That is an industrial district, is it not?—It is in a purely agricultural district, and it can collect just as Leeds itself, for example, collects from York. We have cases where a 30-mile radius is covered by the vans of one laundry.

8277. You would not call Pudsey a rural district, would you?—I think the Pudseyites would. Particularly is that the case with the laundry which I have in mind, which is situated in the middle of green fields near a country village. I mean that is the difficulty. We have fixed on the Board that 30 miles from Charing Cross should be the London area, but we were met with storms of objection on the part of employers who were just on the border.

8278. But if you do not adopt that plan are you not forced into the dilemma of either fixing the rural rate as the basis of the whole national Trade Board rate—the rate which can in fact be paid in rural districts without preventing the trade being carried on—or else fixing a rate suitable to the urban districts and producing difficulties in the rural district, either evasion or else unemployment?—Of course, what has happened in practice has been that we have fixed on the rural areas.

8279. You say that this is on a rural basis?—Yes, quite.

8280. And you still wish us to understand that the effect of this has been that the town laundries are now paying on a rural basis?—That is so. I say that the rates which are being paid now in the towns are rates which have been fixed all the time with two eyes on the country area. That is the whole point.

8281. And competition does not tend to bring the rates up above the rural rate?—Why should it? Competition would bring the rates down, but I do not see that competition would bring the rates up. That is the whole difficulty.

Chairman: I think Mr. Layton means competition for workers.

8282. Mr. Layton: Yes. Competition works both ways?—Yes. In that case, to some extent I think it does, just as in the case which I have given of Bradford; but that, I say again, only happens where the workers are organised. It happens, of course, in individual cases; but, taken over the whole, increases of rates in the industrial areas at the present time only happen where you have got the workers organised.

8283. Chairman: But you have a lower rate in the country districts?—We had when we had an 8d. rate; we have not now when it is 7½d. They are all paying the same. That was a case when we did reduce definitely.

8284. Mr. Layton: Would you consider it a satisfactory scheme if the Trade Board were to fix a minimum rate on the rural basis in an industry which in fact was common both to town and country,

other rates above the minimum to be determined by the power of organisation?—On the whole I do, in this sense, that I do not see that in the laundry trade anything else can be done. We have argued it out a very great deal, but we have seen exactly the difficulty that you are raising: that where you are having work collected by motor vans and a very large radius to cover it has been, even for the employers, an almost impossible thing to produce a really workable scheme.

8285. Chairman: Surely that is not quite the point, is it? A reason, and perhaps the main reason, for fixing a lower rate in the rural districts is that rents are lower; it costs the worker less to live?—That is so, but you see what would happen: the country laundries which were within, say, a 20 or 30-mile radius of a large town would be in a very good position to compete with the town; and that would be the case even if you did not take it so far away from the towns. It might be a question of their being only 5 miles, or even 2 miles, over the actual boundary, and there might be a difference of 1d. per hour between the people in the different laundries.

8286. Wherever you have boundaries, of course, you have trouble?—Yes, but this is a case where it is very difficult. It is much more difficult in this case than it is in the dressmaking trade, where we fixed differential rates.

8287. Mr. Layton: You would not object to laundries being taken out into the country districts, I suppose? Would you not think that a good movement?—Yes, so long as it did not reduce the rates. I am rather sceptical about this difference between rural areas and town areas. There is a difference in rent and there is a difference in the cost of transport, but there is not the same difference in food, and clothes are generally dearer.

8288. But if it were shown that there was a difference in cost, you would not object to laundries moving into the rural districts, would you? In itself that is a good thing, is not it?—That sounds very nice, but in actual practice what it would mean would be that girls who now live in the slums of Leeds would either have to go and overcrowd the country towns round, or else they would have a very great deal further to go to their work. If the laundry companies would be prepared to build model villages round their laundries, of course it would be an excellent thing, but I do not see them doing that.

8289. If you fixed the same rate for the rural districts as was fixed for the towns, you would at all events discourage that, would you not?—Of course it does happen even now, because you have rates and taxes cheaper in the country areas than they are in towns. I can think of one very large laundry in the north which has moved out because of that, where there is an enormous difference between the rates and taxes of the two areas.

8290. Sir Arthur Pease: As a matter of fact, in the organised trades, which have been considering these problems for years and years, the rates are higher in towns than in the country, are they not?—That is so; but it is quite a moot problem as to whether they are higher because the cost of living is higher in towns, or whether organisation is better in the towns than it is in the country areas.

8291. Take railways. There you pay a man higher in a town area—say at Newcastle—than in the country. That is settled between the unions and the railway companies. It is recognised in other trades; that is what I mean?—Yes, quite.

(The Witness withdrew.)

Mr. P. C. HOFFMAN, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

MEMORANDUM OF EVIDENCE SUBMITTED BY P. C. HOFFMAN, London Organiser, National Amalgamated Union of Shop Assistants, Warehousemen and Clerks; Member of the Dressmaking and

Women's Light Clothing Trade Board (E. & W.); Vice-Chairman of the Consultative Committee to the L.C.C. in connection with Classes for Learners in the Needlework Trades; Member of the Consultative Committee to the L.C.C. on Instruction of Salesmen and Saleswomen in the Wholesale and Retail Textile Distributing Trade.

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[Continued.]

Distribution is an Unorganised Trade. 1,250,000 Employed Persons.

1. During 1918 a Committee called the National Trade Advisory Committee (Distributive Trades), representative of the principal employers' associations and of the trade unions concerned in distribution, was set up to report upon openings in the distributive trades for disabled sailors and soldiers. In the report issued by this Committee M.5, the number of persons employed in England and Wales in the distributive trades is given as, males, 930,340; females, 365,607. This is exclusive of those employed in the catering trades. These figures are inclusive of employers but exclusive of clerical staffs, vanmen, etc. The number employed in the *drapery trade* is given as, men, 111,248; women, 100,465. Of these quite a large number are juveniles. The "Labour Gazette" for October gives the total number of insured persons in the distributive trades as 967,570, to which has to be added 36,170, classified as warehousemen, packers, porters, etc. There are also a number of distributive clerks, who are included in those classified under the heading Commercial, Clerical, Insurance and Banking. There should be added to these figures those who are in receipt of £250 a year and over, of whom in the aggregate there is a goodly number. There is thus probably 1,250,000 employed persons in the wholesale and retail distribution of goods. No account is taken in these figures of those employed in the dressmaking trades or of those engaged on manufacture and repairing in connection with the big stores.

In the same number of the "Labour Gazette" for October, 1921, is given the membership of the various trade unions of the country from 1916 to 1920. The number of unions catering for shop assistants, clerks, etc., in the British Isles is given as 57, with a total membership of 120,000 in 1916, and in 1920, 276,727. These figures are exclusive of the membership of unions confined to Government, banking, railway, or shipping clerks, but include a number of clerks not necessarily employed in distribution and is inclusive of dressmakers, members of this and one or two other organisations. Making due allowance for these modifications, it will be seen that only 20 per cent. of those employed in the distributive trades are organised.

Drapery is an Underpaid Occupation.

2. The drapery has been and is an underpaid occupation for a large proportion of those employed as compared with other classes of workers. Many instances of low wages have already been put in before this Committee by my colleague, Mr. John Turner. (See Minutes of Evidence—16th Day.) I submit in Schedule "A" supplementary instances of low wages in the drapery trade. As I will show presently, there is corroborative evidence from the employers' side as to the state of things which has hitherto prevailed in the drapery trade.

Compared with other Trades.

3. These wages compare most unfavourably with those in operation at the same time for other classes of workers, for example:—

Railway Women and Girl Clerks.—Class 2 were in receipt of wages from 17s. 6d. at 16 years of age up to 60s. at 31. Class 1 from 55s. to 70s. with 4s. increase for London. In addition to which floating bonuses were paid subject to fluctuation in accordance with the cost of living. *Female Colliery Clerks* from 29s. 6d. at 16 to 68s. at 21 years of age. *Telegraphists, Counter Clerks, etc.*, from 18s. 6d. basic up to 42s. 6d. with bonuses in addition from 24s. to 50s. subject to rise or fall in the cost of living. *Women Upholsterers* from 11d. to 1s. 6d. per hour. *Women Cleaners* in printing trade 48s. for 44-hour week. *Female Operators in heel building, boot and shoe trade, or stockrooms*, 19s. at 16 years up to 40s. at 20. *Temporary Government Clerks.*—Grade 1, from 62s. to 69s. 6d.; Grade 2, 58s. to

65s. 6d.; Grade 3, 52s. 6d. to 58s. *Corporation Clerks (Copying Typists)*, £80 per annum by £10 to £100 plus Civil Service war bonus.

Men—Musicians, £4 for 32-hour week. *Electricians*, £5 17s. 6d. *Bricklayers, Carpenters, and Joiners*, over £5 per week. *Labourers*, over £4 per week. *Printers*, £4 per week. *Journalists*, from £6 6s. per week. *Railwaymen*, from over £3 to nearly £5 per week. *Policemen*, from £3 10s. to £4 15s., with bonus and allowances on top.

"Draper's Organiser" on Shop Assistants' Poverty.

4. There is a general admission throughout the Drapery Trade that conditions have not been as good as they might be. The "Drapers' Organiser" in July of this year published the following:—
"The improvement in the life of the Shop Assistant of recent years is to-day generally acknowledged. The pre-war Shop Assistant was despised on account of his poverty as much as anything. The general level of salary was a poor contribution to personal dignity. Into the cauldron produced by the war the Shop Assistant fell head foremost, to reappear with a clearer and deeper conception of his own importance. The movement towards improved conditions was apparent before the war, and might have come about in any case, for the large stores demanded more efficient business men. The Store Clerk (American term) of to-day is more efficient than his predecessor and possesses a fund of really valuable knowledge. The work of the Shop Assistants' Union had certainly contributed to the improvement in status. . . . Retailing has taken a more scientific turn and the demand for efficiency will continue, and will assist to maintain a higher level of comfort than in the past. It is a matter of congratulation that trade unionism in the shop is not of a virulent type, and if the union should see its way to promote the education of the Assistant the effect would give it new and wonderful friends."

Mr. W. Malin (Derby) on the Unattractive Drapery.

The "Drapers' Record," another trade paper, in a recent number published the following:—

"Mr. W. Malin, of Messrs. Thurman and Malin, one of the leading drapery firms in Derby, addressed the local Rotary Club on Monday on 'Some Aspects of the General Drapery Trade.' He pointed out the useful and important rôle played by the draper in his capacity as a distributor. . . . The difficulty at the present time was to find enough men to fill the positions in which the higher sum could be obtained. One of the principal men in the business had told him that he could secure plenty of men worth £800 a year, but not many worth £2,000, although he was needing that class.

"Perhaps the shortage was caused by the fact that nowadays there was a reluctance on the part of youths to enter the trade as apprentices. Rightly or wrongly, the tradesman and his shop were not favoured by the well-educated youth of the present day. Either the hours were too long, or the details for the first year or two were unattractive. . . . The draper had to be an artist, an actor of no mean order, a student of the requirements of the public, and be proficient in finance. If all the abilities and capacity of the Cabinet were found in one person, he would not be too good a man for a general draper."

Prior to the war there was a dearth of the right sort of young people willing to take service in the drapery trade. This is still true.

Drapers' Chamber Consults Union to Find Remedy.

5. In 1915 the Drapers' Chamber of Trade requested their Retail Staffs Committee to meet representatives of this Union in order to find out what ought to be done to improve matters, and for the Committee to outline a policy to be pursued by the trade in future. As a result of that Conference both sides recommended that a National Committee should be set up in order

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to regulate working conditions in the trade. That recommendation was not, however, at that time agreed to by the Chamber, but they stated they would be prepared to meet us should necessity arise.

Drapers Procrastinate, Assistants Act.

6. In spite of this, drapers did not increase wages with increasing costs. Economic pressure drove drapers' assistants to secure by organisation what they had been unable to obtain by good-will. The Union's membership went up from under 40,000 in 1917 to 58,000 in 1918, and nearly 90,000 in 1919. We were very busy negotiating with drapers in various parts of the country for the purpose of securing a guaranteed rate of pay and improvements upon their earnings. I submit to the Committee copies of Agreements which we obtained from time to time with various drapers. See Schedule "B." (Specimens only printed.)

Decision to Apply Trade Boards Act to Distributive Trades.

7. On March 20th, 1919, a Conference of Employers' Associations and Trade Unions concerned in the Wholesale and Retail Distributive Trades was convened by the Minister of Labour at the Central Hall, Westminster, to consider the application of the Trade Boards Act to the Distributive Trades—

- (1) In regard to the number of Boards required.
- (2) As to whether there should be separate Boards for the Wholesale and Retail Sections.
- (3) In regard to the question of overlapping in manufacturing distribution.

Two hundred representatives were present. The Conference was presided over by Mr. G. Wardle, M.P. A Committee of 20 representatives from the employers and 20 from employed was set up to report as to whether there should be one or more Trade Boards for the Distributive Trades.

On April 24th the Committee reported as follows:—The first resolution was passed by a majority of the Committee:—

"That this Committee recommend that one Trade Board should be set up for the whole of the Distributive Trades."

Voting.—For, 20; Against, 10.

The second resolution was also passed by a majority:—

"That if any organised trade reached such a point as to provide adequate machinery for the regulation of wages throughout such a trade it can be withdrawn from the operation of the Trade Boards Acts and placed under an Industrial Council. That the Ministry of Labour do so define the Trades as to include within the scope of the Trade Board only purely distributive operations and that the only manipulative operations included will be those incidental to distribution. That to meet the general agreement that there must be some link between the Trades, but to make provision for the separate trades in relation to special conditions of them, such a Trade Board should set up Committees to deal with all classes of establishments and these Committees should be given a larger degree of autonomy."

Voting.—For, 17; Against, 7.

Prior to this Conference, in January, 1919, a memorandum, copy of which has already been submitted to this Committee, had been drafted, and joint representations made by the National Chamber of Trade and this Union for the purpose of securing one Trade Board for the whole of distribution. We were promised there would not be more than three or four Boards. Mr. Wardle stated that "they were prepared to start almost at once with the two Trade Boards on broad lines such as Drapery and Groceries."

Drapers demand a Drapery Trade Board.

8. In spite of this and in spite of the decision of the National Conference, employers insisted upon separate Trade Boards being set up for each trade. For instance at the largest national meeting of retail drapers called together for many years which was held at the Drapers' Hall on October 21st and 22nd, 1919, the following resolution was carried:—"The members of the Drapers' Chamber of Trade in general meeting assembled, are of the opinion that a Trade Board for the retail textile distributive trade should be established at the earliest possible moment, it being the opinion of the meeting that the reforms to be dealt with by a Trade Board will be more effectively carried out by a separate Trade Board than would be done by one Trade Board for the whole of the distributive trades."

From the foregoing it will be seen that traders' associations were in the closest touch with everything that was taking place, and if there has been any departure from the original intention of one Board it is almost entirely due to the attitude of the traders themselves.

Drapers anticipate Legislation—Not to be caught Napping.

9. The pressure from organised assistants, together with the prospect of a Trade Board being set up for the trade, compelled the Chamber to face the position squarely and deal with it fairly.

In February, 1919, Mr. J. K. Pyne, President of the Chamber, referring to the prospect of a Trade Board said: "It may be that many may resent what at first sight appears to be interference with the employers in the conduct of their business, but on reflection it will be found this is not so, it is in fact a movement, in their interest, and to provide machinery for the prevention of unrest on the part of employees."

In June of the same year Mr. F. W. Cook, J.P., the Chairman of the Chamber, said: "It was also necessary for them to anticipate legislation. It was no use their being behind in such matters. The Chamber must have a constructive programme which would lay down what was necessary with regard to their workrooms, shops and employees. If they prepared in advance they would not be taken unawares. The Wages (Temporary Regulation) Act had come like a thief in the night. The Act should be a lesson to the trade and they should not be caught napping again. The Chamber would also do what it could in connection with the establishment of training classes throughout the country. They wish to draw the right class of employee into the trade, and they had to make the employment sufficiently attractive."

An Agreed National Scale of Wages and Conditions.

10. During 1919 a series of conferences took place between representatives of this Union and the Drapers' Chamber of Trade as a result of which an agreed scale of wages and working conditions was reached. (See Schedule "C.")

The rates are based on age and experience and are varied in four grades according to the Returns issued by the Board of Trade in regard to the cost of living, 1912. Copies of the booklet dealing with this point have already been laid before the Committee. In addition there are reductions in the basic rate of 2s. 6d. for boy learners and 2s. for girl learners in small country towns under 5,000 population.

Mr. Skinner (John Barker's) says: "Trade can afford to pay."

The adoption of these scales was moved by Mr. S. M. Skinner of John Barker's, the present Chairman of the Incorporated Association of Retail Distributors. He said "theirs was a great trade and could afford to pay a living wage to those whom it employed." Dealing with the learners' rates he said: "Some parents were not unnaturally desirous of reaping an immediate reward in the way of wages

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from the young people when they started work after leaving school. For that reason the immediate reward offered by the trade would have to be sufficiently attractive."

The Staff Committee of the Chamber placed on record its appreciation of the conciliatory attitude adopted by the Shop Assistants' Union during the conference.

Worth merely the Paper it was written on.

11. The attitude of the Chamber itself towards the agreement may be summed up in the words of Mr. Chas. Coleing, who said, "It was merely an agreement arrived at between two organised bodies which until they got an Industrial Council or Trade Board was merely worth the paper it was written on."

At the annual conference of the Drapers' Chamber of Trade that year the President, Mr. J. Arthur Pyne, said: "The rates already fixed would remain operative until a Trade Board was set up for the retail textile distributing trade, when he had no doubt the schedule passed at the conference would form the basis of consideration for the new rates which, when passed, would be obligatory." The agreement was not generally operated; only where assistants were organised was it enforced.

Discontent leads to Strikes.

12. During 1918 and 1919 shop life was seething with discontent and the conditions which were generally bad culminated in a stoppage of work at the Army and Navy Stores at the end of 1919. Other stoppages which occurred during this year and 1920 in the Drapery Trade were at the Economic Stores, Aberdeen, Beatties, Wolverhampton, Peterhead Drapers, and John Lewis, London, but the strike which had eventually the widest results was the Army and Navy Stores.

Enter the Incorporated Association of Retail Distributors.

13. The Incorporated Association of Retail Distributors which until that time had not dealt with wages rates and had not, in fact, functioned at all during the war, in consequence of the Army and Navy Stores strike drew up a scale of wages (see Schedule "D") which closely followed the agreement with the Drapers' Chamber of Trade. As we secured variations in our original agreement with certain firms in the West End of London such as Messrs Bourne and Hollingsworth and Messrs. John Lewis, the Incorporated Association of Retail Distributors varied their scales all of which I have put in. (See Schedule "D.") Besides drawing up their own scale of wages which they said their members would operate, the Secretary of the Incorporated Association of Retail Distributors met us on behalf of some of his members and came to arrangements in certain cases, as for example Messrs. John Barnes of Finchley Road, Messrs. Thos. Goode of South Audley Street, the Junior Army and Navy, and the Haymarket Stores, but as I will show later they declined to discuss a general minimum rate with us.

They Welcomed Trade Boards.

14. From all the foregoing will be seen, that the drapers agreed to scales of wages on a progressive age basis, that they anticipated and even welcomed the setting up of a Trade Board for the Drapery Trade. That they also desired to improve the occupation in order to make it more attractive for the right sort of young people to enter it.

The Right-about-turn. Organised Campaign against Trade Boards.

15. With the depression in trade came an alteration in the attitude of the employers towards Trade Boards. In October, 1920, the Incorporated Association of Retail Distributors informed its members that "it was with pleasure the Association reports that a definite scale of minimum wages was adopted by the Grocery and Provision Trade Board

on September 30th. The Association which is concerned with every branch of the Distributive Trades realises that the minimum rates fixed by this Trade Board would tend to become the index rate for all other Sections of the Trade. A strenuous fight was therefore made by our representative upon the Trade Board to secure that index rate being made as low as possible."

But, by January, 1921, this Association decided to "promote a campaign for the suspension of existing Trade Boards and to secure that the various powers exercised by the Minister of Labour should revert to the original Ministries," and "this campaign was to be conducted in conjunction with the greatest possible number of commercial and industrial organisations through the Press and otherwise, and later by Parliamentary action." The Press was deluged with paragraphs and circulars about the wickedness of Trade Boards, and coming, as these statements did, from their biggest advertisers, the Press could not afford to ignore them.

The result of this policy began to show itself very quickly. A month later the Drapers' Chamber of Trade passed the following resolution:—"That owing to the very unsatisfactory experience of the Chamber in connection with the Dressmaking and Women's Light Clothing Trade Board and the Hat, Cap and Millinery Trade Boards, this Chamber views with grave apprehension the proposals of the Ministry to set up Trade Boards for the retail drapery and out-fitting trades, and (a) emphatically protests against any further extension of the Trade Boards for the retail textile distributive trades; (b) that kindred associations be invited to actively co-operate with the Chamber in its protest, and a joint deputation be appointed to wait upon the Ministry of Labour; (c) that those resolutions be sent to the Prime Minister, Mr. Bonar Law, and the Minister of Labour."

Chances for Martyrs.

16. In the "Drapers' Organiser" for March 12th, 1921, under the heading, "Chances for Martyrs," appears the following paragraph:—"The weekly circular issued by the Incorporated Association of Retail Distributors states that retailers in one or two towns have expressed their intention of paying wages below the official minimum wages to employees of the millinery and dressmaking workrooms, and of risking prosecution. The risk is considerable, but it may be worth taking purely as an advertisement of the defects of the Trade Board system. No doubt contributions to the expenses of a prosecution could easily be found among employers similarly affected, and a number of challenges simultaneously offered in several parts of the country ought to do good. It would be advisable to avert odium by arranging to pay to some public charity the difference between the minimum and the actual rates. It is time for the public to know what impossibly high rates of wages mean, and under-payments openly made for the purpose of inviting prosecution would focus attention upon the matter."

Attack on Dressmaking Board to Stop Formation of Drapery Board.

17. In March, 1921, the Drapers' Chamber of Trade sent out a circular. (*Handed in—not printed.*) See Schedule "E" in which occurs the following paragraph:—

"There is unfortunately no doubt that owing to the Dressmaking and Millinery Trade Boards fixing rates of wages for workers higher than employers can afford to pay, much unemployment has ensued. This Chamber, whilst it is doing all in its power to remedy this undesirable state of things, wants to bring sufficient pressure on the Ministry to prevent the setting up of any further Trade Boards for the distributive trades."

The drapers, then, it is clear, now want to prevent a Trade Board being set up for the distributive trades, and they give as a reason their experience

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of the Dressmaking Board. In fact they were encouraging opposition to the decisions of the Dressmaking Trade Board in order to stave off the setting up of a Trade Board for the drapery trade. To attack the Dressmaking Board was their defence against a Drapery Board.

The Allegations of Employers.

18. Their contention is that the effect of the decisions of the Dressmaking Board has been:—

- (1) To throw workers out of employment.
- (2) To prevent learners being employed.
- (3) Age rates lead to lack of initiative and reduction in the standard of efficiency.
- (4) That the handcraft trade is being killed.

It is necessary then to deal in detail with the dressmaking position.

201,140 Dressmakers, 25 per cent. Organised.

19. In the past the condition of things in dressmaking workrooms throughout the country has been absolutely deplorable, for only within the last few years have they become even partially organised.

The "Labour Gazette," October, 1921, gives the number of women employed in the dressmaking, millinery, furriers, etc., as 201,140, of whom probably not more than 25 per cent. are organised in the various Trade Unions who have opened their ranks to this class of worker.

Low Wages of Dressmakers.

20. Schedule "F" gives the full particulars of low wages paid right up to the time when the Trade Board was established, that is to say, when the cost of living stood round about 120 per cent. above July, 1914. In some cases learners worked for nothing at all. The following are a few of the worst cases:—

			s.	d.
3½ years' experience	(18)	...	1	6
9 "	"	(24)	10	0
10 "	"	(24)	11	0
3½ "	"	(18)	7	0
5½ "	"	(21)	16	0
4 "	"	(17)	7	0
3 "	"	(18)	9	0
8½ "	"	(23)	19	0
12½ "	"	(26)	21	0
1 "	"	(—)	4	0
1½ "	"	(15)	2	0
6 "	"	(21)	4	6
6 "	"	(21)	7	6
6 "	"	(21)	10	0
9 "	"	(23)	12	0
8 "	"	(24)	10	0
15 "	"	(30)	18	0
10 "	"	(28)	16	0
4 "	"	(18)	8	0
11 "	"	(24)	20	0

Even in the West End of London, where girls are engaged upon the very highest class of work, wages such as those quoted below were being paid in the early part of 1918, when the cost of living stood at 90 per cent. above pre-war level, prior to agreements with employers.

			s.	d.
Assistant	7 years experience	(30)	18	0
"	6 "	(25)	20	0
Skirt Hand	"	(23)	30	0
"	"	(32)	20	0
Bodice Hand	12 "	(20)	24	0
"	7 "	(24)	22	0
Assistant	14 "	(30)	17	0
"	6 "	(20)	16	0
"	12 "	(27)	16	6
Skirt Hand	9 "	(24)	21	0
"	4 "	(18)	15	0
"	20 "	(46)	20	0

The first arrangement this union came to on behalf of its dressmaking members was in Aberdeen in May,

1915, when we were able to secure a 50-hour working week and arrangements for overtime. The wages that were paid at that time were atrocious, girls of 18 being in receipt of 4s. 6d. and 5s. per week, assistants of 21 and over being in receipt of 7s. 6d. to 10s. per week.

Strike of Non-Union Dressmakers.

In November, 1916, the low wages, with increasing prices, drove girls to revolt, and numbers of those who were not members of the union in Aberdeen went out on strike for 2s. a week advance in wages, came to us, and decided to join the union while they were out. A settlement was reached at that time. Other strikes have occurred in Scotland, in Edinburgh, Dundee, and Ayr, and other places at various times, and agreements reached.

Agreements with Employers and Associations.

21. I submit to the Committee copies of agreements reached in Edinburgh with drapers and dressmakers. See Schedule G. (*Specimen only printed*.) Prior to these agreements the girls were in receipt of very low wages. Girls of 6 years' experience received 7s. 9s., and 10s. a week; 11 years, 12s.; 17 years, 13s. 6d.; 13 years, 15s., and so on. The first agreement covered some 30 firms and fixed wages up to 25s. per week. A stoppage of work occurred at 12 firms who refused to negotiate. A settlement was reached, with Sir G. A. Askwith as Arbitrator, on July 20th, 1917, and gave slightly better rates than those secured under the arrangement with the other firms. A National Scottish Agreement was subsequently reached on the 10th April, 1919, which fixed rates up to 8½d. per hour, whilst an agreement arrived at on the 1st August, 1920, fixed wages up to 11d. per hour. In August, 1919, an agreement was arrived at in Nottingham fixing wages up to 32s.; in January, 1920, up to 36s.; and in May, 1920, up to 44s.

In September, 1919, an agreement was arrived at fixing minimum rates for assistants at Stockton, Middlesbrough and Hartlepool at 8d., senior hands at 10d., and charge hands at 1s. See Schedule "H." (*Handed in—not printed*.) In Birmingham and district in January, 1919, rates were agreed to up to 38s. per week, and in July, 1919, rates were agreed to from 8d. per hour for assistants up to 45s. per week for charge hands. In 1918 the first agreement was arrived at in the London area with the London Employers' Association in respect to the bulk of people employed in the dressmaking trades. Other agreements were arrived at from time to time, copies of which I place before the Committee. See Schedule "I." (*Handed in—not printed*.) These are but a few of the agreements which we have come to with individual firms and employers' associations in various parts of the country, but they indicate that prior to the Trade Board being set up rates were agreed to which were in some respects superior to Trade Board rates.

Rates Prescribed under Wages (Temporary Regulation) Act.

22. In the early part of 1919 the Minister of Labour was impressed with the need to prescribe rates of wages for the Needlework Trade under the Wages (Temporary Regulation) Act, so he requested the Interim Court of Arbitration to advise him in regard to the matter.

The Court heard the parties on March 4th, 5th and 6th, 1919, as a result of which rates were published in Statutory Rules and Orders 357, and were enforceable as from April, 1919. See Schedule "J." (*Handed in—not printed*.) (Prescribed rate 7d. per hour for adult female workers.) These rates were well-known and circulated through the trade, although the Drapers' Chamber raised some opposition, and in the words of Mr. Cook decided that "they must not be caught napping again."

The Union had to take up a number of prosecutions before the local Munitions Tribunals and succeeded in recovering back pay due to the members.

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Schedule "K" gives instances of pay recovered on behalf of some of our members. (*Handed in—not printed.*)

Trade Board Rates Agreed Rates.

23. The first meeting of the Dressmaking and Women's Light Clothing Trade Board was held on January 20th, 1920. The rates proposed and afterwards fixed were agreed rates and I may here add that in regard to the fixing of rates of pay both sides have met together and eventually arrived at an agreement, and in no case has a decision been come to on the vote of the appointed members. The National Chamber of Trade are wrong in their evidence on that point. The rates were fixed and operated as from 24th May, 1920.

A rate of 10½d. for skilled workers 22 years of age and over who have not less than three years' experience was fixed in November, 1920. On 11th July, 1921, lower rates were fixed for learners and a new rate of 9½d. was proposed for the less experienced workers, and proposals are now published of further revisions in the scales of wages.

Higher Rates than Trade Board Rates in Operation before Trade Board Rates were Fixed.

24. I have drawn up a comparative table of the agreements which have been come to in the London area with the London Employers' Association and the Trade Board rates. (*See Schedule "L."*) It will be noticed that the alteration has been a gradual one and that rates equal to and much better than Trade Board rates were in operation prior to the Trade Board being set up. I submit also (*see Schedule "M"*) a list of the members of the London Employers' Association (*handed in—not printed.*) It is a surprising thing, therefore, that Mr. J. H. Barnard and Mr. E. J. Pegg, representing Messrs. Thos. Wallis and Messrs. John Barker, Ltd., both of which were members of the London Employers' Association, should state before this Committee that unemployment was due to Trade Board rates and that the loss on the workrooms last year was put down entirely to the Trade Board.

Unemployment and Slack Time.

25. The question of setting up a Trade Board for the needlework trades had been before the Minister of Labour for some time. Numerous conferences were held at the Ministry between employers' associations and workers' representatives to try and arrive at an agreed line of demarcation. The workers' representatives and some of the employers felt that the easiest way was to have one Board for the whole of the clothing trade with sub-committees, but other employers' associations insisted upon separation. There was in consequence considerable delay in getting the Board set up. Eventually the Board was set up in January, 1920, and it was in the spring of that year that the boom in trade ended and a decline set in, so it is a coincidence that the first Trade Board rates and the depression in trade should synchronize.

Slack Time the Bane of Dressmaking.

Slack time, that is, suspension or part time employment, had always prior to the war been the bane of the dressmaking trade. So general was this that dressmakers were not admitted to our provident tables until 1920 when an experiment was made of allowing them to take one unit of unemployment benefit, namely 6s., for a penny. This was done because it was felt that the altered working conditions were stabilising the occupation. In a pamphlet entitled "Steady Employment for Girls in the Dressmaking, Ladies' Tailoring, Millinery and Allied Trades," issued by the London Employers' Sub-Committee (the forerunner of the London Employers' Association) in July, 1917, and which I shall have occasion to quote again in regard to slack time, states: "It has already been mentioned that during the first year no girl learner will be placed on short time, and every possible effort will be made to prevent those who have served that period from being placed on slack time. By making and remodelling

stock garments and by other means it is anticipated that it will very seldom happen that the girls are unable to draw a full week's wages." In pre-war days slack time has been in operation for as long as six months in the year, which means girls have been partially employed or wholly unemployed during this period. Court dressmakers in the West End of London used to close their workrooms entirely at the end of their season for as long as three months. The slackest time for dressmaking except in holiday resorts is from August to the middle of September, and from February to March. I have prepared a table (*see Schedule "N"*) which gives the figures available in respect of unemployment in the dress-making trade.

Unemployed: 62,583, January, 1921; 20,825, March, 1921.

The first figures are taken from the "Labour Gazette" and show that unemployment which stood at 44,826 in December, 1920, went up to 62,583 in January, 1921, down to 58,235 in February 1921, and slumped down to 20,825 in March. These figures are borne out also by our records of our members unemployed in the London area, which were 431 in January, 1921, and were down to 52 in March.

General Trades, 14 per cent. Unemployed. Dress-making, 10·4 per cent.

The national figures of the union for unemployed women were 1,506 January, 806 in March. Apart from that period it will be noticed that the figures of unemployment are fairly steady and are actually below the percentage of unemployment for all trades. From March to October the average month's percentage of unemployment in general trades is 14 per cent., and for Dressmaking 10·4 per cent. One is driven to the conclusion therefore that what unemployment there is, is due almost entirely (if not entirely) to the state of trade, and the month's percentage seems to show that this occupation is in fact better off than most trades in that respect.

Another factor which may make for unemployment in the Dressmaking has been the improvement in making up by the wholesale trade. This tendency was noticeable in pre-war days, but war conditions have helped the ready-to-wear trade enormously.

Employers Adjusted Cost of Materials but not Labour Costs.

26. It is no doubt true that in the case of those employers who did little or nothing to improve conditions for their workers during the war, and ignored Statutory Rules and Orders 357, the decision of the Trade Board came as a blow and caused dislocation, but those employers had ample warning and had years of favourable trade to adjust working conditions. The cost of some materials from which dresses were made had advanced up to 300 per cent. The public paid these increased charges and the employer has no one but himself to blame if he did not adjust the cost of labour at the same time that he adjusted the cost of materials. As I show later on the employers were enjoying ample profits, and the necessary adjustments could have been made without any hardship whatsoever.

A questionnaire which the Drapers' Chamber of Trade sent out in July, 1920, copy of which is given in Schedule "O" (*handed in—not printed.*), asks, "What will be the result to your workers if the present wages are compulsorily increased as proposed?" This is practically an invitation to employers to anticipate the worst, and whatever figures are given by them as a result of that enquiry ought to be treated accordingly. A letter from our Local Secretary at Aberdeen to his local Member of Parliament deals with the charge of unemployment locally in a very effective way. (*See Schedule "P."*)

Learners and Apprentices.

27. For many years there has been a dearth of learners entering the dressmaking workrooms, just as

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there has been a dearth of eligible young people entering the Drapery Trade. The pamphlet issued by the London Employers' Sub-Committee, to which I have already drawn attention, was published with a view to encouraging girls leaving school to enter dressmaking, ladies' tailoring and millinery workrooms. That Sub-Committee formed from amongst important London employers in the trade mentioned, had "given much time and thought to the question how to make workroom life attractive and agreeable." They say "that the conditions of life and rates of wages in the past may not have been so attractive as they should be, but that condition of affairs has now been altered." It was agreed amongst them that each girl entering the trade as a learner would be paid 6s. for the first six months and 8s. for the second six months. There was nothing further laid down in respect to wages, although they did say that she would in time, "if proficient, become a fully-fledged worker responsible for the garments made by her with the help of assistants, improvers and learners; for this she would be paid from 21s. to 30s. according to her ability." Messenger work was to be discontinued when learners had served six months, certain overtime rates were laid down together with a 48-hour week.

This was a voluntary and quite useful attempt on the part of employers in the West End of London to deal with the dearth of learners that had for some years been in evidence. *But what has succeeded in this direction more than anything else is the improvement in wage rates and working conditions which Organisation and the Trade Board have brought into existence.*

Dressmaking Training Classes.

28. The Union has striven in every way to encourage training amongst those entering both Dressmaking and Drapery trades. We are represented with employers upon the L.C.C. Advisory Committee which is dealing with training girls for the Needlework Trades.

There are two types of L.C.C. classes: one the day trade school for girls up to 16 years of age; the other part-time training where learners attend for two periods of three hours each during the employer's time. Part of the Agreement which this Union had with the London Employers' Association in 1918 was that girls should attend these classes during the employer's time without deduction from pay. As will be seen from the Returns of Attendances which I put in to the Committee—see Schedule "Q" (*handed in—not printed*)—there has been no lack of learners attending the classes, in fact there would be a very much greater number if accommodation was available. The Committee has constantly asked for increased accommodation. The effect of learners' rates has been that they are receiving better training and being kept for dressmaking work instead of being used to run errands as formerly when no wages and low wages were paid.

Apprenticeship Broken Down.

29. In the Drapery Trade the system of apprenticeship has broken down. I have been serving along with the General Secretary of the Union, Mr. John Turner, and Miss Mabel Talbot, an ex-President of the organisation, on an Advisory Committee as Union representatives along with representatives of the Wholesale Textile Association, Drapers' Chamber of Trade, and the L.C.C., which anticipated Mr. Fisher's Education Bill by two years. A series of classes of complementary training during the employers' time without deduction from pay were undertaken at the Central School of Arts and Crafts, and a Memorandum on the subject was drawn up and published by the L.C.C. See Schedule "R." (*Handed in—not printed*). We sought to secure the formation of complementary training which would link up the education of the school and the train-

ing the learner should be undergoing in the shop. This scheme, although endorsed by the Drapers' Chamber of Trade, has not yet been operated by them, though it has been received with gladness and adopted in America. Arising out of this and the agreement with the Drapers' Chamber of Trade which I have already dealt with, a form of learners' agreement was drawn and agreed to both by the Drapers' Chamber of Trade and this Union. Schedule "S" (*handed in—not printed*) is a copy of this form of learners' agreement, and, as will be seen, both the Chamber and ourselves were parties to it. Apprenticeship has gone never probably to return. We have sought to have a better instrument in its place. The operation of the scale of wages and working conditions arrived at with the Chamber, a system of learners' agreements and complementary training would have vastly improved the Drapery Trade and made it of increasing service to the public. Unfortunately, trade depression, as I have said, has sadly altered the drapers, and the light of a vision has faded from their eyes. There was a dearth of learners in the dressmaking, and apprenticeship had broken down in the drapery, before ever Trade Boards were proposed to be set up.

Wage by Age and Efficiency.

30. In our first dressmaking agreement with employers' associations it will be noticed that the rates were based upon experience, but in practice this is largely an age matter, because employees enter the occupation soon after leaving school at 14 years of age. It will be noticed that in 1919 wage by age was introduced, and that method has been carried out in subsequent years. It will be noticed, too, that the schedules of wage agreements for drapers' assistants which have already been put in are based upon age plus experience in some cases. The Incorporated Association of Retail Distributors, who put their scales into operation without consultation with this union, had all of them based upon age. The experience which we have goes to show that in recent years the quality of dressmaking has considerably improved. I put this down to two things—first, the general improvement in working conditions; secondly, the system of training which has been going on in the London area.

Killing Hand Craft.

31. Dressmaking is a very highly-skilled occupation, but the struggle between the Ready-to-Wear Trade and the Retail or Bespoke Trade is as keen in women's wear as in men's wear. Low rates of pay can only temporarily keep back the supply of ready-to-wear garments. In fact under-payment by reducing incentive and impoverishing skill will tend to hasten rather than retard the change. If the so-called hand craft is to be kept alive, it can only win through because of the superior craftsmanship of the workers. In this, as in every other occupation, brains are better than poverty. In my opinion, improved wages help to compel improved organisation in the workrooms, and instead of killing the hand craft, the Trade Board may actually be its saviour.

What I have Tried to Show.

32. I have tried to show that as long as pressure was coming from drapers' assistants for improved conditions drapers were in favour of setting up Trade Boards "to provide machinery for the prevention of unrest on the part of employees," but with the depression in trade they changed their minds, and are seeking to use the Dressmaking Trade Board as an excuse for their attitude. I have also tried to show that the charges brought against the Dressmaking Trade Board are generally unfounded.

Trade Board as Excuse for not Discussing Wages.

33. I now want to show that the drapers have used the excuse that a Trade Board is going to be set up

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as a reason for declining to enter into negotiations in respect to wage rates. Extracts from two letters are sufficient proof of this:—

" . . . I beg to inform you that at the meeting of the Council held yesterday the opinion was unanimously expressed that in view of the falling state of trade, and the recent establishment by the Ministry of Labour of two Trade Boards—one to cover the Retail Distribution of Articles of Drapery and Women's and Children's Outfitting, the other to include the Retail Distribution of Articles of Men's and Boys' Outfitting—which Boards will fix the rates of wages for the employees engaged in these trades, no useful purpose would, at the present juncture, be served by the holding of a Conference as suggested in the last paragraph of your letter.

" (Signed) J. R. QUILTER, Sec.

" Drapers' Chamber of Trade.
" Nov. 17th, 1920."

The next is from Mr. Jackson, Secretary of the Incorporated Association of Retail Distributors, and is dated October 25th:—

" . . . I have placed the question before the various firms mentioned in your letter, and I am directed to reply on their behalf, and to say that they do not consider that any good purpose would be served by discussing these matters at the present juncture, when Trade Boards for all sections of the Distributive Trades are either formed or in the process of formation, as it is the function of these bodies to fix minimum rates and working conditions which will be legally operated by the Minister of Labour. . . ."

Thus we are put off when we desire to discuss fair conditions of service with the plea that the Trade Boards will settle things; then a raging, tearing propaganda is waged against Trade Boards. Some employers and employers' associations meet us quite fairly and show us every good will; on the part of others, I am sorry to say all the time covert steps are taken to prevent the organisation of their employees. Even trade education is fostered by some in the hope that it will stave off organisation; thus Mr. Percy Best, of Selfridge's, at the Educational Associations' Conference in London on January 2nd, said: "Every boy and girl entering business or industry should be made to feel that business occupies an important place in the national service. One effect of this would be that trade unions would be turned overboard as soon as the minds of the workers were endowed with self-esteem and a desire for self-development."

The Trade can Afford to Pay.

34. The drapery has always been a wealthy trade and a study of the balance sheets of various companies proves that on the whole they do very well indeed. Schedule "T" is a comparative table of the profits of a few of the important drapery firms (handed in—not printed). In

1914	38 firms	showed a profit of	£1,225,678
1918	39	" " " "	£2,324,475
1920	31	" " " "	£2,333,354

In addition bonus shares have been issued to some shareholders, for example, the Army and Navy Stores converted their 1s. shares into 10s. shares out of the reserve. Harrods in March, 1920, issued a fully-paid ordinary share to existing shareholders in proportion of one new share to every three held. No

wonder Mr. Skinner of John Barker's said "this was a great trade and could afford to pay a living wage."

Suggested Improvements.

35. Improvements in machinery and if necessary amendments to the Trade Boards Act are in my opinion necessary in order (a) to make it possible to include all branches of a trade under one Board and the whole of distribution under one Board.

(b) That though two months may be given for objections to be lodged against the first proposed rates in any trade, that one month should be sufficient time for objections to subsequent proposals to be sent in.

(c) A fortnight should be quite long enough for the Minister of Labour to make up his mind about sanctioning the rates, and where the Minister does not see his way to sanction the rates laid down by the Board he ought to give a reason for so acting, within that period.

(d) Facilities for obtaining at any stage legal advice on questions relevant to their work should be given to the Board, and they should have the opportunity of expressing their views themselves to the Minister's legal adviser.

(e) Inspectors' reports should be available for the Board and it should be possible to ask questions in respect to those reports.

(f) Questions of scope should be referred to the Boards, and where the views of the Boards do not coincide co-ordinating machinery should be set up.

(g) The unions should in my opinion be given power to take cases of non-compliance with the Acts to local courts similar to the local munitions tribunals. I have already given instances of how we have been able to recover wages due to our members under Statutory Rules and Orders, 357. Schedule "U" (handed in—not printed) gives instances of how we have been able to recover wages due to our members under the Trade Boards Acts by application direct to the employer or threat of legal proceedings. But the whole machinery of prosecutions for non-compliance needs simplifying and speeding up in as economical a way as possible. The honest law-abiding employer ought to be safeguarded against the unscrupulous ones. The Ministry takes too long to get a settlement on cases of non-compliance reported to it. In one case we reported on November 18th, 1920, and a settlement was not reached until March 18th, 1921. Another reported February 17th, 1921, was not settled until July 7th, 1921.

(h) In all notices, simplification of language should be aimed at and as little reading matter as possible inserted.

(i) The utmost freedom possible should be given to the Boards and interference from Montagu House reduced to a minimum.

In conclusion, I am of opinion that low rates of pay, particularly in the case of women, are detrimental to the national interest. As bad as underpayment is for men, it is infinitely worse for women, putting as it does the future of the nation in pawn to the present.

For 30 years this Union has striven to organise those employed in distribution, and it has been only partially successful. The state of things which we have shown to exist prior to the setting up of the Trade Board in the Dressmaking Trade, and still exists for those employed in distribution, shows how necessary it is for the law to step in and protect this section of workers against the worst effects of our economic system.

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[Continued.]

SCHEDULE A.

Instances of Low Wages in the Drapery Trade.

Age.	Position.	Department.	Experience.	Wage.	Average Commission and Bonus.	Extra.
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Firm "A." Date, March, 1920.

WOMEN.

28	1st assistant ...	Lace ...	9 years ...	£ 55 0 0 per ann.	£ s. d.	Live in.
25	1st " ...	" ...	8 " ...	50 0 0 "	—	"
26	1st " ...	" ...	6 " ...	1 14 0 month	—	Dinner and tea
16	Assistant " ...	Haberdashery	1½ " ...	0 10 0 "	—	Live in.
18	" ...	"	2 " ...	0 10 0 "	—	"
19	" ...	"	3 " ...	0 13 6 "	—	"
22	" ...	Furniture ...	4½ " ...	1 0 0 week	—	"
24	" ...	Counting house	7 " ...	0 15 0 "	—	"

MEN.

20	Salesman ...	Curtains ...	1 year ...	1 10 0 week	—	Dinner and tea.
29	" ...	Drapery ...	9 years ...	80 0 0 per ann.	—	" "

Firm "B." Date, June, 1920.

MEN.

26	Salesman ...	—	—	2 5 0 week	—	—
30	Window dresser ...	—	—	1 15 0 "	—	—
30	Assistant ...	—	—	2 0 0 "	—	—
30	" ...	—	—	1 15 0 "	—	—
18	" ...	—	—	1 0 0 "	—	—
	Stock-keeper ...	—	—	2 7 6 "	—	—

WOMEN.

21	1st assistant ...	Art needlework	—	25 0 0 year	0 5 0 com	Live in.
24	2nd " ...	"	—	0 15 0 week	0 5 0 "	"
18	"	Lace ...	—	2 10 0 month	0 5 0 "	"
19	"	Haberdashery	—	1 5 0 "	—	—
27	Assistant ...	—	—	1 5 0 week	—	Dinner and tea.
28	" ...	—	—	1 5 0 "	—	" "

Firm "C." Date, May, 1920.

MEN.

21	—	Hosiery ...	24 years ...	0 17 6 week	—	Live in.
53	Shopwalker ...	—	37 " ...	3 0 0 "	—	—
58	" ...	—	30 " ...	1 4 0 "	1 15 0 bonus	—
25	Assistant ...	Wholesale ...	17 " ...	1 15 0 "	0 10 0 "	—
18	" ...	Furnishing ...	2½ " ...	0 12 6 "	0 7 0 "	—
35	" ...	Ironmongery ...	—	1 10 0 "	—	Dinner and tea.

WOMEN.

18	1st assistant ...	Gloves ...	6 months	1 0 0 week	0 9 0 com.	Live in.
32	Assistant ...	"	6 years ...	1 0 0 "	0 5 6 "	"
21	" ...	Haberdashery	4½ " ...	0 12 6 "	0 1 0 "	"
21	" ...	"	—	0 12 0 "	0 1 0 "	"
31	1st assistant ...	"	17 years ...	57 0 0 per ann.	0 15 0 "	"
24	Assistant ...	Ironmongery ...	3 months	1 1 0 week	0 5 0 "	—
21	Assistant ...	Hosiery ...	—	0 17 0 "	0 16 0 "	—
24	" ...	Fancy ...	—	0 14 0 "	0 5 0 "	Live in.
32	" ...	Dresses ...	—	0 12 0 "	0 8 0 "	"
32	" ...	Underclothing	—	35 0 0 per ann.	1 5 0 "	—
37	" ...	Wholesale ...	—	0 6 0 week	0 9 0 "	Live in.
	" ...	—	—	0 15 0 "	0 5 0 "	"

Firm "D." Date, July, 1919.

MEN.

32	Packer ...	Despatch ...	4 years ...	1 16 0	—	—
26	" ...	"	11 " ...	1 11 0	—	—
17	Assistant ...	Fur ...	1 year ...	0 14 0	—	—
26	" ...	Shirt ...	12 years ...	1 12 0	—	—
62	Head clerk ...	Country Hs. ...	25 " ...	2 0 0	—	—
64	1st salesman ...	Floorcloths	39 " ...	2 2 0	—	—
45	Assistant ...	Sheeting ...	20 " ...	3 0 0	—	—
54	—	—	16 " ...	2 7 0	—	—

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[Continued.]

SCHEDULE A—continued.

Firm "D." Date, July, 1919—continued.

MEN—continued.

Age.	Position.	Department.	Experience.	Wage.	Average Commission and Bonus.	Extra.
35	Assistant ...	Hosiery ...	14 " ...	£ s. d. 2 9 0	£ s. d. —	—
46	" ...	Underclothing	3½ " ...	2 13 0	—	—
27	" ...	Muslins	10 " ...	1 15 0	—	—
25	" ...	Ready-made	10 " ...	1 8 0	—	—
18	" ...	Haberdashery...	2½ " ...	1 2 0	—	—
30	" ...	Boots ...	—	2 2 0	—	—
44	" ...	Export	—	2 3 0	—	—
38	Assistant storekeeper	—	14 years ...	2 10 0	—	—
19	Clerk ...	Entering	—	1 5 0	—	—
17	" ...	"	—	0 16 0	—	—
36	" ...	"	16 years ...	2 0 0	—	—
36	Silk orderman	"	—	2 3 0	—	—

WOMEN.

20	Packer ...	—	—	0 17 0	—	—
19	" ...	—	—	0 19 0	—	Dinner and tea.
21	Assistant ...	Fancy ...	—	1 4 6	—	" "
20	" ...	"	—	1 0 0	—	" "
23	" ...	Haberdashery...	—	0 18 0	—	" "
29	" ...	Boots ...	—	0 18 0	—	" "
21	" ...	"	—	0 14 2	—	" "
26	" ...	Haberdashery...	—	1 5 0	—	" "
20	" ...	Pattern	—	0 19 0	—	—
28	" ...	Stockkeeper	—	1 4 0	—	—
30	" ...	Lace ...	—	0 18 0	—	—
22	" ...	Boots ...	—	0 19 0	—	—
21	" ...	Linen ...	—	0 19 0	—	—
34	" ...	Underclothing	—	1 3 0	—	—
27	" ...	Fur ...	—	0 18 0	—	—
24	" ...	Flannel	—	1 1 0	—	—

Firm "E." Date, July, 1919.

MEN.

27	Assistant ...	Ribbons ...	10 years ...	100 0 0 per ann.	15 0 0 bonus.	Live in.
20	" ...	Baby linen	5 " ...	60 0 0 " "	15 0 0 " "	" "
25	" ...	Sports ...	5½ " ...	40 0 0 " "	15 0 0 " "	" "
23	" ...	"	5 " ...	40 0 0 " "	15 0 0 " "	" "
29	" ...	Dresses	12 " ...	65 0 0 " "	15 0 0 " "	" "
25	" ...	Curtain	9 " ...	75 0 0 " "	15 0 0 " "	" "
43	" ...	Mantle	28 " ...	1 9 0 per week	0 8 0 " "	Live out.
20	" ...	Linen ...	5 " ...	30 0 0 per ann.	15 0 0 " "	Live in.
23	" ...	Shirts ...	5 " ...	120 0 0 " "	15 0 0 " "	" "
41	Packer ...	—	—	1 10 0 per week	0 8 0 week.	Live out.
36	" ...	—	—	1 10 0 " "	0 8 0 " "	" "
27	" ...	—	—	1 2 0 " "	0 8 0 " "	" "
23	" ...	—	—	1 0 0 " "	0 8 0 " "	" "
49	" ...	—	—	1 0 0 " "	0 8 0 " "	" "
26	" ...	—	—	1 2 0 " "	0 8 0 " "	" "
21	Assistant ...	Linen ...	5 years ...	55 0 0 per ann.	15 0 0 per ann.	Living in.
26	" ...	"	7 " ...	50 0 0 " "	15 0 0 " "	" "
33	" ...	"	4 " ...	40 0 0 " "	15 0 0 " "	" "
24	" ...	"	1 " ...	20 0 0 " "	15 0 0 " "	" "
26	" ...	Underclothing	2 " ...	40 0 0 " "	15 0 0 " "	" "
22	" ...	Hosiery	7 " ...	30 0 0 " "	7 10 0 " "	" "
24	" ...	Nets ...	6 " ...	40 0 0 " "	15 0 0 " "	" "
25	" ...	Mantles	3 " ...	40 0 0 " "	15 0 0 " "	" "
28	" ...	Skirts ...	3 " ...	45 0 0 " "	15 0 0 " "	" "

Firm "F." Date, May, 1919.

WOMEN.

45	Assistant ...	Wool ...	2½ " ...	0 26 0 week	—	Dinner and tea.
41	" ...	Hosiery	1 " ...	0 23 0 " "	—	" "
31	" ...	"	1 " ...	0 15 0 " "	—	" "
31	" ...	"	—	0 25 0 " "	—	" "
29	" ...	Fancy ...	12 " ...	66 0 0 per ann.	—	" "
26	" ...	"	12 " ...	0 26 0 week	—	" "
25	" ...	Foreign	6 " ...	0 19 0 " "	—	" "
21	" ...	"	—	0 20 0 " "	—	" "

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[Continued.]

SCHEDULE A—continued.

Firm "F." Date, May, 1919—continued.

MEN.

Age.	Position.	Department.	Experience.	Wage.	Average Commission and Bonus.	Extra.
64	Assistant ...	Dresses ...	30 years ...	£ s. d. 0 42 0 week	£ s. d. —	Dinner and tea.
27	" ...	" ...	8 " ...	0 40 0 "	—	" "
28	" ...	Silks ...	12 " ...	95 0 0 per ann.	—	" "
23	" ...	" ...	5 " ...	0 25 0 week	—	" "
25	" ...	Trimmings ...	5 " ...	60 0 0 per ann.	—	Living in.
23	" ...	Scotch ...	9 " ...	60 0 0 "	—	" "
29	" ...	Linen ...	29 " ...	0 50 0 week	—	" "
36	" ...	Tailoring ...	18 " ...	0 42 0 "	—	Dinner and tea.
56	" ...	Entering ...	" ...	0 33 0 "	—	" "
43	" ...	Drapery ...	13 " ...	0 30 0 "	—	" "
32	" ...	Entering ...	17 " ...	0 40 0 "	—	Living in.
26	" ...	" ...	6 " ...	0 37 6 "	—	Dinner and tea.
31	" ...	Prints ...	13 " ...	0 50 0 "	—	" "
55	" ...	Straws ...	18 " ...	0 45 0 "	—	" "
26	" ...	" ...	—	0 30 0 "	—	" "

Firm "G." Date, November, 1919.

WOMEN.

20	Assistant model ...	—	2 years ...	30 0 0 per ann.	—	Living in.
20	" ...	—	2 " ...	35 0 0 "	—	" "
31	1st assistant ...	—	15 " ...	90 0 0 "	—	Dinner and tea.
20	Model ...	Showroom ...	4 " ...	25 0 0 "	—	" "
28	Assistant ...	Tea room ...	2 " ...	20 0 0 "	—	Living in.
21	" ...	Millinery ...	8 " ...	25 0 0 "	—	Dinner and tea.

Firm "H." Date, April, 1920.

WOMEN.

20	Cashier ...	—	3 years ...	0 20 0 week	av. Nil.	Dinner and tea.
22	1st assistant ...	Lace ...	10 " ...	0 27 0 "	0 8 0 week	Nil.
22	Assistant ...	Boots ...	4 " ...	0 25 0 "	0 3 6 "	" "
26	" ...	Costumes ...	9 " ...	0 30 0 "	0 7 0 "	" "
21	" ...	Country orders ...	—	0 27 6 "	Nil.	" "
21	" ...	Needlework ...	5 " ...	0 25 0 "	0 3 0 "	" "
32	" ...	Dresses ...	8 " ...	0 27 6 "	—	" "

Firm "I." Date, January, 1920.

MEN.

31	Assistant ...	Drapery ...	5 years ...	1 10 0	0 15 0 week	Dinner and tea.
30	" ...	" ...	14 " ...	2 0 0	0 15 0 "	" "
34	" ...	" ...	16 " ...	2 0 0	0 15 0 "	" "
26	Window dresser ...	—	12 " ...	2 5 0	Nil.	Nil.
49	Porter ...	—	3½ " ...	1 10 0	"	Dinner and tea.
29	Returns clerk ...	—	8 " ...	2 0 0	"	" "
53	Shopwalker ...	—	38 " ...	3 0 0	"	" "
59	" ...	—	40 " ...	3 0 0	"	" "
30	Assistant ...	Silks ...	14 " ...	2 0 0	"	" "
26	" ...	Soft furnishing ...	7 " ...	2 0 0	0 17 3 week	Dinner and tea.

Firm "J." Date, March, 1920.

MEN.

23	Assistant ...	Clothing ...	7 years ...	2 8 0	0 10 0 week	—
22	" ...	Haberdashery ...	5 " ...	1 13 0	15 0 0 per ann.	Dinner and tea.
22	" ...	Ironmongery ...	7 " ...	2 0 0	0 10 0 week	—
29	" ...	—	9 " ...	2 15 0	—	—
25	Clerk ...	—	7 " ...	2 5 0	—	—

WOMEN.

25	1st assistant ...	Millinery ...	9 years ...	1 15 0 month	0 14 0 month	Live in.
22	Assistant ...	" ...	12 " ...	2 5 0 "	0 8 0 "	" "
26	" ...	" ...	" ...	2 0 0 "	0 7 0 "	" "
23	" ...	Flowers ...	5 " ...	1 15 0 "	0 4 0 "	" "
20	" ...	Sweets ...	5 " ...	1 5 0 "	0 2 6 "	" "
21	" ...	Underclothing ...	5 " ...	1 5 0 "	1 10 0 "	" "
30	" ...	Drapery ...	8 " ...	2 5 0 "	0 10 0 "	" "

10 January, 1922.]

Mr. P. C. HOFFMAN.

[Continued.]

SCHEDULE B.

SPECIMEN AGREEMENTS.

AGREEMENT ARRIVED AT BETWEEN MESSRS. BOURNE
& HOLLINGSWORTH AND THE NATIONAL AMALGAMATED
UNION OF SHOP ASSISTANTS, WAREHOUSEMEN
AND CLERKS.

February 5th, 1920.

MINIMUM WAGE RATES—

ASSISTANTS (ALL DEPARTMENTS).

Age.	Men.	Women.
Learners— 16 rising $\frac{1}{2}$ yearly ...	s. d. 22 6	s. d. 18 0
Juniors— 18 years ...	35 0	28 0
19 " ...	42 0	33 6
20 " ...	48 0	38 6

ASSISTANTS WITH THREE YEARS' EXPERIENCE.

Age.	Men.	Women.
21 years ...	s. d.	s. d.
22 " ...	55 0	44 0
23 " ...	57 6	46 0
24 " ...	60 0	48 0
25 " ...	62 6	50 0
26 " ...	65 0	52 0
27 " ...	67 6	54 0
28 " ...	70 0	56 0
Shopwalkers and window dressers.	72 6	58 0
	85 0	68 0

Assistants dressing window—5s. above minimum rates.

PACKERS, WAREHOUSEMEN AND SKILLED PORTERS.

Age ...	16	17	18	19	20	21	—
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
Men ...	24 0	29 0	35 0	37 6	40 0	50 0	—
Women ...	20 0	24 0	28 0	30 0	32 0	41 0	—
Age ...	22	23	24	25	26	27	28
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Men ...	53 0	56 0	59 0	62 0	65 0	68 0	71 0
Women ...	43 6	46 0	48 0	50 6	53 0	55 6	58 0

UNSKILLED PORTERS, MESSENGERS AND LIFTMEN.

Age ...	16	17	18	19	20	21	—
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
Men ...	24 0	29 0	35 0	37 6	40 0	45 0	—
Women ...	20 0	24 0	28 0	30 0	32 0	41 0	—
Age ...	22	23	24	25	26	27	28
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Men ...	48 0	51 0	54 0	57 0	60 0	63 0	66 0
Women ...	43 6	46 0	48 6	51 0	53 6	56 0	58 0

CLERKS.

Grade (1).

Shorthand Typists, Export Clerks, Pricing Clerks and Ledger Clerks.

Age ...	16	17	18	19	20	21	—
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
Men ...	28 0	33 0	38 0	43 0	48 0	56 0	—
Women ...	23 0	27 0	31 0	35 0	39 0	46 6	—
Age ...	22	23	24	25	26	27	28
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Men ...	59 0	62 0	65 0	68 0	71 0	74 0	77 0
Women ...	48 0	51 0	53 0	55 0	57 6	59 6	63 0

Grade (2).

Typists (Copyists), Checkers, Telephone Operators, Desk Cashiers, Goods and Dispatch Clerks.

Age ...	16	17	18	19	20	21	—
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	
Men ...	25 0	30 0	35 0	40 0	45 0	53 0	—
Women ...	20 0	24 0	28 0	32 0	36 0	42 6	—
Age ...	22	23	24	25	26	27	28
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Men ...	56 0	59 0	62 0	65 0	68 0	71 0	74 0
Women ...	45 0	49 0	50 0	52 0	54 6	56 6	60 0

Night Watchmen, Doormen and Gatemen—6s. per week.

Foremen, Forewomen, Clerks in Charge and Stock-keepers—10s. above minimum rates.

Assistant Stock-keepers and Charge Hands—5s. above minimum rates.

WORKING CONDITIONS.

Weekly Payment.—That employees are to be given the option of recovering their minimum wage weekly, but the accounts in respect to salary and commission will be made out monthly, and any difference that may be due to make up their minimum rates will be added thereto.

Living-in.—That living in or out be optional. That a deduction of 20s. be made for adult assistants who live in entirely, and 10s. for those adults who have dinner and tea in. That there be for those employees who desire to live in a committee elected to help control living-in conditions along with the firm's representatives. That during the meal interval assistants be allowed to leave the premises, and suitable sitting-out accommodation be provided on the premises.

Hours.—That there be a maximum working week of 48 hours, and all time worked over this to be paid for at the rate of time and a half, to be arranged within two or three months.

Work done Sundays and statutory holidays to be paid for at double-time rates.

Holidays.—That there be one day's holiday for each month's full service up to 12 days for 12 months' service, with full pay. That during the holiday period an allowance be made in addition to wages, 12s. 6d. for those who live in entirely and those who board in.

In the case of those assistants whose wages are supplemented by premiums or commission, payment during holiday shall not be less than the minimum wages.

Sickness.—The firm desire to place on record their opinion that the National Health Insurance funds are not properly administered, and that if they were allowed to administer the funds contributed by themselves and the employee they could pay full wages for six weeks during sickness.

10 January, 1922.]

Mr. P. C. HOFFMAN.

[Continued.]

The firm are prepared to consider any scheme which may be brought forward by the union to deal with the question of payment of wages during sickness. In the meantime, they agree to pay one week's wages to married men on production of a doctor's certificate.

Scottish Retail Drapers' Federation.

STATEMENT SHOWING SCALE OF WAGES AND CONDITIONS OF LABOUR AGREED UPON BETWEEN THE SCOTTISH RETAIL DRAPERS' FEDERATION AND THE NATIONAL AMALGAMATED UNION OF SHOP ASSISTANTS, WAREHOUSEMEN AND CLERKS AS MINIMUM RATES FOR ASSISTANTS IN RETAIL DRAPERY BUSINESS.

Scale of Wages Applicable to Retail Drapery Salespeople in the Cities of Edinburgh, Glasgow and Dundee.

Age not less than	Period of Experience.	Men.	Women.
		<i>s. d.</i>	<i>s. d.</i>
16	1st Year	20 0	20 0
17	2nd "	24 0	24 0
18	3rd "	30 0	28 0
19	4th "	36 0	30 0
20	5th "	43 0	32 0
21	6th "	50 0	35 0
22	7th "	52 6	37 6
23	8th "	55 0	40 0
24	9th "	57 6	42 6
25	10th "	60 0	45 0

In the case of all other towns and districts in Scotland the rate of wages shall be the above rate less 10 per cent.

In the case of assistants entering the trade aged 17 or 18, the rate of wages shall be that applicable to age 16, and in the case of those entering the trade at a later age, the wage shall be that applicable to the age of two years earlier. This shall apply to assistants up to age 21 years. In no case, however, shall the minimum commencing wage be higher than that applicable to age 19. The wages thereafter for the next three years shall be paid at the successive annual rates above-noted, but all late entrants shall automatically be put on to the prescribed rate after three years' service.

Commission shall be reckoned as part of wages. If the average of wages and commission over each period of 13 weeks falls below the prescribed rate, the difference shall be paid to the assistant.

The above rates shall also be applicable to clerks, packers, mail order assistants, parcel sorters, stock-room assistants, porters and lift operators up to the age of 21, when the minimum scale for this class of assistants shall end—wages thereafter to be paid according to ability.

Notwithstanding the above scale, assistants presently earning more than the above rate shall not suffer any reduction in their present rate of remuneration while in the service of the same employer.

Nothing in this agreement shall prevent employers paying higher rates to specially competent assistants. The period of service, and age of each employee at the trade, shall be vouched by proper credentials from the employer under such a scheme as may be mutually adjusted.

The maximum employment shall be 48 hours per week exclusive of meal hours.

Notwithstanding the above scheme, it shall be competent to pay wages at a lower scale than the above in the case of sub-normal workers at present in the trade, such lower rate to be as may be agreed in each case between the representative of the Employers' Federation and the Assistants' Union.

Not less than 10 days' summer holidays with pay in the case of workers who have been 12 months in the continuous employment of a firm shall be given. Wages shall be paid also in respect of statutory holidays. In the case of assistants having less than 12 months' continuous service with the firm, holidays shall be dealt with proportionately. This arrangement, however, shall not alter the present practice in Glasgow and Edinburgh, of giving two weeks' summer holidays with pay.

This agreement shall continue in force for nine months from 1st January, 1920, or until the fixing of a scale by the Trade Board for the drapery distributive trade, whichever of these may be the earlier. The agreement shall not terminate as at said first period, but shall continue thereafter unless two months' notice of termination be given by either party. It is made without prejudice to the right of employers to submit to said Trade Board that a lower scale of wages should be fixed.

This agreement, notwithstanding the date hereof, shall come into operation on 1st January, 1920.

Glasgow, 5th February, 1920.

28th August, 1920.

AGREEMENT BETWEEN MESSRS. CHARLES RATTRAY & COMPANY, LTD., CANDLEBRIGGS, GLASGOW (WHOLESALE DRAPERS), AND THE NATIONAL AMALGAMATED UNION OF SHOP ASSISTANTS, WAREHOUSEMEN AND CLERKS.

1. SALESMEN, CLERKS, MALE PATTERN ROOM WORKERS, SPECIAL ORDERMEN.

Age	...	16	17	18	19	20	21	22	23	24	25	26
Men	...	21s.	25s.	30s.	37s.	44s.	50s.	55s.	60s.	66s.	76s.	85s.
Women	...	20s.	24s.	28s.	33s.	38s.	43s.	48s.	53s.	58s.	63s.	68s.

2. PACKERS.

Age	...	18	19	20	21	22	23	24	25	26
Men	...	40s.	44s.	48s.	52s.	56s.	60s.	66s.	70s.	75s.
Women	...	30s.	33s.	36s.	40s.	43s.	46s.	49s.	52s.	55s.

3. HOISTMEN, PORTERS, CLEANERS, COLLECTORS.

Age	...	16	17	18	19	20	21	22	23	24	25	26
Men	...	21s.	25s.	29s.	33s.	37s.	42s.	46s.	50s.	54s.	58s.	62s.
Women	...	20s.	22s.	24s.	27s.	30s.	34s.	38s.	42s.	46s.	50s.	54s.

This scale to be without prejudice to those at present in receipt of higher rates.

The above scale to remain in force till 1st January, 1921, after which date three months' notice to be given by either side of a request for consideration.

Signed on behalf of Messrs. Chas. Rattray & Company, Ltd.,

WILLIAM TAIT,
Secretary.

Signed on behalf of the National Amalgamated Union of Shop Assistants, Warehousemen & Clerks,

WILLIAM FRASER,

THOS. WILSON,

Organisers.

10 January, 1922.]

Mr. P. C. HOFFMAN.

[Continued.]

THE LONDON EMPLOYERS' ASSOCIATION.

Schedule of Minimum Rates of Pay and Conditions of Employment for Distributive Workers.

The Parties to this Agreement are:—

1. The London Employers' Association, Ltd., and
2. The National Amalgamated Union of Shop Assistants, Warehousemen and Clerks.

November, 1921.

20, Berners Street,
London, W.1.HERBERT KAY,
Secretary.

MINIMUM RATES OF PAY.

1. ASSISTANTS AND CLERKS.

Males.		Females.	
Age.	Per maximum working week of 48 hours.	Age.	Per maximum working week of 48 hours.
	<i>s. d.</i>		<i>s. d.</i>
16	22 0	16	17 0
17	26 0	17	21 0
18	33 0	18	27 0
19	39 0	19	30 0
20	47 0	20	33 0
21	55 0	21	36 0
22	58 0	22	38 0
23	61 0	23	42 0
24	65 0	24	45 0
25	68 0		

1A. PACKERS. (Viz., experienced men whose work is mainly packing).

Males.		Females.	
Age.	Per maximum working week of 48 hours.	Age.	Per maximum working week of 48 hours.
	<i>s. d.</i>		<i>s. d.</i>
16	22 0	16	17 0
17	26 0	17	21 0
18	33 0	18	27 0
19	39 0	19	30 0
20	47 0	20	33 0
21	55 0	21	36 0
22	58 0	22	38 0
23	61 0	23	41 0
24	66 0		

2. PORTERS. (Occasional packing does not entitle any employee to be classed as a packer.)

Males.		Females.	
Age.	Per maximum working week of 48 hours.	Age.	Per maximum working week of 48 hours.
	<i>s. d.</i>		<i>s. d.</i>
16	21 0	16	17 0
17	25 0	17	21 0
18	32 0	18	27 0
19	38 0	19	29 0
20	44 0	20	32 0
21	51 0	21	34 0
22	53 0	22	36 0
23	55 0	23	38 0
24	60 0		

Note.—This Schedule was formulated by the employers when the cost of living stood at 120 per cent. above 1914, as shown by the "Labour Gazette" on 1st September, 1921, and was agreed with the Union in November, 1921, when the figure stood at 103 per cent. above 1914.

Conditions of Employment.

3. The rates of pay and conditions of employment set out in this agreement are *minima*, and do not prevent the payment of higher rates of wages, or the operation of better conditions of employment.

4. The above minimum rates are on the basis that neither board nor lodging is provided by the employer.

5. The above rates shall apply only to able-bodied employees who are not suffering from any physical defect which would impair their efficiency. The cases of employees who are not able-bodied or who have had no previous experience of the work in question shall be dealt with by agreement between the parties, and such rates shall be fixed as are reasonable, having regard to the circumstances of each individual case.

6. *Overtime*.—That overtime rates shall be equivalent to time and a half after 48 hours have been worked in any one week. Where the normal working week is under 48 hours ordinary time rates to be paid up to 48 hours. Payment for work done on Sundays and/or Bank Holidays to be equivalent to double time. Overtime to be paid exclusive of meal times.

7. *Hours*.—That the maximum working week shall be one of 48 hours, exclusive of overtime. Any employee working above these hours may by mutual arrangement be given time equivalent on the overtime basis to the excess worked in lieu of payment.

8. *Bank Holidays*.—All Bank and Public Holidays to be allowed at ordinary rates of pay, unless working, when Clause six will apply.

9. *Summer Holidays*.—Six days' annual holiday with full pay after six months' service before 1st August or usual holiday period, and twelve days' annual holiday with full pay after twelve months' service before 1st August or usual holiday period, if in the employ of the firm at the holiday period.

10. *Board and Lodging*.—That when dinner and tea or board and lodging are provided, a deduction shall be made as follows:—Dinner and tea, 10s. per week. Board and lodging, 20s. per week.

11. *Board and Lodging Allowance during Holidays*.—That the allowance when on holidays to employees who are provided with dinner and tea, or who live in, shall be as follows (Statutory and Public Holidays not included): Board only, 10s. per week. Board and lodging, 12s. 6d. per week. Provided always that the wages payable during holidays—including these allowances—shall not be less than the appropriate minimum rate.

12. *Living-in*.—That where the living-in system exists there shall be option to the workers to live out, if they so desire, by giving one week's notice.

13. *Alterations in rates of pay due to birthdays* to be made quarterly as from the first Monday in January, first Monday in April, first Monday in July, first Monday in October, as the case may be, with no back pay.

14. The above rates and conditions of employment are to apply only to those members of the Association who are parties to the Agreement, and to their employees in the area comprising the City of London and Metropolitan Police District.

15. *Date of Payment and Period of Agreement*.—The rates fixed by this Agreement shall be payable by the firms affected on the first pay day following 1st December, 1921, and the Agreement may be reviewed after 31st March, 1922, by either party giving one month's notice after that date.

10 January, 1922.]

Mr. P. C. HOFFMAN.

[Continued.]

SCHEDULE C.

SCHEDULE OF MINIMUM RATES OF WAGES FOR SHOP ASSISTANTS AND OTHERS.

As APPROVED AND ADOPTED BY THE COUNCIL OF THE DRAPERS' CHAMBER OF TRADE ON 20TH APRIL, 1920.

In relation to this Schedule there shall be Four Groups of Towns, based on the Ministry of Labour returns in regard to cost of living,

1. The Group of Towns where the cost of living is lowest.

This basic rate applies to this Group.

BASIC RATE FOR GROUP 1.

LEARNERS.		Male.		Female.	
Age.		s.	d.	s.	d.
15	1st 6 months	12	6	10	0
	2nd "	15	0	12	0
16	3rd "	17	6	14	0
	4th "	20	0	16	0
17	5th "	22	6	18	0
	6th "	25	0	20	0

2/6 per week added to pay for travelling where distance justifies it.

JUNIORS (after three years' term as Learners, but not to be regarded as Juniors until 18).

Age.		Male.		Female.	
		s.	d.	s.	d.
18	...	35	0	28	0
19	...	40	0	32	0
20	...	45	0	36	0

ASSISTANTS AND DEPARTMENTAL CLERKS.

Age.		Male.		Female.	
		s.	d.	s.	d.
21	...	47	6	38	0
22	...	50	0	40	0
23	...	52	6	42	0
24	...	55	0	44	0
25	...	57	6	46	0
26	...	60	0	48	0
27	...	62	6	50	0
28	...	65	0	52	0

BOOK KEEPERS, LEDGER CLERKS, SHORTHAND TYPISTS, SPECIAL POSTS.

Age.		Male.		Female.	
		s.	d.	s.	d.
21	...	50	0	40	0
22	...	52	6	42	0
23	...	55	0	44	0
24	...	57	6	46	0
25	...	61	0	49	0
26	...	64	0	51	0
27	...	66	6	53	0
28	...	69	0	55	0

Working Conditions.

1. The principle of Learners' agreement is approved, but in cases where Learners enter the trade between 14 and 15 years of age then for the period intervening between the Learners and Junior stage the Learner shall receive an increase of 5s. for men and 4s. for women per week.

2. The Chamber and the Union shall be signatories to the Learners' agreement, and the form of agreement shall be agreed upon by both parties.

3. Indentures or legal agreements for Learners at present in existence shall not be interfered with.

4. The national minimum rate shall be the Chamber's scale as amended and a sub-committee of the Chamber and the Union shall be appointed for the purpose of setting the districts.

5. In high positions, where equal responsibility obtains, there shall be equal pay, independent of sex.

6. The special rate claimed by the Union of £4 per week for Shopwalkers and Window Dressers specifically employed for the purpose shall be paid, but a schedule of rates for those qualifying for those

2. The next Group of Towns the Rates shall be advanced by 2s. extra.

3. The next Group of Towns the rates shall be advanced by 4s. extra.

4. The next Group of Towns the Rates shall be advanced by 6s. extra (including London).

For Learners in small Country Towns under 5,000 population the rate shall be—Male, 2s. 6d. less.

For Learners in small Country Towns under 5,000 population the rate shall be—Female, 2s. less.

PACKERS: (under 21 years of age) to receive the same rates as Learners and Juniors.

Age.		Male.		Female.	
		s.	d.	s.	d.
21	...	45	0	36	0
22	...	47	0	38	0
23	...	50	0	40	0
24	...	52	6	42	0
25	...	55	0	44	0
26	...	57	6	46	0
27	...	60	0	48	0
28	...	62	6	50	0

PORTERS.

Age.		Male.		Female.	
		s.	d.	s.	d.
16	...	18	0	14	0
17	...	23	0	18	0
18	...	29	0	22	0
19	...	31	0	24	0
20	...	34	0	26	0
21	...	40	0	32	0
22	...	42	6	34	0
23	...	45	0	36	0
24	...	47	6	38	0
25	...	50	0	40	0
26	...	52	6	42	0
27	...	55	0	44	0
28	...	57	6	46	0

Deductions for Living-in, 20/- a week.

Deductions for Dinner and Tea provided, 12/6 a week.

Deductions for Tea provided, 2/6 a week.

positions shall be prepared and agreed between the Chamber and the Union.

7. Late entrants—age 16-21—to commence at agreed rates and arrive at not less than the minimum scale in four periods of six months.

Age over 21—to commence at agreed rates, and arrive at not less than the minimum scale in four periods of three months.

8. Where assistants live in, and it is found convenient and possible, it is recommended that Canteen Committees should be formed, and assistants serve thereon, these being elected by the assistants themselves.

9. No employee shall be paid less than the minimum rates unless an agreement has been made between the Employer and the Union. Exceptional cases shall be arranged between the employer and the Union.

10. General advances applied for, owing to increase in cost of living, shall be dealt with on their merits, due allowance being given for advances already made.

10 January, 1922.]

Mr. P. C. HOFFMAN.

[Continued.]

11. Holidays shall be one day for each month of service, twelve working days in a year, subject to a minimum of three months' service.

12. Wages shall be paid during holidays, such wages to be not less than the minimum.

13. The minimum rates are inclusive of commission or premium, which shall be calculated weekly or monthly, accordingly to the practice of the employer, but in either case not less than the minimum wage shall be paid.

14. Wages during Sickness.—Assistants in the employment of a firm for six months shall be entitled to six days, twelve months to twelve days, and over that eighteen days in any current year, subject to medical certificate. Contracts for the employer to deduct Health Insurance Sick Benefits, received by the employed during sickness, may be made as between employers and employed.

15. Reference.—The employer giving the reference shall send it on to the employer engaging the assistant, and that employer shall file it and keep it for inspection, and for the purpose of removing any doubt from the minds of the assistants the file shall be open for inspection by the fully accredited representatives of employers and employed.

16. That the maximum working week shall be 48 hours (exclusive of meal times). That overtime be time and a half. In cases where the hours are less than 48, overtime to be counted as from 30 minutes after the customary time for the cessation of work, and if more than half an hour be worked, it shall be paid for, as the first full hour at the overtime rate of time and a half.

This Amended Schedule of Wages and Conditions, based upon the Cost of Living, was adopted by Council of this Chamber, subject to the proviso that it be adopted by the Executive of the Shop Assistants' Union, and shall not be altered unless the Cost of Living varies to a degree warranting reconsideration of the Schedule.

N.B.—10th May, 1920.—This Schedule has been approved by the Executive Council of the Union, but they have not approved the proviso. They agree to the principle that in connection with any agreements come to a reasonable period should elapse—say, six months.

SCHEDULE D.

THE INCORPORATED ASSOCIATION OF RETAIL DISTRIBUTORS.

Schedule of Minimum Rates of Wages and Conditions of Employment to be operated as from 1st March, 1920.

Learners and Juniors—

Age ...	16	17	18	19	20	21
Men ...	22s. 6d.	27s. 6d.	35s.	42s.	48s.	
Women ...	18s.	22s.	28s.	33s. 6d.	38s. 6d.	

Assistants and Warehousemen (with 3 years' experience)—

Age ...	21	22	23	24	25	26	27	28
Men ...	55s.	57s. 6d.	60s.	62s.	65s.	67s. 6d.	70s.	72s. 6d.
Women ...	44s.	46s.	48s.	50s.	52s.	54s.	56s.	58s.

Ledger Clerks (with 3 years' experience)—

Age ...	21	22	23	24	25	26	27	28
Men ...	55s.	57s. 6d.	60s.	62s. 6d.	65s.	67s. 6d.	70s.	72s. 6d.
Women ...	44s.	46s.	48s.	50s.	52s.	54s.	56s.	58s.

Office, Department and Order Clerks—

Age ...	21	22	23	24	25	26	27
Men ...	53s.	55s.	58s.	62s.	65s.	68s.	
Women ...	42s. 6d.	45s.	48s.	50s.	52s.	54s.	56s.

Despatch Clerks—

Age ...	21	22	23	24	25	26
Men ...	53s.	55s.	58s.	62s.	65s.	68s.
Women ...	42s. 6d.	45s.	48s.	50s.		

Packers—

Age ...	21	22	23	24	25
Men ...	55s.	57s.	60s.	62s. 6d.	65s.
Women ...	41s.	43s. 6d.	46s.	48s.	

Porters and Lift Attendants—

Age ...	21	22	23	24	25	26
Men ...	52s. 6d.	52s. 6d.	52s. 6d.	54s.	57s.	60s.
Women ...	41s.	43s. 6d.				

Shop Walkers and Window Dressers—

Men ...	85s.	Women ...	68s.
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Premiums or Commission to be regarded as part of Salary.

Meals.—10s. per week allowance for meals in. 20s. per week allowance for living-in.

48-hour week.—The above rates are based on a maximum working week of 48 hours, exclusive of meal times.

Overtime.—Time-and-a-half. Double pay for Sundays or by arrangement, as follows—

Men ... 1s. 6d. per hour. Women ... 1s. per hour. Juniors ... 9d. per hour.

Holidays.—To be arranged on the basis of one day for each month's service up to 12 days for 12 months' service, with full pay, and an allowance of 10s. per week for meals to be made.

Illness.—After six months' service payment for sickness up to 12 days in one year be made on production of Doctor's certificate.

T. ERNEST JACKSON,

Secretary.

125, Pall Mall, S.W.

28th February, 1920.

10 January, 1922.]

Mr. P. C. HOFFMAN.

[Continued.]

THE INCORPORATED ASSOCIATION OF
RETAIL DISTRIBUTORS.

MINIMUM WAGE RATES.

July, 1921.

Group 1. Assistants and Clerks.

—	Age.	Rate.	Old Rate.
		<i>s. d.</i>	<i>s. d.</i>
Males ...	16	20 0	25 0
	18	32 0	40 0
	21	52 0	55 0
	25	65 0	65 0
	28	—	72 6
Females ...	16	17 6	21 0
	18	27 6	33 0
	21	42 0	44 0
	25	50 0	52 0
	28	—	58 0

Group 2. Warehousemen, Packers and Skilled Porters.

—	Age.	Rate.	Old Rate.
		<i>s. d.</i>	<i>s. d.</i>
Males ...	16	18 0	25 0
	18	27 6	35 0
	21	50 0	55 0
	25	60 0	65 0
	16	15 0	20 0
Females ...	18	22 6	28 0
	21	40 0	42 6
	25	48 0	52 6

Group 3. Porters, Liftmen and Messengers.

—	Age.	Rate.	Old Rate.
		<i>s. d.</i>	<i>s. d.</i>
Males ...	16	18 0	24 0
	18	26 0	35 0
	21	48 0	52 6
	25	57 0	57 0
	28	—	66 0
Females ...	16	15 0	20 0
	18	21 0	28 0
	21	37 6	41 0
	25	45 0	51 0
	28	—	58 0

Group 4. Cleaners, Dusters and Charwomen.

Females, 21 years ... 35s.

SCHEDULE E.

Circular sent out by Drapers' Chamber of Trade,
March, 1921. (Handed in—not printed.)

SCHEDULE F.

EVIDENCE OF LOW WAGES IN THE DRESSMAKING
TRADE IN THE PERIOD IMMEDIATELY PRECEDING
THE ESTABLISHMENT OF THE TRADE BOARD.

LONDON—WEST END.

Position.	Age.	Wage.	Experience.
		<i>s. d.</i>	
Assistant ...	16	10 0	—
" ...	23	18 0	—
" ...	56	22 0	—
" ...	17	17 0	—
" ...	17	14 0	—
" ...	16	16 0	—
Bodice Hand ...	21	27 0	—
Skirt Hand ...	28	26 0	—
" ...	20	28 0	—
Machinists ...	39	27 0	—

Position.	Age.	Wage.	Experience.
		<i>s. d.</i>	
Assistant ...	30	18 0	7 years.
" ...	18	16 0	4 "
" ...	25	20 0	6 "
" ...	16	15 0	2 "
Skirt Hand ...	31	20 0	7 "
" ...	28	26 0	7 "
" ...	30	23 0	10 "
" ...	32	20 0	—
" ...	30	23 0	—
Bodice Hand ...	23	27 0	9 years.
" ...	26	24 0	12 "
" ...	21	26 0	7 "
" ...	31	25 0	11 "
Assistant ...	21	19 0	6 "
" ...	42	19 0	15 "
" ...	20	18 0	7 "
Bodice Hand ...	26	25 0	12 "
" ...	26	26 0	6 "
" ...	21	22 0	7 "
Assistant ...	—	16 0	6 "
" ...	18	10 0	4 "
" ...	20	16 0	6 "
" ...	39	18 0	22 "
" ...	30	17 0	14 "
" ...	42	17 0	15 "
" ...	27	16 6	12 "
" ...	30	20 0	10 "
" ...	26	24 0	12 "
Bodice Hand ...	27	27 0	12 "
" ...	23	21 0	8 "
" ...	30	26 0	12 "
" ...	26	24 0	4 "
Machinists ...	44	25 0	17 "
Skirt Hand ...	24	21 0	9 "
" ...	34	25 0	18 "
" ...	24	24 0	10 "
" ...	33	27 0	18 "
" ...	28	26 6	13 "
" ...	26	24 0	12 "
" ...	24	21 0	10 "
Assistant ...	18	18 0	4 "
" ...	18	15 0	4 "
" ...	15	12 0	1 "
" ...	21	18 0	7 "
" ...	26	18 0	10 "
" ...	17	15 0	3 "
" ...	16	15 0	2 "
" ...	26	19 0	11 "
" ...	14	9 0	9 months.
Bodice Hand ...	26	24 0	10 years.
" ...	36	25 0	19 "
" ...	20	18 0	6 "
" ...	20	18 0	4 "
Skirt Hand ...	46	20 0	20 "
" ...	35	27 0	20 "
" ...	24	19 0	—
Sleeve Hand ...	39	27 3	20 years.
" ...	40	25 0	27 "
" ...	40	27 0	24 "
Embroideresses ...	24	23 0	10 "
" ...	35	26 0	19 "
" ...	20	18 0	5 "
" ...	27	24 0	13 "
" ...	18	16 0	4 "
Assistant ...	17	14 0	3 "
" ...	20	20 0	5 "
" ...	18	19 0	3 "
" ...	23	21 0	6 "
Bodice hand ...	21	24 0	5 "
" ...	20	23 0	61 "
" ...	25	26 0	81 "
Skirt Hand ...	23	23 0	—
" ...	22	24 0	3 years.
" ...	25	25 0	24 "
" ...	23	23 0	—
Assistant ...	18	17 0	3 years.
" ...	18	12 0	2 "
" ...	17	14 0	2 "
" ...	18	16 0	4 "
" ...	28	19 0	8 "
Improver Apprentice ...	15	10 0	1 "

612 COMMITTEE OF ENQUIRY INTO WORKING AND EFFECTS OF TRADE BOARDS ACTS.

10 January, 1922.]

Mr. P. C. HOFFMAN.

[Continued.]

Position.	Age.	Wage.	Experience.	Position.	Age.	Wage.	Experience.
Improver Apprentice ...	15½	12 0	1½ years.	Bodice Hand ...	21	21 0	—
" " ...	15	8 0	6 months.	" " ...	24	22 6	—
" " ...	15	10 0	1 year.	Bodice Hand ...	33	28 0	—
" " ...	14	8 0	1 month.	" " ...	21	21 0	—
Bodice Hand ...	21	22 0	7 years.	Skirt Hands ...	30	23 0	—
" " ...	21	25 0	7 "	" " ...	34	26 0	—
Skirt Hand ...	22	24 6	8 "	" " ...	38	20 0	—
" " ...	23	25 0	—	" " ...	29	25 0	—
" " ...	20	22 6	6 years.	" " ...	26	21 0	—
Embroideress ...	18	16 6	3 "	Skirt Hand ...	46	27 6	—
" " ...	22	21 0	8 "	" " ...	22	23 5	—
" " ...	29	25 6	15 "	" " ...	25	23 0	—
" " ...	26	23 6	11 "	Bodice Hand ...	21	20 7	—
Improver ...	15	10 0	8 months.	" " ...	20	22 6	—
" " ...	15	10 0	15 "	" " ...	48	23 2	—
Assistant ...	21	19 6	18 "	" " ...	20	7 0	6 yrs.
" " ...	24	22 0	10 years.	" " ...	21	4 6	6 "
" " ...	34	17 0	7 "	" " ...	21	7 6	6 "
" " ...	28	22 0	12 "	" " ...	21	10 0	6 "
Bodice Hand ...	29	30 0	15 "	" " ...	22	10 0	8 "
" " ...	23	23 0	9 "	" " ...	23	12 0	9 "
" " ...	26	23 0	—	" " ...	24	10 0	8 "
Skirt Hand ...	26	23 0	10 years.	" " ...	24	12 0	8 "
Machinist ...	48	21 0	—	" " ...	24	12 6	9 "
Assistant ...	16½	11 0	2½ years.	" " ...	26	12 0	11 "
" " ...	16	14 0	2 "	" " ...	26	15 0	12 "
" " ...	21	21 0	7 "	" " ...	30	12 0	15 "
" " ...	18½	20 0	4½ "	" " ...	30	18 0	10 "
Bodice Hand ...	23	27 0	9 "	Skirt Hand ...	38	16 0	15 "
Skirt Hand ...	23	23 0	9 "	" " ...	30	21 0	15 "
" " ...	24	22 0	—	" " ...	19	8 0	4 "
Assistant ...	17	18 0	3 years.	" " Assistant ...	30	21 0	15 "
Bodice Hand ...	43	24 0	18 "	Bodice Hand ...	28	18 0	14 "
" " ...	29	27 0	12 "	" " ...	18	6 0	4 "
Apprentice ...	14	10 0	—	" " Assistant ...	40	21 0	—
Assistant ...	16	21 0	—	Coat Hand ...	19	6 0	3 yrs.
" " ...	16	23 0	—	Improver ...	15	8 0	11 mths.
Bodice Hand ...	16	26 0	—	Apprentice ...	34	21 0	16 yrs.
" " ...	18	28 0	—	Skirt Hand ...	28	16 6	13 "
Apprentice ...	15	5 0	—	" " ...	20	12 0	5 "
" " ...	18	20 0	—	" " ...	17	8 0	3 "
" " ...	26	18 0	—	Bodice Hand ...	28	21 0	1 yr. 3 mths.
" " ...	22	16 0	—	" " Assistant ...	17	8 0	1 yr.
Bodice Hand ...	27	27 0	—	Apprentice ...	24	20 0	2 yrs.
" " ...	21	23 0	—	Coat Hand ...	19	14 0	11 "
" " ...	23	23 0	—	" " ...	21	12 0	3 "
" " ...	21	18 0	—	" " Assistant ...	17	10 0	1 yr.
Skirt Hand ...	19	21 0	—	Alteration Hand ...	23	17 0	1 yr. 4 mths.
" " ...	40	26 0	—	" " ...	26	20 0	3 yrs.
" " ...	23	23 0	—				
" " ...	40	22 0	—				
" " ...	27	26 0	—				
" " ...	40	24 0	—				
Apprentice ...	14½	8 0	3 months.				
" " ...	14	6 0	—				
Improver ...	16	14 0	—				
" " ...	16	15 0	2 years.				
Bodice Hand ...	28	25 0	13 "				
" " ...	21	20 0	—				
" " ...	27	26 0	12 years.				
" " ...	36	23 0	—				
" " ...	19	22 0	5 years.				
Skirt Hand ...	—	27 0	10 "				
" " ...	—	16 0	—				
" " ...	33	26 0	18 years.				
" " ...	27	24 0	11 "				
" " ...	24	23 0	10 "				
Assistants ...	18	18 0	3 "				
" " ...	19	15 0	—				
" " ...	17	12 0	3 years.				
" " ...	33	15 0	12 "				
" " ...	39	20 0	—				
" " ...	18	14 0	4 years.				
" " ...	19	18 0	1 "				
" " ...	17	14 0	5 "				
" " ...	18	16 0	—				
" " ...	18	14 0	—				
Assistant ...	35	20 0	—				
" " ...	22	19 0	—				
" " ...	25	16 0	—				
" " ...	26	17 0	2½ years.				

War Bonus, 1s. 6d. per week.

10 January, 1922.]

Mr. P. C. HOFFMAN.

[Continued.]

OTHER TOWNS.
(a) EXPERIENCE STATED.

Town.	Experience.	Age.	Wage.
			Per week.
			s. d.
<i>Cambourne.</i>	3½ years.	18	1 6
	4 "	18	6 0
	4 "	18	6 0
	5 "	19	6 6
	5 "	20	6 0
	9 "	23	12 0
	9 "	24	10 0
	10 "	24	12 6
	10 "	24	11 0
	11 "	25	12 0
	12 "	27	15 0
	12 "	27	15 0
<i>Chesterfield.</i>	ys. mths.		
Coat Hand ...	2 1	16	4 0
Skirt Hand ...	— 4	16	8 6
Apprentice ...	— 8	16	—
Bodice Hand ...	1 8	16	5 6
Dressmaking ...	2 6	17	6 0
Bodice Hand ...	5 —	18	11 6
" "	3 6	18	7 0
Skirt Hand ...	5 7	19	13 6
Bodice Hand ...	6 —	19	15 0
Second Hand ...	8 —	21	21 0
Coat Hand ...	8 —	21	19 6
Bodice Hand ...	5 7	21	16 0
Coat Hand ...	8 6	22	20 0
Bodice Hand ...	11 —	24	18 6
Coat Hand ...	13 —	27	25 0
Bodice Hand ...	12 —	30	24 9
Apprentice ...	— 4	15	—
" "	— 1	15	—
Improver ...	1 —	16	5 0
" "	4 —	17	7 0
" "	3 6	17	10 0
Dressmaker ...	3 3	18	9 0
Assistant ...	3 7	19	8 0
" "	5 6	20	11 6
" "	7 —	20	14 6
Bodice Hand ...	8 —	21	14 0
Skirt Hand ...	9 —	23	12 6
Second Bodice Hand	8 6	23	19 0
Second Coat Hand ...	12 5	26	21 0
Coat Hand ...	10 —	26	18 0
<i>Lymington.</i>			
Junior ...	3 6	19	14 0
Junior Assistant ...	2 6	17	14 0
Apprentice ...	1 8	15	2 0
Improver ...	2 6	16	3 9
Apprentice ...	1 —	—	1 0

(b) EXPERIENCE NOT STATED.

Town.	Age.	Wage.	Date.
		s. d.	
Ayr ...	25	15 0	October, 1917.
	29	16 9	
	24	17 0	
	19	17 0	October, 1918.
Ayr ...	19	10 0	October, 1917.
	20	9 6	
	20	7 6	
	23	12 6	
	22	8 0	December, 1917.
Kilmarnock ...	21	11 0	October, 1918.
	28	17 0	
	20	2 6	
	20	7 0	
Cambridge ...	17	10 0	October, 1918.
	32	18 6	
	26	16 6	
	19	12 0	
	18	10 0	
Littlehampton ...	18	15 0	January, 1919.
	22	18 0	
	18	15 0	
	22	15 0	

Town.	Age.	Wage.	Date.
		s. d.	
Nottingham ...	17	13 6	October, 1918.
	17	10 0	
	17	12 0	
	17	5 0	
	16	7 0	
	32	15 0	
	18	10 0	
	20	16 0	
	17	8 0	
	20	18 0	
	24	18 0	
	30	18 0	
	20	15 0	
	24	18 0	
	20	14 0	
	21	18 0	
	37	19 0	
Liverpool ...	49	15 0	April, 1918.
	22	17 0	
	18	10 0	
	23	16 0	
	22	15 0	
	22	13 0	
	25	17 0	
	21	14 0	
	22	14 0	
Ashington ...	23	16 0	August, 1918.
	23	16 0	
Chester-le-Street ...	18	6 0	October, 1918
	18	11 0	
	16	7 6	
Haverford ...	25	13 6	June, 1918.
	29	10 0	
Llanelly ...	22	15 0	June, 1918.
	18	10 0	
Cardiff ...	17	5 0	July, 1918.
	20	3 6	
	19	10 0	
	18	9 6	
Haverfordwest ...	18	5 0	June, 1918.
	25	10 0	
	24	10 0	

SCHEDULE G.

The National Amalgamated Union of Shop Assistants,
Warehousemen and Clerks.

STATEMENT showing Scale of Wages and Conditions of Labour agreed between the Scottish Retail Garment Makers and Millinery Trades' Federation and the National Amalgamated Union of Shop Assistants, Warehousemen and Clerks as Minimum Rates for Retail Dressmakers and Millinery Assistants.

First 6 months—Girls under 15 years of age, 2d. per hour.
Second 6 months—Girls under 15 years of age, 2½d. per hour.
Second year—Girls of 15 years and under 16, 4d. per hour.
Third year—Girls of 16 years and under 17, 4½d. per hour.
Fourth year—Girls of 17 years and under 18, 6d. per hour.
Fifth year—Women of 18 years and under 19, 7d. per hour.
Sixth year—Women of 19 years and under 20, 7½d. per hour.
Seventh year—Women of 20 years and under 21, 7½d. per hour.
Eighth year—Women of 21 years and over, 8½d. per hour.

In the case of learners over 15 years of age entering the industry for the first time the rates shall for the first year be 1d. per hour less than the above rates.

The above minimum rates are to apply to the whole of Scotland. Nothing in this Agreement shall prevent employers paying higher rates to specially competent assistants.

10 January, 1922.]

Mr. P. C. HOFFMAN.

[Continued.]

The period of service and age of each employee at the trade shall be vouched for by proper credentials from the employers, under such a scheme as may be mutually adjusted.

The maximum employment shall be 44 hours per week, exclusive of meal times, with time-and-a-half for overtime. Overtime to start half-an-hour after closing time, said half-hour to be allowed for tea. Where an employee is engaged both as dressmaker or milliner and saleswoman, the working hours shall be the usual shop hours without overtime.

Wages shall be paid in respect of six statutory holidays, together with one week's summer holiday in the case of workers who have been twelve months in the continuous employment of the firm. In the case of workers less than twelve months in the continuous employment of the firm, one half day's holiday, with full pay, shall be granted for every complete month of service. Summer holidays shall be fixed, at the discretion of employers, between 1st July and 30th September.

While it is agreed that the abolition of stand-off-time is meantime impracticable, the employers agree to make the service as continuous as possible. The Employers' Federation, however, will give every assistance in endeavouring to arrange for dressmakers and milliners being included under a scheme of national insurance against unemployment.

One week's notice as to termination of employment on leaving shall be given on both sides.

Employees shall give regular and punctual service, and shall not absent themselves for the purpose of undertaking private or other work.

This Agreement shall be binding until 1st March, 1920, unless notice of the termination of the Agreement is given not later than 1st January, 1920. If such notice is not given, the Agreement shall continue in force year by year thereafter unless notice is given not later than the 1st January in any year.

A Committee of three representatives of employers and three representatives of the employees shall sit in each district to settle from time to time any points arising in connection with the application of this Agreement.

The Agreement, notwithstanding the date hereof, shall come into operation on 7th April, 1919.

JOHN CAMPBELL,
JOHN M. CROSTHWAITE,

On behalf of the Scottish Retail Garment
Makers and Millinery Trades Federa-
tion.

NEIL S. BEATON.

Scottish Organisers, National Amalga-
mated Union of Shop Assistants,
Warehousemen and Clerks.

10th April, 1919.

Dressmakers' Wages.

Terms of settlement made July 3rd, 1917, and accepted by Sir Robert Maule and Mr. Cormack on behalf of the employers and the National Amalgamated Union of Shop Assistants, on behalf of the employees and ratified by their members.

Minimum Wages and Conditions.

Beginners.

1st 6 months ...	6s.
2nd 6 months ...	8s.
4th year ...	15s.
5th " ...	17s.
6th " ...	19s.
7th " ...	20s.
8th " ...	21s.

Improvers.

3rd year ...	10s.
Skilled workers,	
according to	
efficiency,	
21s. to 30s.	

Minimum wage for charge of table, 25s. per week, Hours, 8.30 to 6, or 9 to 6.30. Overtime, time-and-a-half as from half-hour after usual stopping hour.

Holidays as already agreed.

The employers to be willing to take back any old hands who may make application to be reinstated on or before July 11th.

On resumption of work neither employer nor union to make any discrimination against those workers who have left work or remained in.

(Signed) G. R. ASKWITH,

Chief Industrial Commissioner.

SCHEDULES H AND I.

Copies of agreement reached between National Union of Shop Assistants and firms of Drapers (handed in—not printed).

SCHEDULE J.

Statutory Rules and Orders, No. 357 (handed in—not printed).

SCHEDULE K.

Arrears of wages recovered by Shop Assistants' Union under Wages (Temporary Regulation) Act, 1918 (handed in—not printed).

SCHEDULE L.

Comparative Wage Rates for Workers engaged in Dressmaking in London before and after establishment of Trade Board. (Calculated on a working week of 48 hours.)

Grade of worker.	Agreement L.E.A., July, 1918.		Wages (Temporary Regulation) Act, Nov., 1918.		Agreement L.E.A., May, 1919.		Agreement L.E.A., Feb., 1920.		Trade Board, May, 1920.		Trade Board, Nov., 1920.		Agreement L.E.A., July, 1921.		Trade Board, July, 1921.	
	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.
Learners—																
1st 6 months ...	8	0	8	0	8	0	9	0	9	0	—	—	6	0	6	0
2nd " ...	10	0	11	0	11	0	11	0	11	0	—	—	8	0	8	0
3rd " ...	13	0	—	—	—	—	14	0	14	0	—	—	11	0	11	0
4th " ...	16	0	16	0	16	0	17	0	17	0	—	—	14	0	14	0
5th " ...	18	0	—	—	19	0	20	0	20	0	—	—	17	6	17	6
6th " ...	20	0	19	0	—	—	24	0	24	0	—	—	21	0	21	0
7th " ...	22	0	—	—	24	0	28	0	28	0	—	—	25	0	25	0
8th " ...	24	0	24	0	—	—	31	0	31	0	—	—	29	0	29	0
Other workers or Assistants.	24	0	28	0	28	0	34	0	34	0	—	—	34	0	34	0
Qualified or Junior Hands.	28	0	—	—	32	0	37	0	—	—	—	—	38	0	38	0
Fully qualified or Senior Hands.	34	0	—	—	38	0	44	0	—	—	43	0	44	0	43	0

10 January, 1922.]

Mr. P. C. HOFFMAN.

[Continued.]

SCHEDULE M.

List of members of London Employers' Association (*handed in—not printed*)

SCHEDULE N.

Unemployment in Dressmaking Trade.

Month.	No. of Books Lodged at Exchange.	Month's Percentage.	Month's Percentage all Trades.	Union Members, London only.	Union Members— National— all women.
December, 1920	44,826	21.33	5.8	181	—
January, 1921	62,583	39.8	8.2	451	1,506
February, 1921	58,233	28.8	9.5	227	—
March, 1921	20,825	9.9	11.3	52	806
April, 1921	24,472	11.4	15.0	134	—
May, 1921	27,004	13.4	17.3	130	—
June, 1921	25,268	12.91	17.8	130	—
July, 1921	21,134	10.51	14.8	97	918
August, 1921	20,624	10.25	13.15	65	—
September, 1921	19,882	9.9	12.2	36	—
October, 1921	19,728	9.8	12.8	32	—

SCHEDULE O.

Questionnaire issued by Drapers' Chamber of Trade,
July, 1920. (*Handed in—not printed.*)

SCHEDULE P.

Aberdeen.

Mr. Thomas Brown,
22, Bridge Street.

26th July, 1921.

Mr. F. Rose, M.P.

DEAR MR. ROSE,

Re *Employers' Agitation against Trade Boards.*

Referring to our conversation regarding above, on 20th instant, I herewith forward particulars of the methods adopted and the position taken up by Aberdeen employers, with copies of correspondence which has passed between the Minister of Labour and myself regarding same.

When visiting my branches in Banff and Elgin-shires in October, I learned that a petition (copy enclosed) was being placed before the assistants in various shops, chiefly drapers, against Trade Boards. In some cases veiled threats of dismissal if they refused to sign were made, but it is almost impossible to secure satisfactory evidence in such cases.

In other cases, assistants were under the belief that they were signing a petition against the Unemployment Insurance Act.

As those assistants who were members of our union were immediately warned not to sign any petition without first submitting same to their branch for consideration, this attempt appears to have been frustrated.

Just previous to the visit of Dr. Macnamara, statements began to be made in the Aberdeen Press that Trade Boards were causing unemployment, and on the 7th January the "Aberdeen Free Press" made the statement that 400 workers in the dress-making trade of Aberdeen were permanently dismissed or on short time as a result of the Trade Board.

On the 11th January a deputation from the Chambers of Commerce, Aberdeen, met the Minister, at which Baillie Sangster, on behalf of the dress-making trade, made strong statements regarding the paralysing of this industry by Trade Board Regulations.

This particular Trade Board's Regulations had only commenced in September, 1920.

Owing to the number of experienced dressmakers who had taken up war work, an exceptional number

of learners who had been engaged in Aberdeen during the war and since; to give one case only, Miss Bagrie, Union Street, had at May, 1920, six learners to one experienced hand. In addition, it has to be recognised that the method of mass production in the clothing trades has become much more general since 1914 than previously, and consequently the amount of retail bespoke production would be less. In view of these points I contend that, even if unusual unemployment could have been proved in this industry, it was not in consequence of Trade Boards. When I met the Minister of Labour with the deputation from the Trades Council I made this contention, and further stated that in Aberdeen the dressmaking employers, by agreement with the union, were paying considerably higher rates than those fixed by the Trade Board.

So that even if they could prove the rate of wages was crippling the trade (which I do not admit), that would not be proving that the Trade Board rate of wages was injurious.

As to the statement that 400 workers had been dismissed, this is entirely false. At the greatest estimate, there were 600 dressmaking employees in Aberdeen, of which at least 500 were members of this union, and out of the latter only 50 were unemployed at that particular time. Now, only 13 are on our books as unemployed, in spite of a small lock-out of 14 members from Miss Bagrie's two weeks ago because they declined to cease membership in a trade union. One firm (Essiemont & Macintosh) closed down two workrooms permanently in December. The staff of each workroom was immediately engaged *en bloc* by competing firms. This closing down has been quoted as a glaring example of the effects of Trade Board Regulations, ignoring the fact that not a single employee was left unemployed in consequence. Further, at least 20 operative dressmakers have commenced business on their own account since this Trade Board began to operate; in several cases they now employ a fair number of assistants.

I trust these particulars, with the attached correspondence, will assist you to combat the agitation against the Trade Boards, and will be pleased to supply any further information required.

Yours faithfully,

(Signed) THOMAS BROWN,
District Secretary.

SCHEDULE Q.

Returns of attendance at L.C.C. Dressmaking Training Classes, 1918. (*Handed in—not printed.*)

10 January, 1922.]

Mr. P. C. HOFFMAN.

[Continued.]

SCHEDULE R.

Memorandum on the training of Salesmen and Saleswoman prepared by L.C.C. (Handed in—not printed.)

SCHEDULE S.

Copy of form of learnership agreement drawn up by Drapers' Chamber of Trade and N.A.U.S.A.W. & C. (Handed in—not printed.)

SCHEDULE T.

Comparative table of profits in important drapery firms. (Handed in—not printed.)

SCHEDULE U.

Instances of arrears of wages recovered by N.A.U.S.A.W. & C. for members under Trade Boards Act. (Handed in—not printed.)

8292. *Chairman*: Mr. Hoffman, you are the London Organiser of the National Amalgamated Union of Shop Assistants, Warehousemen, and Clerks, are you not?—I am.

8293. Are you a member of the Dressmaking and Women's Light Clothing Trade Board for England and Wales?—Yes.

8294. You have given us a statement, which I will take rather shortly, and you can emphasise any point you desire to dwell upon. You say that distribution is an unorganised trade, and you give us some figures relating to the persons employed in the distributive trades. You say a good many of them are juveniles?—Yes. There are about 1½ million employed persons in the distributive trades, of whom only 20 per cent. are organised, according to official figures. A large number of those who are employed are young persons under the age of 21 years.

8295. Then you say that the Drapery Trade has been an underpaid occupation for a large proportion of those employed in it, as compared with other classes of workers?—Yes.

8296. You give some striking figures in your statement as to the wages paid to these people?—That is so.

8297. That would be in 1917, I take it?—1916 and 1917. You will also see in Schedule A that these figures go right down to 1920.

8298. Let us take 1920 in Schedule A. What cases do you wish to refer to there?—You have there young persons 19 years of age with three years' experience getting 13s. 6d. a week. You have men assistants 30 years of age in receipt of 35s. in 1920, and women in receipt of 25s.

8299. Is that in 1920?—Yes. Then there is the case of men assistants in the furnishing trade 18 years of age receiving 12s. 6d. a week. There is another assistant 25 years of age receiving 30s., and another assistant 35 years of age in receipt of 30s. a week, with dinner and tea.

8300. Then take the women.—There is a woman 32 years of age in receipt of 20s. 6d. a week, with 5s. 6d. commission.

8301. Would she be living in?—Yes, she would be living in.

8302. Then there is one 21 years of age getting 12s., I see?—Yes; she is an assistant in the haberdashery department, 21 years of age. She is receiving 12s. a week and 1s. a week commission, and is living in.

8303. These have all been brought before the Trade Board, I take it?—There is no Trade Board for this trade. This is the drapery trade. There are further figures on the next page.

8304. There is a Trade Board for dressmaking and women's light clothing?—Yes, and there is the Hat Cap and Millinery Trade Board. I am speaking of drapery as regards distribution, as far as shop assistants and clerks are concerned.

8305. We have had a good deal of evidence about the Trade Boards which deal with drapery for some purposes, but you are speaking of the distributive position?—Yes. I shall refer to dressmaking presently.

8306. *Mr. Pugh*: Are these rates fixed by agreement?—No; that I am coming to in a moment.

8307. *Sir Arthur Pease*: Are these normal workers who are getting these wages?—Yes.

8308. Are you sure of that?—Yes, I am positive.

8309. Why should a man go on working at these rates when he could get employment in other industries at higher rates?—Why are not the assistants organised?

8310. He could leave this trade if he could get a much better wage in another trade. Why does he not go?—He could, but he did not. He probably had no other trade at his finger tips except the drapery trade, and he still remained there. He had been used to those conditions.

8311. *Lord Weir*: You do not give us these as typical wages in the drapery trade, do you?—I will tell you how I got at these. The wages that you have here are got from the schedules which we issue to our members, or rather to persons when they become members of the union. When anybody joins our union he has to fill in his application form what wage he is receiving. When sufficient of the staff at a particular establishment are members of the union—that is when 65 or 70 per cent. are members of the union—and they ask that we should open negotiations for the operation of the minimum wage scales, we issue a further schedule asking what wages they are then in receipt of. These figures are taken from those schedules prior to negotiations being opened up with firms.

8312. Would those represent the wages payable to any substantial percentage of your own members?—I should say that these wages are very typical of what was in operation at this period throughout the drapery trade.

8313. Before they became members of your union?—Yes, or at the time of becoming members prior to our succeeding in reaching agreements with firms.

8314. But in a short period after these people became members of your Organisation, you were enabled to raise their wages very considerably?—Yes.

8315. So that those wages have very little connection with the wages paid to your members in the drapery trade?—Yes. They are typical of the wages that were being paid throughout the drapery trade at that time, and they are typical of what is being paid now in unorganised establishments.

8316. I confined my question to your members.—These figures apply even to our own members where we are not sufficiently organised to be able to reach agreements with firms in regard to a wage rate.

8317. *Dame Adelaide Anderson*: Where you have not got a certain number of members in a given establishment?—Yes.

8318. Do they need to be organised before you take any steps?—We do not open negotiations unless we have 65 to 70 per cent. of the staff organised.

8319. *Chairman*: Then you give us some other cases in Schedule E?—Schedule E gives cases taken from figures put in by my colleague Mr. John Turner, which have already been put before the Committee.

8320. Therefore we need not go into them?—That is so.

8321. I suppose these are derived from statements of persons who are becoming members of your Union?—Yes, these are statements which were made in the 1921 Inquiry.

8322. I see there is one firm which pays no wages to women assistants?—Yes.

8323. I see you say in your statement: "After they have served three years' apprenticeship without wages they are then allowed a small commission on sales"?—Yes.

8324. You go on to say in regard to another firm: "After women have served three years as an apprentice without wages, they are paid various rates from 2s. per week upwards, rising annually by 1s. until they reach an average wage of 12s. a week." Those are women living in, I suppose?—I am not quite sure about that.

8325. It must be so.—I should think so.

8326. You go on to give other instances, and then compare those wages with wages paid in other trades?—Yes, at that time, namely, round about 1913, 1919

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[Continued.]

and 1920, I give in my statement the wages that were operative in other occupations.

8327. Then you go on to give some quotations from newspapers about the poverty of the pre-war shop assistant?—Yes. I give those in order to show that there is a general admission in the drapery trade that things have not been as they should be. There is a general admission right down to the present time to that effect. I quote here from Mr. Malin, of Messrs. Thurman & Malin, who states: "Perhaps the shortage was caused by the fact that nowadays there was a reluctance on the part of youths to enter the trade as apprentices. Rightly or wrongly, the tradesman and his shop were not favoured by the well-educated youth of the present day." There has been in the past an admission that the trade has not been as it should be, and there is an admission on the part of traders to-day that it is not as it should be.

8328. Then in 1916 the Drapers' Chamber of Trade put itself in communication with the Union in order to find out what ought to be done to improve matters?—Yes.

8329. And I understand, as a result of that conference, both sides recommended that a national conference should be set up in order to regulate working conditions in the trade, but that that recommendation was not carried out?—It was not carried out at that time. It has occurred since, but at that time it was not carried out.

8330. Ultimately, I understand, organisation took effect, and the membership of your Union went up apparently very rapidly, and you began to negotiate with large firms for wage agreements?—Yes, and I am putting before you samples of the agreements which were arrived at with firms in various parts of the country.

8331. I have looked through those. They are very interesting; there is a whole number of agreements?—There is quite a number of agreements both with local Associations—Drapers' Associations and groups of employers—and with individual firms.

8332. What proportion of firms do you think would be covered by agreements?—A very small percentage of the whole.

8333. *Lord Weir*: A small percentage of the whole, but firms representing a substantial percentage of workers, I take it?—Yes, but a small percentage of the total number of persons employed in the trade.

8334. *Chairman*: It would be about 20 per cent., would it not?—Yes. I should say it was true that up to that time there had been very little, if any, regulation of working conditions in the drapery trade, so that even this remarkable success that we had from 1918 to 1920 was really insignificant compared with the whole number of persons employed.

8335. Has the effect of your success in raising wages in certain firms had any effect upon other firms?—Yes, I think it has. It undoubtedly had a general effect.

8336. They saw trouble coming and they put up the wages?—Yes.

8337. *Mr. Layton*: There seems to be an enormous difference between the wages agreements with various firms. If you take any of them they vary very much. You have no standard schedule you have endeavoured to apply, have you?—Yes. We had our own scales which were drawn up at our Annual General Meetings in 1918, 1919, and 1920. We sought to get those scales put into operation and they were our guide; but naturally there was variation with each firm with which we came into touch, and the agreements which were reached varied.

8338. They were nearly all with individual firms, were they not? You did not reach agreements with Chambers of Trade, did you?—I am coming to that in a moment. We did reach an agreement with the Draper's Chamber of Trade, but that agreement was not carried out, as I will show you presently.

8339. *Mr. Pugh*: There is one with the London Employers, I see?—That is quite lately. That is immediately operating with the Army and Navy Stores, but it is hoped that a number of other firms

in the West End of London will agree to operate that scale. I shall know definitely whether they will agree or not after the 24th January.

8340. I see this is called the London Employers' Association?—Yes.

8341. Does it cover a fairly large number of houses?—Yes. The London Employers' Association is dealt with by me later on.

8342. *Sir Arthur Pease*: I see that your rates are rather different from any others we have had, in that they go up according to age to a comparatively late age—up to 28?—Yes.

8343. In nearly all other trades it is 21, although some go up to 24 and 25. Do you find that satisfactory?—Our experience and the experience of employers now is that there should be a reduction in the age, and we are agreeing to that. We feel now that 28 was too far to go. If you will notice, this agreement with the London Employers' Association, for example, now only takes the males up to 25 years of age, and the women up to 24.

8344. *Mr. Pugh*: Is that a standard, or above that do you depend upon the class of work and responsibility?—In all our agreements we have with employers, it is agreed that there shall be advances for merit and responsibility and experience on top of these rates.

8345. Regardless of age?—Yes.

8346. *Mr. Layton*: Do you think that age is a satisfactory basis for rates? You have agreements with London firms by which the rate is varied at 6-monthly periods. Do you find that is a satisfactory basis?—We have altered that now. That agreement is in operation still with this particular firm, but you see that as far as the London Employers' Association agreement is concerned, which probably will operate there too after the end of this month, we no longer go on the 6-monthly periods; we are going on the 12-monthly periods.

8347. *Chairman*: Then there was a question of a Trade Board for the Drapery Distributive Trade, and I think there was a conference as to whether there should be one Board or more for the distributive trades?—Yes. I wanted to draw attention to the fact that the Employers' Associations have been consulted in regard to the setting up of a Trade Board for distribution.

8348. There was a Committee, and they recommended one Trade Board for the whole of the distributive trades, did they not?—Yes.

8349. Did that go back to the conference?—That went back to the conference, and it was accepted there.

8350. And then, notwithstanding that, the employers wished for a separate Drapery Trade Board?—Yes. Notwithstanding that, the employers, especially in the drapery trade and in the grocery and other trades, asked for a separate Trade Board, and at their meeting on October 21 and 22 a Resolution was carried by the Drapers' Chamber of Trade to the effect that a Trade Board for the retail textile distributive trade should be established at the earliest possible moment.

8351. *Mr. Pugh*: I think you asked that there should be one Board?—We asked that there should be one Board for the whole of the distributive trades.

8352. In that case how would you arrange for adequate representation, having an unwieldy body such as that?—I should have committees.

8353. District committees?—No, national committees, but committees for each group of the trade.

8354. *Chairman*: Then there was a certain amount of discussion, and, finally, you say, that an agreement was arrived at with the Drapers' Chamber of Trade?—Yes. In view of the fact that a Trade Board was going to be set up, and the applications which we were receiving on behalf of drapers' assistants for a revision of their wages, a number of firms when we made application referred us to the Drapers' Chamber of Trade, and, in consequence of that pressure, and the fact that a Trade Board was going to be set up, a series of conferences were arranged between the Drapers' Chamber of Trade and ourselves.

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[Continued.]

8355. That is only history, and I will take it quite shortly that you had an agreement?—Yes.

8356. Then, on page 12 of your statement, you say that in 1918 and 1919 there was a good deal of discontent and strikes?—I wanted to point out that it was clearly understood by the Chamber when we entered into that National Agreement with them in regard to wage rates, that it was anticipated that a Trade Board would be set up, and that until that was so it was only worth the paper it was printed upon.

8357. Then there was trouble, and then I think the Incorporated Association of Retail Distributors came in, and there was a scale of wages drawn up, was there not?—Yes. They drew up their own scale without discussion with ourselves. That scale was based upon age, just the same as all our previous scales had been.

8358. And from that history your inference is that the employers expected a Trade Board?—Yes, and planned accordingly.

8359. Then you say, on page 13, that, with the depression in trade, there came an alteration in the attitude of employers towards Trade Boards?—Yes, and a campaign against the Boards was actually organised by the Employers' Association.

8360. Mr. Poulton: To which Association do you refer?—The Incorporated Association of Retail Distributors decided in January, 1921, to "promote a campaign for the suspension of existing Trade Boards, and to secure that the various powers exercised by the Minister of Labour should revert to the original Ministries." The utmost publicity was to be given to that through the Press, and through Parliamentary action.

8361. Chairman: We have seen the result of that.—The result of it is this Committee of Inquiry, I think.

8362. That campaign you say went on?—Yes.

8363. There is not much on page 14 to which you need refer, is there?—Only that it is not uninteresting to note that they did even encourage rebellion against the law on the part of employers. The "Drapers' Organiser" gave prominence to the circular which had been issued by the Incorporated Association of Retail Distributors, drawing attention to the fact that a number of employers had decided that they would not pay the rates, and the paper goes on to say that the risk of not paying those rates was considerable, "but it may be worth taking purely as an advertisement of the defects of the Trade Board system."

8364. We are not much interested in quotations from newspapers. Then you say that there was a circular sent out tending the same way, and then you come to business in paragraph 18. You say that the contention of the employers "is that the effects of the decision of the Dressmaking Board have been (1) to throw workers out of employment, (2) to prevent learners being employed, (3) age rates lead to lack of initiative and reduction in the standard of efficiency, (4) that the handicraft trade is being killed." Then in paragraph 19 you say that the dressmakers were 25 per cent. organised in the past, and again you give particulars of low wages paid to dressmakers.

8365. Mr. Pugh: Are these wages weekly?—Yes, there are particulars of low wages that were paid prior to the Trade Board being set up.

8366. Chairman: Those are not distributive, are they?—Well, they are in dressmaking workrooms attached to drapery establishments.

8367. Then you give some more details on page 17. You refer to the strike in November, 1916, and then you refer to agreements with employers' associations. On page 18 you refer to a number of agreements. Then you refer to the wages prescribed under the Wages (Temporary Regulation) Act, and in paragraph 23 you say that the first meeting of the Dressmaking and Women's Light Clothing Trade Board was held on January 20, 1920, and rates were made which you say were agreed. That means that both sides agreed to that, does it?—Yes. It is not true to say, as has been said, that those rates were fixed by the appointed members. They were not. They were rates agreed by both sides.

8368. Tell us in what sense they were agreed. Were they rates put forward by both sides?—No, we asked for something higher to begin with.

8369. And they asked for something less?—They offered something less.

8370. Did the appointed members intervene and use persuasion?—We had conferences, as the result of which ultimately one side proposed, and the other side seconded, the rates as they were afterwards fixed.

8371. They were a compromise?

8372. Mr. Poulton: Was that without the appointed members voting?—Certainly without the appointed members voting. It was a unanimous vote.

8373. Mr. Pugh: You are dealing with objections now, and you refer to appointed members. Do you consider that the appointed members are a necessary part of the Trade Boards, or would you think that there is an alternative which would be better?—Yes, only I should like it to be said that, as far as my experience is concerned, I have nothing at all to say against the appointed members. There might, however, be an advantage in having one of the appointed members drawn from a panel of employers, and another drawn from a panel of employees, so that when the Chairman is endeavouring to come to arrangements between the sides he shall have with him those who have some knowledge of the employment.

8374. That would be setting up a form of arbitration inside the Trade Boards to dispose of matters which the employers' and workers' representatives on the Boards could not settle themselves?—Quite so.

8375. Would you have anything outside of that, or would you consider that that would be all-sufficient?—I think that would be quite sufficient.

8376. Sir Arthur Pease: Would you give the Chairman power to settle a rate when neither side agreed to it, as an umpire?—That is what it would mean supposing he gave his casting vote, but my experience is that he has never exercised it in that way; we have always been able to reach an agreement.

8377. The Memorandum sent to us by one of the Chairmen explains very carefully that he has not the right to fix a rate; he can only give a casting vote?—That is so.

8378. Would you give him the further power that he should, after hearing both sides, actually fix what the rates were to be?—No.

8379. You would not?—No.

8380. Mr. Pugh: Arising out of that question, the tendency would be, would it not, that the confidence of the Board in its Chairman would tend to be undermined?—I think so.

8381. And, therefore, if you had to have someone who really had to decide a disputed point, it would be better that it should be someone outside—an umpire if you like, or an arbitration court?—I would sooner have the two appointed members and one Chairman, and, if possible, one of them on each side, drawn from a panel of employers and employed; and the Chairman would endeavour to reach a settlement on all points, and I think he would succeed.

8382. But if he did not?—If he did not, then the three persons concerned could give their votes.

8383. Would not that have the same effect, so far as your Chairman was concerned, as would follow if, as is now suggested, the Chairman had to decide upon points of dispute between the two parties?—If the Chairman has to give his casting vote one way or the other, it has the same effect as the Chairman himself fixing the rate, of course.

8384. You know that in Wages Boards which exist in other industries, the Chairman does not settle, but the parties have a right to go outside, either to an arbitration court or to an umpire, who is agreed upon.—There might be an advantage, if a Board could not settle, in going to a body like the Industrial Court and placing their case before them, but, personally, I do not think that it is ever likely to happen.

8385. You think that if you had something like you suggest it would probably minimise the extent of the intervention of the Government Departments? I am

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[Continued.]

in favour of giving as much freedom as ever is possible to the Board itself, and having as little interference as possible from the Ministry of Labour or from Montague House.

8386. *Sir Arthur Pease*: But you include the appointed members in the Board?—Yes.

8387. *Chairman*: Then you mentioned in your statement the fixing of the rates in May, 1920; and I think there was a variation in November, 1920, and then another variation in July, 1921?—Yes.

8388. You put in a schedule, Schedule I, containing comparative tables of agreements come to in the London area, compared with Trade Board rates. I suppose in the London area the rates would be higher than elsewhere?—No. If you will refer to the agreements in Scotland and so on, you will find that even there the rates agreed to reach up to 11d. per hour, and, as a matter of fact, have gone beyond it, in Sheriff Fyfe's award of a few months ago he fixed dressmakers' rates at 53 per week in Scotland.

8389. *Mr. Pugh*: Is it the London Employers' Association Agreement that you are referring to?—Yes, the comparative rates.

8390. *Chairman*: These rates are London rates, are they not?—Those are London rates. In order to make it quite clear, I have just taken London only, and from those it will be seen that there is very little difference between the Trade Board rate in 1920 for learners and the agreement which was come to in 1918; and that agreement, as you will see from the list of members of the London Employers' Association, covered nearly the whole of the London firms who employ dressmakers.

8391. This looks as if the Trade Board rates were equal to the London rates. Is that right?—The 1918 agreement—

8392. I am not troubling about that, but take May, 1920, the first Trade Board rate. That seems to have been exactly the same as the standard London rate of February, 1920?—Yes, excepting only that as regards qualified hands in London, for junior hands we had a rate of 37s. and for senior hands 44s.

8393. Yes, in London. So far as they go the Trade Board rates are equal to, and in fact are the exact equivalent of, the standard London rate.—As a matter of fact the Trade Board sat in January, but the rates were not fixed until May.

8394. *Lord Weir*: And those were the rates which you afterwards unanimously agreed were bad rates; is not that so?—In January at the first meeting of the Board the rates were unanimously agreed to.

8395. But later on you agreed, both the employers and yourselves, that those learners' rates were almost stupid rates; is not that so?—No, not as far as London is concerned.

8396. I thought that was what was meant when you said that there was a mistake in the learners' rate, and you reduced it 50 per cent.?—Yes, but not for London.

8397. *Chairman*: The Trade Board reduced the rate?—Yes, the Trade Board reduced the rate.

8398. For London, the country, and everywhere else?—Yes, but the Agreement for London stood, as far as we were concerned.

8399. *Mr. Pugh*: The Trade Board decision did not interfere with your London Agreement?—That is right.

8400. *Chairman*: But the rate was originally fixed for the whole country at 9s. for learners?—Yes.

8401. Later on it was reduced to 6s.?—Yes.

8402. *Mr. Poulton*: According to this schedule, your agreement of July, 1921, is practically the same again as the Trade Board rate?—Yes, but there is an addition to that of 1s. per week for learners who are employed in the centre of London.

8403. *Sir Arthur Pease*: But in this case the agreement with the employers was modified to bring it down to the Trade Board rates?—Yes, excepting that those employed in the centre of London in the case of learners received 1s. per week more.

8404. *Mr. Layton*: Taking the 1920 agreement, did the Trade Board come to the decision that it was appropriate to apply to the whole of the country the

London level of rates?—Not quite that, because the agreement which was arrived at by us with the London Employers' Association in February anticipated the fixing of the rate in May. The decision had been come to by the Board and our agreement in London was modified accordingly.

8405. This figure for February, 1920, was a private arrangement to anticipate the operation of the Board?—Yes.

8406. *Chairman*: Since then the Board have proposed further reductions?—There have been further reductions proposed recently.

8407. In the new rates you propose to distinguish between London and the country?—Yes, between London and the country areas. We are proposing three areas. As a matter of fact, even our organization with the drapers themselves have anticipated that; when we came to that national agreement with the drapers we agreed in that case to four areas.

8408. *Mr. Layton*: What were they?—One London; then the next—

8409. *Sir Arthur Pease*: What did you include as London; that is the point, I think?—Ten miles from Charing Cross—and then the next group of large towns and then the small towns, and then the strictly rural areas.

8410. *Mr. Layton*: When did you agree on this principle—in 1920?—1918.

8411. It was not given effect to, was it?—We agreed to that in conference with the Drapers' Chamber of Trade, and wherever assistants were organized, when drapers' assistants did organize and we had to go to the Chamber of Trade on behalf of our members—and they went to the Chamber as well—the agreement was fixed up with that firm based on the national arrangement which we had come to.

8412. *Chairman*: What was your limit of population for large and small towns?—A small town was 5,000 and under. Then we had a reduction in the lowest rate for learners.

8413. And the larger up to what figure; it is small towns 5,000 and under?—Yes, places of 5,000 and under.

8414. *Sir Arthur Pease*: That is rural?—Yes, that is rural.

8415. *Chairman*: I was asking about small towns.—Well, the agreement was really based upon the cost of living according to the Board of Trade publication of 1912. I think you have had a copy of that booklet; it is a little green booklet which I think Mr. Turner placed in front of you.

8416. Yes. The towns were named, were they?—Yes, the towns were all named in that, and we took the group. London was the 100; then there were all those towns there under 100 down to 89; and then from 89 down to those of 5,000 inhabitants and under—under 5,000 inhabitants.

8417. *Mr. Layton*: But how came it that you did not give effect to that principle on the Trade Board?

—Well, I should say because there was no request, no definite proposal made from the other side, from the employers' side. As far as the workers' side are concerned we put forward proposals, and if the employers had come forward with some constructive arrangement, then I have not the slightest doubt but that agreement would have been reached, and satisfactory agreement. As a matter of fact no constructive proposal came at all from the other side.

8418. *Lord Weir*: Your proposal was on a national basis?—Our proposal was on a national basis. I think we were guided largely by what had occurred under Statutory Rules and Orders, 357. There the Interim Court of Arbitration fixed a national rate of 7d., and that rate was fairly generally operative; there was no great opposition to it, and we felt that in its application a national rate would be simple, following the line of Statutory Rules and Orders, 357.

8419. *Mr. Layton*: At the same time the principle of differentiation was approved by your organization?—As an organization, yes.

8420. As a sound principle so long as differences in cost of living existed?—Yes.

8421. And you only put forward the flat rate principle for simplicity?—For simplicity.

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8422. Because the Trade Board could enforce it, perhaps?—Yes, for simplicity, and owing to the fact that there was in operation a national rate.

8423. Yes; in other words, it was by way of continuing the war principles and regulations, to some extent?—Yes, there was the prescribed rate under Statutory Rules and Orders 357, but that was not passed until 1918.

8424. Quite, but still it was war legislation?—It was war legislation, yes.

8425. And would your organization consider it right now to abandon that principle in favour of differentiation? Did you propose this variation of scale?—The employers put it forward, and we met them upon several occasions.

8426. But you accepted the principle?—Yes, accepted the principle and reached an arrangement.

8427. *Chairman*: You think it right?—We think it right.

8428. *Sir Arthur Pease*: In fact, if you had to put the minimum so low as would be necessary in a rural area you would have no protection for a London employee?—No; no protection for London.

8429. Or even for the big towns?—Quite.

8430. *Mr. Layton*: I do not quite understand how, in spite of the fact that your Organization has recognised, and had recognised for a long time, the need of differentiation between districts, you came to apply the London rate as a universal national rate?—Well, you see it would not be accurate to say the London rate, because as a matter of fact the London rate was rather lower than that. The agreement we reached in February with the Employers' Association was anticipating that the Board would fix what it had already agreed to in January.

Mr. Layton: It was putting up the rate.

8431. *Chairman*: But then you agreed on a rate above the London rate for the whole country?—No; the London rate of 1919 was 8s.; the first rate for the first six months for learners.

8432. I thought you said just now that the London rate was lower than that which was agreed to in February, 1920?—Yes, at the time of the setting up of the Trade Board, which was in January 1920; the agreement was come to with the employers in February, 1920.

8433. *Mr. Layton*: That was in effect a raising of the existing rate?—It was in effect a raising of the existing London rate.

8434. You put up the London rate, and you made that increased London rate applicable to the whole of the country?—No, not quite as you put it now. What really happened was that a new rate was agreed to by the Trade Board; an entirely new rate.

8435. Yes, higher than the London rate?—It was higher than the existing London rate, yes. That is for the learners, but not for the experienced hands.

8436. Does not the same thing apply there?—Oh, no.

8437. Then what is the meaning of your figures here? That "other workers or assistants"; I pre-

(*Adjourned for a short time.*)

8451. *Chairman*: Mr. Hoffman, you were going to speak next about slack time; that, I understand, means suspension of work during part of the year?—The bane of the dressmaking trade has been the question of slack time, that is, the suspension from work for months at a time, or working three-quarter time or half time. It was customary in some cases for workrooms to be closed down at the end of the season, which in the case of Court dressmakers would be from August, for three months. The staff were unemployed, of course, during the whole of that time.

8452. How have you dealt with that in your union?—We have not been able to deal with it. We have had one conference with the employers to see whether any method could be arrived at for getting over the difficulty, but nothing has been done yet. The only proposition that we have put forward is that, as the shop staff are practically guaranteed work during the whole of the year, so the dressmaking staff ought to be guaranteed work during the whole of the year.

sume that is the big class; 28s., and it goes up to 34s. and becomes the Statutory Trade Board rate?—Yes, but there is twelve months' difference. There is a twelve months' interval, and the cost of living went up.

8438. Was the Trade Board rate the rate that came into existence?—That was the prescribed rate under Statutory Rules and Orders 357.

8439. But it was the rate you had fixed by collective agreement?—Yes.

8440. You had accepted the statutory rate?—Yes, we had accepted the statutory rate.

8441. As the basis of your negotiations; therefore it was your agreed trade union rate when the Trade Board came into existence?—Yes.

8442. You put it up 6s. and made it the universal rate for the whole country?—Yes.

8443. *Dame Adelaide Anderson*: What was meanwhile the rise in the cost of living; was that an element?—Oh, yes, it was an element.

8444. *Chairman*: Mr. Layton has put to you what you did in May, 1920; that is, to apply the raised London rate to the whole country. That was not wise, was it?—I agree; I quite agree that I, for one, if I were to go over the whole ground again, would not do quite the same thing; but I ought to say in that connexion that we have not been helped at all by the employers' attitude in regard to the matter. We were concerned all the time in getting a decent wage for the experienced women. If they had come to us and said, "Look here, if you will give us something for the learners during a time when they are not earning anything, when we have to teach them, if you will give us something in the case of the learners we will give you something in future years," we could have come to some arrangement; but they did not.

8445. I do not want to attribute blame to anybody; but, as a matter of fact, looking backward now you rather agree that the Board made a bad mistake in fixing that rate?—Yes.

8446. Then the question of setting up a Board for the needlework trade came in, and there were conferences, and you thought the easiest way was to have one Board for the whole of the clothing trade, and sub-committees?—Yes.

8447. But other associations insisted on separation?—Yes.

8448. *Lord Weir*: That was for distribution apart from production; or do you mean both?—No, we have always looked upon the dressmaking as merely production, and you cannot very well say, "I am going to separate dressmaking where it is carried on in a draper's shop as apart from dressmaking which is carried on at, say, a Court dressmaker's."

8449. What I understand is that when you speak of the clothing trade you mean both the production of clothing and the distribution?—No, not the distribution; production only.

8450. You are only speaking of production?—Only of production.

8453. *Lord Weir*: Does that apply more to the bespoke part of the trade than to the ready-made or factory part?—I can only answer for the bespoke side of the trade.

8454. You are speaking only for the bespoke side?—Yes; I am not touching the wholesale side of the trade at all.

8455. *Mr. Pugh*: There is a Board there, is there?—There is a Board. I think perhaps it ought to be made quite clear that the Dressmaking and Women's Light Clothing Board covers both the wholesale trade and the retail trade—both the ready-to-wear and the bespoke. I think perhaps in the questions you put to me this morning that point might have been brought out; perhaps I ought to have pointed out to you that the rate fixed under the Wages (Temporary Regulation) Act, for example, covered the whole of the trade, both the bespoke and the wholesale trade, and that when the Board came to meet in January,

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1920, in order to go over the whole position, they had in mind that simple national rate and the effect that it was going to have both upon the wholesale side of the trade as well as the retail. If the employers' side had come to us at that time and said: "We want a different rate for the retail trade from the wholesale" we might have come to some arrangement for giving a lower rate in the retail for the learners provided we could pick it up after some years of experience. But they did not come to us so we had one rate.

8456. *Dame Adelaide Anderson*: But is it not in the retail dressmaking that this evil of slack time, or total absence of employment in the summer, is worst?—It is very bad, and was very bad pre-war.

8457. Could you have a lower rate in operation during the time they are at work in order to meet the time when there is no employment at all? Employers have got to save to meet that.—My opinion is that the rates which have been fixed by the Board, bearing in mind the fact that there is this slack time, have been very low. It ought to be said that when the rates were fixed slack time had, practically speaking, been done away with, as it was during the whole period of the war. There was competition for what staff was left. A number of dressmakers had gone off into munitions, and so on, and there was naturally competition upon the part of the employers for what dressmakers there were left, and there was a shortage.

8458. There was a shortage of trained dressmakers?—Yes, and the employers naturally kept the workers on during the whole of the time, and we were not faced with slack time during the period of the war. Therefore, really, as a matter of fact, now when there is this slack time, which as I will show in a moment is very tremendous, the rates that are fixed are not sufficient to carry the girl over during the whole of the year.

8459. *Mr. Pugh*: What I wanted to get at was, have you discussed this matter of slack time on the Board?—No, not on the Board. We have had one or two meetings with the Employers' Association, and that is all.

8460. *Lord Weir*: It has been suggested to us that the difficulty is that the Trade Board system tends to exaggerate slack time; that is if they have to pay what they consider a high rate then they use the labour very rigidly.—I have to answer that by saying that when the low rates were in operation—instances of which I have given you on page after page—slack time was just as general as it is now. As I say, workrooms were closed down for whole months at a time.

8461. *Dame Adelaide Anderson*: How far back would your knowledge of that go—50 years?—Miss Tyler, who follows me with her evidence, was a practical dressmaker and can go right back to the time when she was 14 years of age.

8462. But so far as your knowledge goes it was at least as bad in the past when there were low rates?—Absolutely.

8463. *Chairman*: Then you give us details of unemployment—Schedule N, I think it is—from December, 1920, onwards, and you give the number as 44,800 in December, 1920, 62,500 in January, 1921, 58,200 in February, 1921, and then there is a considerable reduction?—Yes; that is in March.

8464. And it runs on more or less until October?—Yes. Those figures are taken from the "Labour Gazette."

8465. Then you give a month's percentage. What is that a percentage of?—That is the percentage of dressmakers employed per month. That is the percentage of the total number who are insured persons.

8466. Would these figures show the people working part time as employed or unemployed?—These are people unemployed—they were registered as totally unemployed.

8467. So that some of these unemployed in the latter months may have been doing slack time?—Some of these from March onwards, do you mean?

8468. Yes; they may have been working slack time?—Yes, they may have been, but I have not got

the short time figures by me. What usually happens is that the girls register. If they are unemployed for a week or a fortnight they would register as being totally unemployed, even if they were suspended.

8469. But suppose they were working half a week?—Then they would describe themselves as being on short time.

8470. *Lord Weir*: In which case they would not register at all. This only shows the totally unemployed, does it not?—Yes. You will see there that December, January, and February are the months when work is slackest in the bespoke dress-making trade, and you will notice from March on, when we get down to somewhere near normal, the month's percentage in the dressmaking as compared with the month's percentage of all other trades reporting which have employment exchanges, is well under the general unemployment. These figures are borne out by our own register in London of our unemployed members and by the Union's national figures in regard to women who are unemployed.

8471. *Chairman*: Of course, this would not show the learners?—This does not show specifically the learners. It would cover all workers employed.

8472. Then you say that another factor which may make for unemployment in the dressmaking has been the improvement in making-up by the wholesale trade. That was a tendency which had begun, I gather, before the Trade Board was instituted?—Yes. The war helped that side of the work very much indeed. There was an improvement in the ready-to-wear trade, that is in the wholesale making-up.

8473. *Sir Arthur Pease*: Would not the reason for this unemployment being so large in December, January and February, be very largely due to the high price of materials at that time?—Do you mean in January and February of this year?

8474. Yes; of wool and other materials?—No; it is not higher than it has been all through. Employers have raised the cost of material and the making of dresses all the way through during the whole of the war period.

8475. Would not improvement in employment be due to the price of materials coming down?—No; I do not think it has got anything to do with it.

8476. *Lord Weir*: This is a seasonal curve which is reproduced year after year going back, is it not?—Yes; I am absolutely positive that it is. These 20,000 unemployed are certainly above the normal.

8477. I am not asking about the degree; I am only asking about the characteristic curve of unemployment?—It would show up high always in January.

8478. *Chairman*: Then on page 24 of your statement you refer to learners and apprentices?—Before going on may I point out that it has been urged, of course, that it is these Trade Board rates that have caused the unemployment in dress-making. I ought to express my own opinion that that is not so. The fact that we have had agreements up and down the country—copies of which have already been put in to you—which in some cases are higher than the Trade Board Rates is sufficient to show that unemployment cannot be due to Trade Board rates if persons in those establishments are unemployed. There are other causes. Take London. In London we have had these agreements with the Employers' Association since 1918, and members of the London Employers' Association have been operating those rates. You had Mr. Pegg from John Barker's, and Mr. Barnard from Thomas Wallis & Company, before you. Both of them said that unemployment has been due to Trade Board rates, yet in their own workrooms they have been operating the agreement come to with the London Employers' Association and ourselves, which in some respects has considerably higher rates than the Trade Board rates.

8479. To be fair, I do not think they were speaking of their own workrooms?—Mr. Pegg was.

8480. Mr. Barnard was not?—No, Mr. Barnard was not.

8481. Take this rate of 9s. for learners. We have been told by many witnesses and in many letters that the effect of that rate had been to discourage drapers

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from taking learners at all. Is not that true?—I only say that in March, 1919, under the Wages Regulation Act we secured a prescribed rate of 8s.

8482. That was a voluntary agreement, was it not? No; that was under Statutory Rules and Orders, 357.

8483. *Chairman*: That was in the war, of course?—That was enforced in March, 1919. That went up to 11s. for the second six months, and 16s. for the fourth six months. There was very little difference between that rate and the subsequent Trade Board rate.

8484. Yes, but it may still be true that those rates together, the 8s. and the 9s., have had the effect of discouraging drapers from taking learners, is not that so?—Well, that may be so. All I have to say is that I am quite sure that it is not due only to the operation of the Trade Board rate. It is a very funny thing. We have had these agreements with Employers' Associations all over the country before ever a Trade Board was set up. Learners' rates were agreed to in Scotland; learners' rates were agreed to in London.

8485. *Sir Arthur Pease*: Not 9s.?—No, not at 9s., but still they were gradually increased right from 1915 in Scotland.

8486. *Mr. Pugh*: Were they fixed on an age basis?—In Scotland, first of all, they began to be fixed upon learnership—the first six months of learnership—but subsequently they came on to age.

8487. By voluntary arrangement?—By voluntary arrangement.

8488. *Sir Arthur Pease*: But the condition of trade in the last 12 months has been utterly different from what it was in 1919?—I quite agree.

8489. A learner's wage which might have been too low in 1919 might be too high to-day?—Yes, but really I cannot agree that a difference of 1s. only in a learner's rate in one six months is going to discourage learnership.

8490. But you have the other general conditions to take into account in comparing with the present time?—You mean the conditions of trade and so on?

8491. Yes.—Yes; at the present moment it is a very unfortunate thing; it is purely a coincidence that the Trade Board rates came into operation with the end of the boom in trade. It is most unfortunate. The whole question of discussing the setting up of the Board took over 12 months, and it is a most unfortunate thing, of course, that the Trade Board rates did become operative just as trade began to slide back.

8492. *Chairman*: It would have been the same thing if the Trade Board had been set up earlier. The rates would then have become depressed at the time when the slump began?—No; the slump would begin in the Spring of 1920 in the retail trade.

8493. Yes.—We began to feel it in the Spring of 1920.

8494. That was the date when the Board fixed its rates?—That was the date when the Board fixed its rates.

8495. You go on to say that there was an agreement with the London employers, or rather an announcement by the London employers, that learners would be paid 6s. for the first six months and 8s. for the second six months. That is page 24?—Yes. I am here referring to the dearth of learners, but before we get on to that may I just draw attention to the letter received from our Aberdeen Secretary, a letter which he sent to Mr. F. Rose, M.P., in which he draws attention to this: "As to the statement that 400 workers had been dismissed, this is entirely false. At the greatest estimate there were 600 dressmaking employees in Aberdeen, of which at least 500 were members of this Union, and out of the latter only 50 were unemployed at that particular time. Now, only 13 are on our books as unemployed, in spite of a small lock-out of 14 members from Miss Bagrie's two weeks ago because they declined to cease membership in a Trade Union. One firm (Essiemont and Macintosh) closed down two workrooms permanently in December. The staff of each workroom was immediately engaged *en bloc* by competing firms. This closing down has been quoted as a glaring example of the effects of Trade Board regulations, ignoring the fact that not a single employee was left unemployed in consequence. Further, at least 20 operative dressmakers have commenced business on their own account since this

Trade Board began to operate. In several cases they now employ a fair number of assistants."

8496. *Lord Weir*: What is the date of that letter?—26th July, 1921.

8497. *Chairman*: Can you tell me where that statement about the 400 workers is to be found?—You mean the 400 workers being dismissed?

8498. Yes.—No, I am sorry I cannot.

8499. *Dame Adelaide Anderson*: On the 7th January apparently the Aberdeen Free Press made a statement?—Oh, yes, just previous to the visit of Dr. Macnamara: "The statement has been made in the Aberdeen Press that Trade Boards were causing unemployment."

8500. *Chairman*: Is there anything more about learners?—Yes. The London Employers' Association issued a pamphlet in 1917. I have that pamphlet here; it is called: "The steady employment for girls in the dressmaking, ladies' tailoring, millinery, and allied trades. Details of improved pay, hours and general conditions." This was issued for the purpose of encouraging young people to come into the dress-making trade. It was a fair attempt on the part of the employers then voluntarily to try and do something to improve conditions. It was before organisation had stepped in and the London Employers' Sub-Committee was formed to make certain recommendations, which they did. Now there was a dearth of learners at that time, and previously, just as there is and has been amongst drapery shop assistants. There is still a dearth of the right sort of young people coming into the trade.

8501. What is the date?—This pamphlet was issued in July, 1917, for the purpose of encouraging young people to come into the trade.

8502. As regards 1921 we have evidence just the other way—that there are any number of learners wanting to come in, but employers will not take them because of the rates?—Well, I agree that there is certainly in London an improvement in the position of learners who are coming in, but I am going to put it down to quite other reasons than Trade Board. I want to say that it is due to the Trade Board rates and to the general improvement in conditions which have been secured by organisation that girls have been attracted to the trade, and also to the system of training which is being undertaken under the L.C.C. schools.

8503. That answer does not refer to my question at all. We have had evidence from, among other people, the Director of Education of the City of Liverpool, that there were the names of many girls upon the books of the Committee who wished to be employed at dressmaking, but there was no chance, because the employers constantly say that owing to the high rates fixed by the Board they could not afford to take them. I am contrasting that with your statement about July, 1917?—Yes. Well, the only answer I can give to it is that in London there is now no dearth of learners.

8504. This was in Liverpool?—And I put it down to the general improvement in conditions.

8505. It is not the dearth of learners; again you are not dealing with the question. There is a superfluity of learners but a dearth of places for them?—Oh! Well, of course, upon the other hand, one of the main reasons for the slack time in the dressmaking is, and has been, because there are too many people in the employment. If there were not as many people employed, employers would tend to keep them on the whole year round instead of discharging them.

8506. Then you refer to the training of girls, and you say, no doubt quite truly, that the Union has striven to encourage training by those entering both the dressmaking and the drapery trade?—Yes, and in the drapery.

8507. And you produce, I think, some material referring to that. You had an agreement with the London Employers' Association as to training?—Yes.

8508. That is in 1918; and you give a record of attendances at the L.C.C. extension classes?—Yes. It says under the system of part-time education carried out in the employer's time without deduction from pay.

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8509. That is the trade school for girls in Barrett Street and the trade school for girls in Bloomsbury and the trade school at Hammersmith?—Yes.

8510. *Sir Arthur Pease*: If the girls were working part time do you think it is taken into account in the wages fixed at all, although the actual hours are not deducted?—You mean when they attend the school part-time?

8511. Yes?—No; it is taken into no account at all. No deduction is made from wages at all.

8512. But is it not borne in mind when the wage is being fixed?—No, it is recognised in London to-day that the scheme of training under this system is excellent and is complementary to the training which is received in the workroom, and there is very considerable improvement in the work of the girls since these classes have been in existence.

8513. That is not my point. I quite realise that if, say, a girl was off for two or three or four hours, or whatever it is, those hours would not be deducted from the pay, but would not that be taken into account in some way in the actual wage received?—That is not our experience. The whole of the firms whose girls attend these classes are operating the working conditions which have been arrived at between the London Employers' Association and ourselves.

8514. *Chairman*: I see you say that the system of apprenticeship has broken down?—In the drapery.

8515. Do you mean it has been superseded by this system of classes?—No. I should like you to separate the dressmaking workrooms from the distributing side. In the retail workrooms you now have a system of learnership. In the drapery the whole system of apprenticeship has broken down years and years ago.

8516. Which—productive or distributive?—On the distributive side it broke down years ago, and the Drapers' Chamber of Trade and ourselves sought to put some system into operation in lieu of apprenticeship, and a form of learners' agreement was drawn up, a copy of which you have had submitted to you.

8517. That is working well, is it?—No, it is not in operation, unfortunately. It is like the scale of wages that was drawn up by the Drapers' Chamber of Trade with ourselves, and the scheme of training which was drawn up. I am afraid the employers had very high ideals during the war, which they have lost sight of now that trade is bad.

8518. *Lord Weir*: Were those two schemes you mentioned agreed on before the Trade Board?—Oh, there is no Trade Board for drapery distributive.

8519. I have one other question about the learners. You say the effect of the learners' rates has been that they are now receiving better training and being kept for dressmaking work instead of being used to run errands as formerly. Well, who runs the errands now?—I do not know that errands are run now.

8520. You mean you have done away with running errands?—Miss Tyler reminds me that they usually employ one person for that purpose.

8521. And how is that person paid according to the Trade Board?—That person would come under the class of "All other persons; 18 years of age and over."

8522. But suppose she was under 18?—Then she would be paid according to the age.

8523. She would be a learner?—Yes.

8524. Then what is the point of it?—There would be only one at any rate in each workroom who would be running errands and would be over 18 years of age, of course.

8525. *Dame Adelaide Anderson*: The message running is concentrated more?—Yes.

8526. In the hands of an adult?—In the hands of an adult.

8527. Have they developed other methods of labour saving for the carrying of messages?—Well, take the question of matching, for example. An adult would do that work instead of using little girls to run all sorts of odd errands at odd times. It is more properly regulated now.

8528. In former days the young workers did this most of their time?—Yes, in the first six months practically all their time—just running on odd jobs. They were at anybody's beck and call.

8529. *Lord Weir*: It is rather difficult to establish why they should change their old practice, because they pay the learner just the same rate as the person they send on the errands. It does not seem to make any difference?—Well, it does. When they were receiving very little or no money, it did not matter what they were doing; they did not trouble about teaching them during the first few months.

8530. *Dame Adelaide Anderson*: Having become more valuable they think of the training to make them still more valuable?—Yes.

8531. *Sir Arthur Pease*: But they put somebody else in to do the work whom they have to pay more?—Yes; but instead of using all the girls, or several of the girls, to run the odd jobs, they now have one person only to run them all.

8532. But they pay that person more than the girls?—They pay that person. I do not think it would run to that all told. The number of girls that used to be put on to all sorts of odd jobs meant in fact a great deal more than one person doing just what was necessary, because perhaps a great many of these jobs were not really necessary to be done.

8533. *Mr. Pugh*: As a matter of fact, with standard payments they have had to organise their work to better advantage, and therefore, instead of using anybody and everybody, they have some one person to do the work?—Yes.

8534. *Chairman*: Wage by age you rather defend, do you?—Well, I only say that, that it has been agreed to by employers in the drapery trade, both wholesale and retail, by agreement with ourselves, and the Employers' Associations have put it into operation voluntarily where it has been drawn up without consultation with this organisation at all.

8535. *Mr. Pugh*: On this point it has been submitted here in the case of girls who were kept at school to a later age, say 16, that there is a difficulty in getting them into dressmaking because on account of their age they have to be paid the remuneration fixed for the particular age, and therefore, not having had experience, employers will not take them on. Have you anything to say about that?—Well, representations have been made to the Board in regard to that very matter, and the Board is now proposing to alter the practice and is putting rates in for first, second, third, and fourth year of learnership.

8536. Irrespective of age?—Irrespective of age, yes.

8537. Then the Board is really tackling that problem?—The Board is tackling that problem.

8538. *Sir Arthur Pease*: And you approve of that?—I do not think in practice it is going to make very much difference. I think that those who come in after 14 years of age to the dressmaking are very, very few, excepting those who in the London area have gone to the day training schools and are there from 14 to 16 during the whole of the day. Generally speaking, the girls come into the dressmaking at 14 years of age; but the employers say that there is a grievance; all right, well, let us try and meet it.

8539. But it would be very serious to prevent the girls staying on at school for another two years?—Oh, yes. I would not do anything to prevent that; that ought to be encouraged rather than otherwise.

8540. *Mr. Pugh*: Supposing a girl goes to a training school, and is there for two years, do the employers regard that as equivalent to two years' training in their establishment?—As a matter of fact, they have no difficulty at all in placing the girls from training schools at wages above the Trade Board rates.

8541. There is no difficulty?—There is no difficulty at all.

8542. *Chairman*: Now, may I go to your suggested alterations on page 30?—If you will excuse me, I should just like to say this—

8543. I have looked through the other pages. I thought they were rather argument than evidence?—Well, they are; but I did want to point out that, in my opinion, and in the opinion of the rest of my members on this matter, I do not think it is true to say that the Trade Board rates are killing the hand craft. If the hand craft has to get through, it has to get through on its merits as against the wholesale trade, and I think that it ultimately will, and it may

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[Continued.]

be that the Trade Board rates will help employers in this direction rather than do the other thing; because it will compel them to concentrate upon the training and organising in the workroom.

8544. First, you suggest improvements in machinery?—Before we come to that, I just wanted to say that the trade can afford to pay. It is not that the drapery trade cannot afford to pay the rates of wages. It has been said before you, I know, that these rates would be ruining the trade, causing them to lose a tremendous lot of money. Well, all the evidence we have to give goes to show that the trade as a whole is still in a very flourishing condition, and I have put in a table of profits from both London and provincial drapery firms, which shows that they can afford to pay a living rate of wages for everybody who is employed in the occupation.

8545. *Dame Adelaide Anderson*: Are those the very largest firms—the very largest businesses?—No, not the very largest. The list of firms I have here includes firms in the provinces like Binn's, of Sunderland; Dickson & Benson's, of Middlesbrough; Evans & Owen, of Bath—not the largest by any means of the employers—and Wright's, of Middlesbrough.

8546. *Chairman*: These are large firms?—Oh, they are not the smallest firms.

8547. Well, they are large firms, and they include the largest, do they not?—They include the largest, yes.

8548. I have your list here, and although I do not know many drapers by name, I seem to know nearly all these—Gorringe, Barker, Dickens & Jones, Evans, and so on?—Yes, but the next sheet gives the provincial firms as well.

8549. *Lord Weir*: The period, you will agree, is a very abnormal period—the working represented?—Well, I do not know. The *Stock Exchange Gazette* for November 22 reviews the wholesale and retail drapery prospects for the coming year. It says that in the wholesale section, while the profits have dropped considerably, "lately there has been decided indications that there are better things in store" and prices will become stable. Stocks are light. Of the retail trade they say that fluctuations are likely to prove less marked than in the wholesale companies. "During the second half of the year there has been some improvement (in the demand) specially noticeable during the pending Christmas trade." The *Stock Exchange* takes a very healthy view of the drapery trade.

Lord Weir: You will see the balance sheets when they come in!

8550. *Chairman*: I am afraid these are not the kind of firms that made the complaints at all. These are large prosperous businesses. The complaint we had was from small people?—I understand that the Retail Distributors' Association represent quite the biggest stores in the country, and they have given evidence.

8551. I have rather in mind the evidence of the letters produced by the Drapers' Chamber of Trade, many of which came from very much smaller people than these?—Yes, but whilst that is so, if a limited company is doing as well as is indicated here; whilst we have no means of knowing exactly what the position is of each private firm it is fairly indicative of what the state of the drapery trade is.

8552. I am not sure of that. It is pointed out to me that whilst your first page goes down to 1919, your second only goes to 1918, and does not go to 1919 at all?—There are 1920 profits in some cases on the second page.

8553. There are none for 1919?—No; 1914, 1918 and 1920. It is only the dividends that I have got out. This was got out rather hurriedly.

8554. Why have you dropped out 1919 altogether?—The figures were not available. I got the figures from one of the trade papers; I have it here. This is what I have taken it from (*indicating*) and they only go up to 1918 here, and I have had to search through subsequent numbers of the trade Press for the 1920 position.

8555. You have got 1919 for the first page?—Yes, because they were published in the trade Press.

8556. Are you ready to go on now?—Yes.

8557. First, you think it should be possible to include all branches of the trade under one Board?—Yes. It has been represented to us that distribution was not a trade—that whilst grocery was a trade and drapery was a trade, distribution legally was not a trade. We had interviews with the Law Officers of the Ministry of Labour on one or two occasions, and pointed out to them that buying and selling at least was a trade and might very well come under the Trade Boards Act.

8558. We will not argue the legal point. I agree it could not be done under the existing Act, but you would like it altered?—Yes.

8559. *Mr. Pugh*: Is there any body of opinion in favour of one Board? I rather think that your colleague, Mr. Turner, suggested three Boards. He divided them into three?—Yes. Our view is that if we could not get one Board, then we should be glad to have three, as long as we could have a co-ordinating committee.

8560. And you do not see any practical difficulties in regard to the different classes of trade that would operate under distribution?—There is not the slightest difficulty in the world. We have agreements, and if we can get an agreement with the Army & Navy Stores covering every section of distributive workers in their employment, there ought to be no difficulty at all in a Trade Board setting up an equal rate.

8561. *Chairman*: If you had three Boards you would have to deal specially with cases like the Army & Navy Stores, would you not, in order to prevent competing rates in the same house?—That is why I suggest a co-ordinating committee, in order to avoid overlapping in the big stores.

8562. If there were only three the difficulty would not be so great?—It would not be great at all.

8563. *Lord Weir*: Following on the present system, how many different Boards does it look as if you might have?—If they are going on as they are, it might mean 30 or 40 Boards for the distributive trades.

8564. *Sir Arthur Pease*: And the complications would be very great?—They are bound to be great.

8565. And might cause a great deal of unrest among the workers as well as among employers?—I think that point has been slightly exaggerated. There should, of course, be every endeavour possible made to remove difficulties. One does not want to create difficulties, one wants to remove them. I do not overlook the fact that in a firm like Harrod's, for example, they have agreements with separate Trade Unions covering engineering, electric light workers, carpenters, vehicle workers, furniture removal workers—in fact, I think, they have 30 or 40 different agreements covering small numbers of workers. There is no complication at Harrod's because of that, and there is no unrest at Harrod's because of that. I think it might be easily exaggerated if one were to say: You will get unrest amongst the distributive workers because there are varying rates. I do not think they would care, but one ought to prevent any likelihood of it if one can, and at least mitigate any likelihood of inconvenience. That, I think, is what ought to be aimed at; certainly we should do so.

8566. There are difficulties to be got over even where the arrangements are voluntary. Even in the organised trades there is a demarcation between one trade and another which has caused considerable difficulties?—Yes.

8567. *Mr. Pugh*: I suppose your argument would be that a duplication of machinery for similar classes of occupation tends to create difficulties?—Yes.

8568. *Sir Arthur Pease*: You would put the distributive trades under one or three Boards, I understand?—Yes, with a co-ordinating committee.

8569. *Chairman*: But you would prefer one to three, you think?—Yes.

8570. *Sir Arthur Pease*: One trade struck me as being rather different, and that is the butchering trade as regards distributive purposes. Would you put that in with the drapery and so on?—No, I should put it in with the provisions if we were setting up separate Boards.

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[Continued.]

8571. But I thought you said you would prefer one Board?—If we had one Board I should have separate committees dealing with each trade. A committee was set up during the war laying down a scheme for training disabled men coming into the distributive trades. We had to lay down what were the likely conditions in the particular trade. We had representatives from butchers and hairdressers, in fact all sections of the trades were represented on that committee, both employers and employed, and we were able to draw up a memorandum covering the whole of the distributive trades except the hairdressers. We laid down what a man ought to expect for a wage at that time on coming into the distributive trades.

8572. *Lord Weir*: Would those sub-committees not become practically little Trade Boards for each of the trades?—No; they would mainly be concerned with dealing with their own difficulties. For example, they might say that the question of learners in the butchering trade might differ from the question of learners in the drapery trade, and the question of learners in the grocery might differ from the question of learners in the drapery; but as far as an adult rate is concerned, there can be no difficulty at all. The same minimum rate for all salesmen might apply right through.

8573. *Chairman*: Each committee would report to the Board, I suppose?—Each committee would report to the Executive Board.

8574. *Sir Arthur Pease*: Would you have the appointed members sitting with the sections, or only with the Board?—Only with the Board as a whole.

8575. Then it would be purely negotiations between the two sides of the Committee?—Yes.

8576. *Dame Adelaide Anderson*: The business of the Board would be to co-ordinate all these proposals that came up?—Yes.

8577. Salesmen in butchers' shops might propose something that was incompatible with the rest, and the Board would have to unify and co-ordinate?—Yes, and these committees would be useful, more particularly in those branches of the occupation which are bordering on the manufacturing side. For instance, take wholesale grocery. You have bacon washing, and that sort of thing. In butchering you would have sausage making, and so on. Those are semi-manufacturing processes, and are incidental to distribution. I think it is on those matters that these committees would be most useful.

8578. *Mr. Pugh*: They would be able to help the general body on their own peculiar trade difficulties?—That is right.

8579. *Sir Arthur Pease*: I would like to follow up the question I asked you before with regard to these committees. Suppose they did not agree on anything, then they would report to the Board which sat for that section; but you would expect the committee to reduce the number of points which the main Board had to settle?—Yes.

8580. And just to put up the main points on which there was a difference?—Yes.

8581. That would be the method on which you would expect them to work?—Yes.

8582. *Chairman*: Then with regard to the time for objections, you would reduce the two months to one month in the case of variations only?—Yes, that is so.

8583. Then the Minister of Labour you would cut down to a fortnight?—Yes. What is more important is that he ought to give reasons if he cannot sanction the rate. He has hung up the Grocery Trade Board rates now, for example. We do not know why he has hung them up; in fact, no one knows.

8584. I think he has given reasons. I believe I have seen his letter?—It is only recently, then. I have not heard anything.

8585. Are you on the Grocery Board?—No, I am not on the Grocery Board.

8586. Then you say facilities for obtaining legal advice should be given to the Board, and they should

have the opportunity of expressing their views to the Minister's legal advisers?—Yes.

8587. *Mr. Pugh*: At present they have no contact with the legal advisers?—No contact at all, so that we do not know quite what we can or what we cannot do. We have to address a question to Montagu House in order to find out exactly what we can do.

8588. *Sir Arthur Pease*: Is there no opportunity of explaining verbally what your difficulties are?—No opportunity at all.

8589. It is simply a written statement?—That is so.

8590. *Dame Adelaide Anderson*: That must be very unusual. In most cases in life there are opportunities for conversation before formulating a written communication?—There is nothing of the sort. If we want a definition of a class of worker, for example, we have to write. We have had a difficulty on the Dressmaking Board in regard to defining exactly what is meant by what in the trade is termed a "senior hand." We had to get down to the question of definition. We have the Secretary of the Board, who is a very great help indeed, and he is able to draft something which he thinks will go through. That is put through to the Minister, and then the Minister returns it or alters it and says: "This is not sufficient," and it has got to be altered in some way. All that could be avoided if we had a legal adviser and if, when we were in a difficulty about an exact definition fitting a class of worker, we could have direct communication from the Minister as to what ought to be done.

8591. *Chairman*: Before you make a proposal, you mean?—Certainly not afterwards.

8592. It is before you make a proposal that you want to do it?—Yes.

8593. *Sir Arthur Pease*: You really want help to draft your proposal?—Certainly, if we are in any difficulty or any doubt.

8594. In fact, you want a fresh mind looking at it from an outside point of view?—Yes—from a legal point of view.

8595. A detached point of view as well as the legal point of view. You want someone who has not been immersed in all the detailed discussion?—That is so. We want something done so that we can arrive at a decision. The workers' side and the employers' side are often agreed as to what they want to arrive at and what they want to do, and there is the difficulty of putting it in legal form so that it will hold and become operative.

8596. *Chairman*: I am told that some of the Boards do send their draft proposals to the Ministry with a view to having legal advice upon them before they are actually adopted. Perhaps you were not aware of that?—I was not; but that again makes for considerable delay.

8597. It means an adjournment?—Yes, and additional cost.

8598. *Lord Weir*: Are there occasions on which you can have an official of the Ministry come to help you?—We have had representatives of the Ministry down on one or two occasions, and we have asked questions. We have asked questions, for example, on inspectors' reports, and they have not been able to answer with regard to those reports.

8599. *Chairman*: But they also come down to see you about objections as to the rate and so on, do they not?—Yes, and then we have been able to tell them that since that there has been a new rate, so that the objections to which they speak do not now apply.

8600. Your point is that you would really like to have a legal adviser at the Board?—Yes, when occasion warrants.

8601. Before you make up your proposal?—Yes.

8602. And he would give you his advice then, and you would alter your proposal if necessary?—Yes.

8603. And in that way delay and reference back would be avoided?—Yes, and expense.

8604. Then you say inspectors' reports should be available for the Board, and it should be possible to ask questions in respect of those reports?—Yes.

8605. *Mr. Pugh*: Is there any contact between the inspectors and the Board at the present time?—No.

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8606. Does the Board know what is going on as far as the inspector is concerned?—I think we have had one report down since the Dressmaking Board has been in existence.

8607. *Chairman*: You get summaries, do you not?—Yes, a summary has been sent through.

8608. *Dame Adelaide Anderson*: Do you make requests that such and such points should be investigated and reported on?—I do not know that we have had occasion to do that.

8609. *Chairman*: Then you say that the question of scope should be referred to the Boards?—Yes, and where the views of the Board do not coincide, co-ordinating machinery should be set up.

8610. Then your next point is that the unions should be given power to take cases of non-compliance with the Acts to local courts similar to the local Munitions Tribunals. That is a point, I think, which we were discussing this morning, although not with you?—That is so.

8611. Will you just explain a little what you mean by that suggestion?—We were able under the Wages (Temporary Regulation) Act to recover quite large sums of money that were due to our members from employers who had not paid the rates that were prescribed. Our local officials, and even our local members, were able to bring cases on behalf of their colleagues before the local court and get those payments back. Now that is quite a simple piece of machinery.

8612. And you confine it to the recovery of money due?—It was so upon those occasions, but I see no reason why such simple machinery should not go further, and there should not be a power to see that the rates are enforced.

8613. To fine and imprison?—To fine.

8614. *Mr. Pugh*: And imprison?—Why not? That should be the consequence of not paying the fine.

8615. *Chairman*: What kind of tribunal have you in your mind?—The Munitions Courts were set up, and I think an independent Chairman was appointed by the Ministry of Labour, if I remember rightly. There were panels of employers and workers who were drawn upon, when occasion warranted, for the local courts.

8616. Would you give to that kind of tribunal the power to fine and imprison in preference to the existing Criminal Courts?—Why not?

8617. I ask you if you would. If you do not like to answer "Yes" or "No," do you do so?—I say I see no reason why not. I am thinking at the moment of a large number of Orders that have been issued under the Trade Boards Act all over the country affecting many thousands of employers and millions of workers. At the present moment the utmost that we have to deal with them is a small inspectorate which is dealing with the whole question. The consequence is that thousands upon thousands of employers are not paying these rates.

8618. That is the inspectorate point, which is quite a different point?—The present machinery is not functioning, and I am thinking that these local courts simple in their structure and in their operation—would cost very little. They would certainly be less costly than a huge army of inspectors.

8619. *Mr. Pugh*: But you propose to use them to some extent as arbitration boards, because there are some classes of cases you are discussing, one is there might be some question as to what the employer was entitled to pay under the orders or agreements entered into, and the other is a case where he will not

(*The Witness withdrew.*)

pay. Would not you consider a development on the lines you suggest, which is semi-arbitration, of course, was rather a dangerous one, and would it not be better to confine breaches of the law to the present courts?—At the moment we are in the position that an ordinary person cannot take a case to a court. You have to have legal advice and legal assistance in the County Court. The only place to recover is at a County Court, and the worker has to obtain legal assistance in order to go there. That is a very costly proceeding, and a fairly lengthy one.

8620. *Chairman*: You are speaking there of a civil remedy. The remedy in the County Court is a purely civil remedy. Do you confine your observation to that?—No; what I am suggesting is that courts similar to those that were set up under the Munitions Act might very well be set up under the Trade Boards Act.

8621. You call them courts, but of course they are not courts, but are tribunals with certain limited powers. They have not power to affect a man's liberty. You recognise the distinction, do you not?—Yes, I do.

8622. A member of the public might fairly say: "I do not mind if I am confined or imprisoned by one of the Courts of the land," but to be subject to imprisonment by a Committee appointed in the way in which these tribunals are appointed is a very different thing?—I am only struck with the fact that there are thousands of employers who are not paying these rates, and that those employers who want to pay them are penalised accordingly.

8623. *Lord Weir*: Your suggestion would only affect about 20 per cent.—the organised portion. Your suggestion it would not help the unorganised worker?—If the unorganised worker knew that there were means of redress at hand legally without having any legal expenses, he would use it.

8624. *Dame Adelaide Anderson*: You propose that individuals should deal with these matters?—Certainly.

8625. *Chairman*: Your statement does not say so; it says the unions should do it?—I will amend that and put it that anybody could use it.

8626. *Dame Adelaide Anderson*: Would not you feel inclined to amend the other point? It is the first interest of every individual to maintain the safeguard of personal liberty?—Yes, but here are employers who are not carrying out the law, and the point is to get at them and to get them to carry out the law.

8627. But you do not want to burn down the house in order to do that?—No; I would not burn down the house to roast the pig.

8628. *Mr. Pugh*: You do not, I suppose, get these cases brought before your Board, but if it were understood that the Board itself would intervene in these cases, would not you get just as ready a response on the part of those who were not receiving what they were entitled to, to notify their cases to the Board as you would to a court of the kind you suggest?—No; the Board is a long way removed, after all is said and done, from the worker, while the court is local.

8629. You suggest you could not operate through the Board?—Not through the Board.

8630. You know that it is done by the trades where Wages Boards exist?—Yes; in the organised trades.

8631. *Chairman*: Then you say that notices should be simpler. We need not dwell on that. Your next point is that the utmost freedom possible should be given to the Boards?—Yes.

MISS MARY TYLER, called and examined.

The Witness handed in the following statement as her evidence-in-chief:—

MEMORANDUM OF EVIDENCE OF MISS MARY TYLER, Organising Secretary, Metropolitan Needlework Section, National Amalgamated Union of Shop Assistants, Warehousemen and Clerks. Member of the Dressmaking and Women's Light Clothing Trade

Board (England and Wales). Member of Corset Trade Board. Member of London Country Council Advisory Committee and Needlework Training.

My Experience.

I have had experience as a practical dressmaker for about 14 years. I commenced work at 14 years of age at Peter Robinson's of Oxford Street at a com-

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[Continued.]

mening wage of 3s. per week, working from 8.45 a.m. to 7.30 p.m., 2 p.m. on Saturdays. I had three-quarters of an hour for dinner, and half an hour was allowed for tea. Starting September I received my first advance in the Spring following of 1s. per week and a promise of another 1s. when completing twelve months. The following Spring I had another 2s. and received yearly advances afterwards of 2s.

When I was 17½ years of age I was in receipt of 9s. per week. I succeeded in obtaining a position elsewhere as an assistant at 13s. per week, but they requested me to stay on at Peter Robinson's and they would give me 13s. per week, so I remained. On becoming a junior skirt hand, I received 16s. per week. I was then 18½ years of age.

When I was a competent hand I received 21s. per week, and was about 21 years of age. I received other advances up to 25s. at 25 years of age. When I left the firm in 1918, I was the third in charge of the workroom and was in receipt of 28s. per week with dinner and tea.

From the commencement of the war the working hours were gradually decreased until in 1917 we were employed from 8.30 a.m. to 6.30 p.m. and 1.0 p.m. on Saturdays. The wages which were paid to me were a fair example of those prevailing in the West End of London up to 1918.

Up to 1917 no holidays, bank holidays or annual vacations were paid for; no pay was given during sickness. It was unusual for anyone to be paid overtime, but at Peter Robinson's it was a custom when overtime had to be worked for a notice to be put up stating how much we should receive, but we could never make out how the figures were arrived at.

Learners.

It was a usual thing for young girls during the first 12 months to be used as "trotters," that is, they had to run on all sorts of errands, fetching in food, taking out parcels, and other errands of that sort, so that the trade was not taught to the girls during the first twelve months.

Slack Time.

The most hateful thing about the whole of the dressmaking was the slack time. I was not put on slack time until I reached the age of 16. Up to this age I had to complete work left unfinished by the workers who were in receipt of the higher pay, who were stood off whilst those who were on the lowest pay remained at their work. Slack time means that either girls are suspended for a period or are on part time employment. The periods when this usually took place were January to March, July to September, and November to December. In July or August always two or three or four weeks were given off without pay and called "annual holidays," so that for six months of the year girls had not received a full week's pay. This was the usual thing throughout London.

Under these conditions, the workers had to resort to other means of supplementing wages earned during the day's employment.

It was not an unusual thing for them to continue working at home on private orders well into the early hours of the morning, and at week-ends. It was impossible to live on the wages provided. For those who could not look to their parents for support, life was an absolute nightmare. It was literal slavery to keep the wolf from the door. In the case of girls living in London, but away from their homes, it was impossible to support themselves through the slack periods. The wages earned in the busy time were not sufficient to provide for the slack times, and many broken lives of girls can be attributed to the conditions under which their trade was carried on. In consequence of the bad state of organisation, if the protection of the Trade Board is removed, workers will be faced with exactly the same conditions again, and the trade in consequence will suffer.

Organisation.

In 1917 the increasing cost of living compelled the girls to look round for means of improvement. Nothing had been done by employers to raise wages

to meet the cost of living, though it is true to say that we felt it a little bit easier to get advances at that time than previously, specially due to the fact of the numbers who left the trade and went into munitions.

Gradually the girls joined the Union, and had done so in such numbers by 1918 that negotiations were opened with firms all over the West End in order to secure improvement. Ultimately agreement was reached with the London Employers' Association (copies of which have already been placed before the Committee). The immediate effect of improvement in the conditions of employment has been that learners are taught their trade on entry, so that the whole time is properly utilised. This, combined with the training that the Loudon County Council schools have provided, has helped to improve the whole class of dressmaking work.

Dressmaking Overcrowded.

There is no dearth of learners in London at the present time, but in view of the overcrowded state of the dressmaking trade, it would be just as well if learnership were discouraged for a while. When the war was on the girls left the occupation to go in for munitions; there was scarcely a skilled dressmaker, and slack time was abolished: that is to say, that though the seasonal trade remained, girls were kept on the pay roll because employers did not want to lose their services when the busy time came round. If there were fewer employed, there would be no slack time. The Unemployment Insurance has helped to make slack time less promiscuous, for instead of leaving at 4.30 each day the workers will have one week off in four, so that they can claim benefit.

Higher Rates before Trade Boards.

When the Trade Board rates were first fixed we had an agreement in London, covering most of the West End firms, which gave to the skilled hands higher rates than those fixed by the Board. The rates paid in London for skilled workers by the London Employers' Association have always been in advance of Trade Board rates from the first day of fixing up till to-day, so that it would be untrue to say that Trade Board rates have in any way damaged the employers who were operating an agreement with the London Employers' Association, or the more favourable agreements which we were able to secure with unassociated firms.

Dressmaking a Livelihood.

It is untrue to say that girls came into the dressmaking with the idea of it being nice to know how to make their own and their children's clothes when married. A man does not become a carpenter or french polisher so that he can make his baby's cot, neither do dressmakers enter the trade in order to make the family clothes; they enter it because they have to earn their own living.

Killing the Handcraft.

In my opinion Trade Board rates have had nothing at all to do with the killing of handcraft trade. Prior to the war "the ready-to-wear" garments were being sold in increasing numbers. When I first went to Peter Robinson's there would be about two alteration hands to twelve dressmakers; when I left, in 1918, there would be almost twelve alteration hands to two dressmakers. It was not the Trade Board, therefore, which caused this; it was the improvement in the ready-to-wear garments. In my opinion there will always be a ready demand for the individual garment because of its individuality, and if dressmakers and drapers desire to hold their own against the garment made under factory conditions they must do so upon their own merit and skill, and in my opinion the improvement of wages must tend to improve the skill of the dressmaker. Employers will see that the girl is taught as soon as ever she enters the workroom, and only those who show aptitude will be kept. In my opinion Trade Boards have been a great blessing to the dressmaking trade.

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[Continued.]

Improvements. More Inspectors.

In my opinion the best improvement that can be made in the machinery of the Board is to secure more systematic inspection in order to see that the rates are operated. I see no reason why the Home Office inspectors who come down to see that the Factory Acts are carried out should not have power to inspect the books of the firm in order to see that Trade Board rates are paid.

Fewer Boards.

In my opinion it ought to be possible to set up one Board for the whole of the Clothing Trade, because there is so much overlapping. The Minister has had to set up a large Committee composed of two representatives from each of the Clothing Boards in order to define scope of each, but this is well-nigh impossible. It would be very much better if there was one Board, with sub-committees for the various branches of the clothing trades.

8632. *Chairman:* Miss Mary Tyler, you are Organising Secretary of the Metropolitan Needlework Section of the National Amalgamated Union of Shop Assistants, Warehousemen and Clerks, are you not?—Yes.

8633. And you are a member of the Dressmaking and Women's Light Clothing Trade Board, and a member of the Corset Trade Board?—Yes.

8634. Also a member of the London County Council Advisory Committee on Needlework Training?—Yes.

8635. I think you have had experience as a practical dressmaker for about 14 years?—Yes.

8636. You commenced work at the age of 14 at Peter Robinson's at a commencing wage of 5s. per week?—Yes.

8637. Working, you say, from 8.45 in the morning to 7.30 at night, and 2 o'clock on Saturdays?—Yes.

8638. You had a certain time allowed for meals, of course?—Yes.

8639. Then you advanced by 1s. a week the next spring, and the following spring by another 2s., and when you were 17½ you were in receipt of the munificent wage of 9s. per week?—Yes.

8640. Then you not unnaturally obtained a position elsewhere at 12s. per week, and your employers said they would keep you at that rate?—Yes.

8641. Then on becoming a junior skirt hand you received 16s. per week when you were 18½ years of age?—Yes.

8642. And when you were a competent hand you received 21s. a week, being at that time about 21 years of age?—Yes.

8643. You go on to say in your statement that you received other advances up to 25s. at 25 years of age?—Yes.

8644. You left the firm in 1918, when you were third in charge of the workroom, and received 28s. per week?—Yes.

8645. Then during the war the working hours decreased somewhat?—Yes.

8646. And some overtime was paid, but you say not on any fixed principle?—Not on any fixed principle.

8647. *Sir Arthur Pease:* Was it as much per hour as the ordinary working time?—We were not paid, previous to there being an agreement, on an hourly basis. It was all worked out on a weekly sum, and it always seemed impossible to work out how they arrived at the overtime. We would say that in the case of a hand receiving about £1 per week, the overtime paid would be somewhere about 5d. to 6d. an hour.

8648. It would be rather more than the hourly rate for the rest of the time?—No. We should have worked longer than 48 hours a week then.

8649. The overtime payment per hour was fully equal to what you were getting per hour for the rest of the week?—It was not worked out on any understood basis at all. If you take 6d. per hour at £1 per week, we should be working over 48 hours, and that would not be equal to our ordinary time, would it?

Sir Arthur Pease: 6d. would be a little more.

8650. *Chairman:* Then with regard to young girls, Miss Tyler; when they were taken in to learn, were they taught the trade from the beginning?—When I first started at 14 years of age, the first 12 months was used in running from the showroom to the workroom, and in getting errands for the older hands, such as getting food for their meals and going to and fro matching silk, and different things that were required in the work. In between whiles, when you were not running these errands, you would perhaps sit down with one of the hands and do a little practical work; but it was always recognised that for the first 12 months your time would be spent running to and fro.

8651. I suppose a bright girl would pick up a good deal of general knowledge in that way?—It would just depend how much time you had.

8652. An office boy in any office is in that position. Then you have something to say about slack time?—Yes. You have already had something on that subject from Mr. Hoffman. From as far back as when I entered the trade it was quite the usual thing for slack time to be worked. It is at the present time given in rather a different way from what it was in those days. Previously the workers would come to work, say, each morning, and go off either after three-quarters or half of the day had been worked. Now that the trade is covered by the Unemployment Insurance Act, slack time is arranged in most cases somewhat differently, and possibly the girls would have one alternate week completely off, or one week in four completely off. Therefore it may not appear at the present time to look just the same as it did pre-war, but it really works out practically to be the same thing in the length of time given off.

8653. The difference is that they get the dole?—They can claim under the Unemployment Insurance Act.

8654. I suppose a girl working part time like that would not have enough to live on?—Quite so.

8655. And she would have to make it up in some other way, such as by working at home, or something like that?—That was the usual practice amongst the girls in the trade.

8656. *Sir Arthur Pease:* Do you mean a girl worked at home only in slack times, or would she be working at home when she was working full time?—Those things would be governed partly by the girl's circumstances, and according to what responsibilities she had. Those who had responsibilities would always be doing work apart from the work on which they were employed during the day. Of course, it would be necessary for them to endeavour to get more work still if they were working slack time.

8657. But even if they were working 10 or 12 hours a day, would they still be working at home?—Yes.

8658. At dressmaking?—Yes, that was the trade in their hands, and that would be the means by which they would supplement what they had earned outside.

8659. And they might be working 14 or 16 hours?—Yes.

8660. *Dame Adelaide Anderson:* Was that common?—Yes.

8661. They sought other earnings while they were engaged on full time, so as to provide for slack time?—It was not so much a question of providing for slack time as it was that the money they received from the firm was not sufficient for them, and they had to supplement it.

8662. Even when they were fully employed they had to supplement it?—Yes.

8663. *Sir Arthur Pease:* Did you do that yourself?—Yes.

8664. *Chairman:* Then I think during the war the cost of living went up, and an effort was made to get the wages raised?—That is right.

8665. *Mr. Pugh:* There is just one point on the previous paragraph, if you do not mind. Miss Tyler says: "In consequence of the bad state of organisation, if the protection of the Trade Board is removed workers will be faced with exactly the same conditions again," and so on. Are you applying your-

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self in particular to the 1918 Act, which provides that where there is no satisfactory organisation Trade Boards may be adopted? Suppose we did away with the 1918 Act, for instance, would you think you were sufficiently protected by the 1909 Act?—Yes, I should think so.

8666. The 1909 Act is where the rate of wages prevailing in any branch of the trade is low, then intervention may be made. The 1918 Act says where no adequate machinery exists for the effective regulation of wages. In your statement you say "In consequence of the bad state of organisation." Are you thinking of the 1918 Act?—Yes.

8667. *Chairman*: Once you have got your Board it does not matter which Act you have got it by?—Quite so. I want them to retain the Trade Board for the dressmaking trade.

8668. *Mr. Pugh*: You had your Board under the 1909 Act, had you not?—No.

8669. *Dame Adelaide Anderson*: You say: "In consequence of the bad state of organisation." You came in because of the insufficient organisation?—We had previously come under the Wages (Temporary Regulation) Act, and then we came under the Trade Boards Act in 1918.

8670. *Lord Weir*: I presume, of course, that in the natural development of things the dressmaking trade would have come under the 1909 Act. You have told us of exceptionally low wages. I mean a case could have been made for dressmaking under the 1909 Act, could it not, seeing that the wages were exceptionally low?—The wages were exceptionally low.

8671. *Chairman*: What has been the effect of the Trade Board?—In what way do you mean?

8672. Of course it has raised wages?—Yes.

8673. Then what about the learners? What has been the effect as regards the learners?—I say in my statement that the usual thing for the young girls during the first twelve months was to be used to run all sorts of errands, and they were not taught their trade at all during the first twelve months. Mr. Hoffman showed to you a pamphlet which the employers drew up to endeavour to improve the trade. In that they made provision for the first two years for learners, because at that time there was a scarcity of learners, and they were endeavouring to improve the trade. At the same time not only did they endeavour to improve the wages, but they tried to improve the conditions under which the girls came in. That would have some bearing on the discussion you had just recently about one girl doing the errands which the other girls would do. That really meant, taking a large firm like Peter Robinson's, for instance, that each room would have about two of these young girls, and there might be twenty rooms on the firm. Those errands that the young girl would do, such as getting food for the older hands and going outside the firm entirely, would be given to the one girl, who would perhaps be an adult. It would usually be someone about the age of 18 to 20. Therefore all those young girls would be relieved of the whole of that kind of work, and it would tend to give them more time in the workroom to devote to the learning of their trade. They could also go to the trade schools. The trade schools are able to give individual attention to the children, and to teach them things which it was not possible for the older hands on the firm to teach to the girls. They had not the time to teach the young girls. Therefore the firms themselves reaped a great deal of benefit from letting the young ones go to the trade school, because they got much better returns from the girls for the time they were working. That was partly why the employers were so keen to give them the trade school training. It meant that the girls began to learn their trade at an earlier period. As far as my experience of the learners goes and of the time when the higher rates came into operation under the Trade Board, fairly soon after the 9s. rate came in there were proposals to reduce that rate on the retail side of the trade, and it was reduced to 6s., although the learners' rate remained at 9s. for the wholesale trade. That was done because higher

rates should be given to the more skilled people, and it was recognised that in the retail trade during the first six months and the second six months they were not of the same value in the firm as in the wholesale trade. The rates were reduced quite soon after they were fixed, as you will see, to 6s. I do not feel that all the importance that is put on the 9s. rate is necessary as far as the placing of learners and the number of learners unemployed at present is concerned, because after the war period, when it came to the placing from the schools of the young people there were not so many openings in other trades, and that is why there was a much greater number waiting to go into the dressmaking trade. During the war there were the various munitions works and offices which were only too glad to take the young girls in, and the dressmaking suffered because they went to other trades. But since then these girls cannot find employment in the other trades, and they are now waiting to come into the dressmaking; so that, taking the view right over a period, I do not think the 9s. rate had such a serious effect on the learners coming into the trade as perhaps has been given voice to.

8674. Is there any dearth of learners now?—There is no dearth of learners.

8675. You say it was just as well that learners should be discouraged. What do you mean by that?—You have had experience from the employers that great numbers of learners would be employed when they could get them quite cheaply. That meant that when they came on and were getting more to the skilled end of the trade, the trade was so overcrowded. Immediately an employer began to get a little busy he could engage as many people as he wanted, and at the moment the work began to fall off, numbers of girls would be put off and would be out of work. The trade was too crowded with young girls, and in consequence as they got older it was overcrowded with skilled workers.

8676. We were told that girls sometimes want to come in as learners with the idea of just learning dressmaking, and then using their knowledge at home. Do you say that is not true?—That is not true, taking it generally. You may possibly find a few girls that would enter the trade with that thought in their mind, but, generally speaking, it is not true, because you have now such good training given in the Polytechnics and trade schools for that trade, that the people who want to use their knowledge only in that way can get it from those schools, and they do not need to actually come into the trade merely to learn something for their own use.

8677. *Sir Arthur Pease*: Has not a girl to declare that she is going into the trade before she can enter such a school?—I have no knowledge of such a rule.

8678. *Chairman*: Have you any experience of village dressmaking?—No, I have no experience of village dressmaking.

8679. *Dame Adelaide Anderson*: In the previous paragraph in your statement you say: "The rates paid in London for skilled workers by the London Employers' Association have always been in advance of Trade Board rates from the first day of fixing up till to-day, so that it would be untrue to say that Trade Board rates have in any way damaged the employers who were operating an agreement with the London Employers' Association or the more favourable agreements which we were able to secure with unassociated firms." I understood from a table we saw this morning that the Trade Board had adopted those rates with the Employers' Association?—No.

8680. That is not so?—It is not so. (*Mr. Hoffman*): I am very sorry if I was not quite clear. I felt at the time there was some misunderstanding over that.

8681. I wanted to make that clear because it seems a very important paragraph?—(*Mr. Hoffman*): I thought at the time there was some misunderstanding over it, and I would like to get it cleared up now if I may. The first column gives the agreement which we secured in the retail trade, because all of these

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are for the retail trade. The agreement which was secured in the bespoke trade with the London Employers' Association in July, 1918, runs from 8s. for learners for the first six months up to 24s. for assistants, that is, girls who are not responsible for their own work at all, but who just do finishing. They might be of any age up to 30, 40 or 50 years of age. Then the junior hauds get 28s., and the senior hands 34s. That is the agreement with the London Employers' Association in 1918.

8682. For retail dressmaking?—(Mr. Hoffman): For retail dressmaking. The next column gives the prescribed rate that was fixed on the advice of the Interim Court of Arbitration under the Wages (Temporary Regulation) Act in March, 1919. We made representations to the Minister that it might be 12 months before a Trade Board was set up; that this was an under-paid occupation; that he had power under the Act of prescribing the rate in order that the aftermath of the war should not send wages down all over the place, so he fixed that rate in March, 1919. In May, 1919, we came to another agreement with the London Employers' Association, and in that agreement with the London Employers' Association we adopted the prescribed rate with a slight improvement here and there for juniors.

8683. And is this also for retail?—(Mr. Hoffman): All of these are for retail. That agreement covered the retail and gave us for junior hauds 32s. and for senior hands 38s. Now the Trade Board which covered both wholesale and retail was set up in January, 1920.

8684. And the second half of the sheet relates to wholesale, does it?—(Mr. Hoffman): No.

8685. Then the whole is retail?—(Mr. Hoffman): The Trade Board rates cover wholesale and retail. Our agreements with the London Employers' Association cover only retail. We met the Employers' Association in February, and they said to us in effect: "Now look here, we have come to an agreement on the Trade Board in respect of one section of workers. It will not come into operation till May. We will anticipate the Trade Board rates in our agreement with you, and we will agree to these rates up to 34s. for assistants and other workers. In addition, we will agree in respect of skilled workers for 37s. a week for senior hands and 34s. a week for junior hands." In May, 1920, the Board fixed a rate for both the wholesale and the retail up to 34s. at 18 years of age and over.

8686. *Chairman*: That is all exactly what I understood this morning. There is nothing new in this. It tallies with what you said this morning.—(Mr. Hoffman): I rather thought there might be some misunderstanding.

8687. There is no misunderstanding at all.—(Mr. Hoffman): I was afraid that perhaps I had misunderstood, because I had the feeling that I was giving the impression that the London agreement was imposed by the Board upon the rest of the country, and that is not so.

Mr. Pugh: As a matter of fact, the Board adopted what you had settled with the employers.

8688. *Chairman*: You told us just what you have said now, namely, that the Board provisionally came to this agreement, I suppose somewhere about January, 1920, and then the employers brought up their agreement with those figures, and in May, 1920, the Board made them legal and enforceable?—(Mr. Hoffman) Yes.

8689. *Dame Adelaide Anderson*: Then that modifies this paragraph in Miss Tyler's statement to a certain extent?—(Miss Tyler): In what way?

8690. You said that the Employers' Association have always been in advance of the Trade Board rates from the first day of fixing up till to-day?—That is quite true. The rates paid in London for skilled workers by the London Employers' Association have always been in advance from the first day up to to-day. The highest rate on the Trade Board is 10½d. per hour, and our rate with the London Employers' Association to-day is 11d. per hour.

8691. So that the Board adopted an earlier agreement with the Employers' Association?—No; it was

not an agreement definitely with the London employers that they adopted.

8692. Then these are really minimum rates?—Quite.

8693. And the employers give higher rates?—Yes.

8694. *Lord Weir*: The point is, I think, that your trade union agreements provide for rather a better rate in London than the Trade Board rate?—Yes.

8695. Which was arrived at by voluntary arrangement?—I think the question was that this paragraph was not quite in accordance with what was in operation to-day. Is that what was meant when Dame Adelaide Anderson said it wanted modifying?

8696. *Dame Adelaide Anderson*: It seemed to me that the information we got this morning was that the Trade Board had adopted the employers' agreement?—As far as the 18 years of age was concerned, but not as far as the skilled workers were concerned. The sentence in the paragraph begins: "The rates paid in London for skilled workers by the London Employers' Association have always been in advance of Trade Board rates."

8697. *Chairman*: Then your next point is about killing the hand craft. You say that in your opinion Trade Board rates have had nothing at all to do with that?—Quite so.

8698. But it is rather due to a change of principle?—Yes; it is really a change of principle. Long before there was a Trade Board for the dressmaking trade—you might say before the war—that alteration in the way in which the dressmaking trade was conducted had occurred, inasmuch as the bespoke trade were concentrating and improving their trade, with the result that customers who used to come into the shops when I first went into the business, and would always have a bespoke costume made, at the commencement of the war, or even before that, came in and bought a ready-made costume and had it altered on the premises. That showed that the work of the trade had so been turned round that a lot more ready-made work was sold in the shop.

Lord Weir: You say: "In my opinion, there will always be a ready demand for the individual garment." What do you mean by "ready"?—Some people will desire it in so far as there is something different in the bespoke garment.

8700. Surely the magnitude of the demand would depend on the cost in relation to the article? If you put up the cost, the demand would go down?—Not altogether. There are some customers who want something quite individual.

8701. But there will be fewer and fewer of those customers as the price goes up?—What should tend to make the price go up?

8702. Well, for instance, the higher rate.—No, materials. The cost of materials advanced, taking it just during the war period, very much more in comparison with what the rates of the workers did.

8703. *Chairman*: With regard to inspection, you think it should be more systematic? Do you suggest that the Home Office Inspectors should come down and see that the Factory Acts are carried out and should have power to inspect the books of the firm in order to see that the proper wages are paid?—Yes, I think it would tend to enlarge your army of Inspectors and it is only, to my mind, by getting the trade to pay the rate throughout the trade, and not just merely sections, where either by agreement or because they feel that the Inspector will be down on them, they comply with these rates, that you will get satisfaction.

8704. They do look at the books for some purposes, do they not?—It is not the custom.

8705. *Dame Adelaide Anderson*: Only for piece-work particulars?—Yes; well, that would not apply in the bespoke, on the retail side; and you see they come in and inquire from the girls if they are under certain ages and are working beyond their usual hours, and they see if the water is all right, and things of that kind, and it seems to me that while visiting the firms they could also take on this portion of the work of inspecting the books, and it would enlarge your number of Inspectors.

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8706. *Sir Arthur Pease*: When a girl is being paid, has her pay-note to show how the money is made up?—That would depend upon the system of the firm, but mostly the firms make out a slip showing so many hours at so much and that would show the number of hours worked during that week.

8707. I was thinking more of piece rates.—That would not apply with the retail side; or there are but very very few places where that would apply.

8708. You have no experience of the other side?—I have no experience of the retail at all.

8709. *Lord Weir*: You speak in the last paragraph about one Board for the whole of the clothing trade. Do you mean both production and the distributive side?—No.

8710. Once again, it is production?—Yes; making up.

8711. *Dame Adelaide Anderson*: That is, you would have one Board for the wholesale cap and

millinery and retail dressmaking and all the rest of it—shirt making?—Yes, with various committees to deal with the trades as outlined in the distribution, because we do so frequently get at our Boards questions of scope which come up between the Clothing Board, and it is impossible to define, in many cases, where one Board ends and another begins; and you get in a lot of cases amongst the bulk of the Clothing Boards, their basic rates run so much on a level, that it makes so very little difference. There is a little difference in some. At the present moment we have the dressmaking and light clothing; we have two rates for the learners there. That is one Board, but we have two rates for the learners. The retail is a lower rate than the wholesale; yet it is one trade, and it works quite orderly.

8712. *Mr. Pugh*: Are you thinking of both women's and men's clothing?—Yes.

8713. You would combine the two?—Yes.

(The witness withdrew.)

Mr. A. CONLEY and Miss A. LOUGHLIN, called and examined.

The witnesses handed in the following statement as their evidence-in-chief:—

EVIDENCE of Mr. A. CONLEY, General Secretary of the Tailors' and Garment Workers' Trade Union; representative of workers on the following Trade Boards:—The Tailoring Trade Board (Great Britain), from March, 1916, and the two Boards which were established in its place in January and February, 1920, namely, the Readymade and Wholesale Bespoke Trade Board (Great Britain) and the Retail Bespoke Tailoring Trade Board (Great Britain); the Shirt-making Trade Board (Great Britain), from 1920; the Corset Trade Board, Hat, Cap and Millinery Trade Board (England and Wales), Dressmaking and Women's Light Clothing Trade Board (England and Wales), Wholesale Mantle and Costume Trade Board (Great Britain), from their inception. Member of the Trade Boards Administration Committee, 1921, appointed by the Minister of Labour to make recommendations with respect to the work of the Trade Boards and the administration of the Trade Boards Acts.

Preliminary Statement.—The Tailors' and Garment Workers' Trade Union is the largest trade union in the clothing industry; and has over 200 branches in Great Britain and Ireland. The last official return of membership shows that on December 31st, 1920, there were 86,761 members, of whom 19,841 were men and 66,920 were women. Any worker employed in any of the operations incidental to the manufacture of male or female clothing or attire is eligible for membership of the union, which has representation on the following Trade Boards:—

Readymade and Wholesale Bespoke Tailoring (Great Britain).

Retail Bespoke Tailoring (Great Britain).

Shirtmaking (Great Britain).

Shirtmaking (Ireland).

Corset.

Wholesale Mantle and Costume (Great Britain).
Coffin Furniture and Cerement Making (Great Britain).

Hat, Cap and Millinery (England and Wales).
Dressmaking and Women's Light Clothing (England and Wales).

Dressmaking and Women's Light Clothing (Scotland).

Dressmaking and Women's Light Clothing (Ireland).

Wholesale Mantle and Costume (Ireland).

Readymade and Wholesale Bespoke Tailoring (Ireland).

The union is strongly in favour of the retention of all the existing Trade Boards in the clothing industry and the progressive application of the

Trade Board system in accordance with Subsection (2) of Section 1 of the Trade Boards Act, 1918.

(1) *Conditions in the Tailoring Trade prior to the establishment of a Trade Board.*

Conditions in the readymade and wholesale bespoke tailoring trade prior to the establishment of the Tailoring Trade Board, and indeed for some time after the Trade Board was constituted in November, 1910, may be truly described as chaotic. The employers were unorganised; the workers were only in the early stages of organisation, and the women, in particular, were practically without organisation of any sort. The inevitable result was that wages, conditions of labour, and the prices of clothing varied not only from district to district and from town to town, but from shop to shop within the same town. Disputes were of frequent occurrence, largely owing to the diversity of conditions, and there were occasions when eight or ten strikes would take place in one town within a week; sometimes one shop or factory would have a succession of disputes at short intervals. Wages or earnings for women of 18 years and over varied from 5s. to 30s. a week, and a wage of from 7s. to 10s. for a week of over 50 hours was far from unusual, especially amongst that class of workers designated as "finishers." Similar variations existed in the wages and earnings of male workers, and there were many sensational cases of underpayment. In Hebden Bridge men were receiving from 18s. to 24s. for a week of 58 hours, and in the Eastern Counties 16s. to 21s. was considered a sufficient wage for adult male workers. The wages of both men and women were in many firms subject to deductions for alleged inefficient workmanship, and damage to garments, and fines for breach of regulations, some of which were arbitrary and the source of considerable hardship to many of the workers.

(2) *The establishment of Trade Boards in the Clothing Industry.*

Readymade and wholesale bespoke tailoring was one of the four trades to which the Act of 1909 applied without a Provisional Order. The Tailoring Trade Board was accordingly established on 23rd November, 1910, for those branches of the trade which were engaged in making garments to be worn by male persons.

The Board of Trade was empowered to include any other branch of tailoring in which the system of manufacture was generally similar to that prevailing in the wholesale trade, and in 1915 the scope of the Board was enlarged to include "that section of the retail bespoke trade in which at least three persons or two female persons (in both cases excluding cutters and trimmers) are engaged in making one garment." The Tailoring Trade Board came to an

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end at the close of 1919, and two Boards were established in its place—the Readymade and Wholesale Bespoke Tailoring Trade Board (Great Britain) and the Retail Bespoke Tailoring Trade Board (Great Britain). Meanwhile a Trade Board had been constituted for the shirtmaking trade on 6th February, 1914, but it was not till the latter half of 1919 and the first few months of 1920 that Trade Boards were set up for other sections of the clothing industry. The necessity for these Boards was clearly illustrated in the course of proceedings before the Court of Arbitration in March, 1919, when figures were produced to show not only that a wide variation existed in the wages and bonuses paid to workers in the dressmaking, light clothing and corset trades, but also that many workers, particularly unorganised workers, had received little or no advances since 1914, although the cost of living had then risen by 115 per cent. according to the "Labour Gazette." As a result the Minister of Labour issued Wages Order 357, fixing obligatory rates of wages for the members concerned.

(3) *Results of the establishment of Trade Boards in the Clothing Industry.*

(a) *Trade Boards and Wages.*

The first rates fixed by the Tailoring Trade Board on the 19th August, 1912, of 3jd. an hour for women and 6d. per hour for men were carried by the votes of the Appointed Members; the protests of the workers' side at the inadequacy of the rates were recorded in the minutes. No general advance to the workers resulted, and not more than one-third of the women and one quarter of the men received rises in wages as an effect of the determinations of the Trade Board. At a meeting of the Board on 15th and 16th July, 1914, a resolution was carried raising the minimum rate for women to 3jd. an hour. Although the standard adopted in this instance was a very low one, advances in the minimum time rates obtained through the medium of the Trade Board and the Committee on Production were never in adequate proportion to the rise of the cost of living. It was found, however, that whilst the minimum rates for male workers were advanced on several occasions, there was not always a corresponding increase in the rates paid to the more skilled workers, and that there was a decided tendency in certain factories and localities for the minimum to become the maximum. This was both unfair to the workers concerned and harmful to the relationships between employers and employed and consequently the principle of the uniform minimum rate was abandoned and the rates fixed by the Tailoring Trade Board on 1st December included three separate minima to furnish some protection for the special classes of male labour. The differentiation was carried still further by the Readymade and Wholesale Bespoke Tailoring Trade Board whose first determinations, effective from 16th August, 1920, made separate provision for fourteen classes of male workers. Other Trade Boards have benefited by this experience and fixed varying minimum rates according to age, skill, and training.

(b) *Trade Boards and the Worker.*

The general effect of Trade Boards on wages in the clothing industry has been to abolish some of the grosser cases of underpayment and some of the most flagrant anomalies. Material benefit has accrued from the prevention of arbitrary fines and deductions from the weekly wage, the compulsory payment for waiting-time in the factory and the general substitution of 48 hours as the normal working week. Wages, however, seldom kept pace with the rise in the cost of living. Minimum rates were proposed by the Retail Bespoke Tailoring Trade Board and the Shirtmaking Trade Board when the cost of living was 130 per cent. and 141 per cent. higher than in July, 1914, respectively, but no advances were given subsequently, although the cost of living rose to 176 points. It is true, however, to state that many women are now in receipt of a higher minimum than

prevailed before and during the war, and in many cases there was a noticeable improvement in their standard of living prior to the present Trade Board depression. Nevertheless, none of the present Trade Board rates represent the utmost the various classes of workers may earn, but only the minima to which they are entitled for their work. Agreements are in existence between the trade union I represent and employers' associations affecting thousands of workers under which wages and piece-work earnings are 50 per cent. and over higher than the Trade Board rates.

(c) *Trade Boards and Unemployment.*

When the Tailoring Trade Board first fixed minimum rates in 1912, many employers prophesied that serious unemployment would be the inevitable result. These prophesies were not fulfilled; a certain amount of reorganisation inevitably took place, and there was some temporary displacement of labour in the early stages of the Board's existence, but nothing in the nature of widespread unemployment followed, and the greater part of the trade was entirely unaffected. To-day similar prophesies are being made, particularly in trades which have not any long experience of Trade Boards, but there is no evidence to show that the present unemployment is to any extent due to, or increased by, the determinations of the Boards. Allegations have been made by Scottish employers in the retail bespoke tailoring trade to the effect that businesses have had to be closed down entirely on account of the regulations of the Trade Board. Inquiries have been made through the branches of the trade union in Scotland, and replies which have been received from 57 of them indicate that no such result has been observed; instances are indeed given of new businesses being started since the establishment of the Retail Bespoke Tailoring Trade Board. Another allegation which has been frequently made is that the Trade Boards have resulted in the transference of trade from the retail to the wholesale manufacturer and thus caused displacement of labour. This transference is undoubtedly taking place to a certain extent, but it is no new problem. The rapid and continual growth of that class of trade termed "wholesale bespoke" or "measure order" trade in wholesale tailoring factories and also of multiple shop establishments; that is to say, factories manufacturing clothing to be supplied direct to the customer from the firms' own retail shops—prior to the setting up of Trade Boards may be taken as an indication of the amount of trade which was being transferred from the retail to the wholesale side.

(d) *Trade Boards and the Relations between Employers and Employed.*

All who were present at the early meetings of the Tailoring Trade Board testify to the bitterness which characterised the long debates on the subject of equitable rates for men and women. Reference has already been made to the frequency of disputes in those days. The meetings of employers and workers necessitated by the Trade Board procedure has resulted in a steady improvement in their relationships and a consequent decline in the number of disputes. The difference between the atmosphere of the early meetings and those which have recently taken place can only be described as phenomenal, and must be largely attributed to the effect of the Trade Board in bringing both sides together. In 1916 the Tailoring Trade Board was instrumental in settling a serious dispute which had arisen in connection with the substitution of women for men in the cutting room and which was threatening to effect the supply of khaki clothing at a time when it was badly required. Many other disputes have been avoided owing to the establishment of more uniform conditions and the growth of organisation amongst workers and employers due to the Trade Board. On the majority of the Boards of which I am a member the proceedings are at present of a more or less harmonious nature, and my experience tends to prove that the

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longer a Trade Board exists the more satisfactory becomes the relationship between the employers' and workers' sides.

This aspect of the effect of Trade Boards was noted by the Committee on the Administration of Trade Boards, 1921; and is supported and emphasised by the following extract from this Report:—

"We desire, however, to record our opinion that Trade Boards have been a potent means for securing and maintaining industrial harmony in the trades for which they have been established. It will be recalled that the establishment of Trade Boards in trades which were insufficiently organised to establish a Joint Industrial Council was recommended by the 'Whitley' Committee as a means of improving relations between employers and employed, and that the National Industrial Council of 1919 advocated the immediate establishment of Trade Boards in the less well organised trades. We consider that the almost entire absence of industrial unrest in trades covered by Trade Boards, even in the difficult periods, during and after the war, of extreme and rapid fluctuations of money values, is a great tribute to the power of a Trade Board to settle rates of wages on a firm basis. It is significant that during the last few days both the Wholesale Mantle and Costume Trade Board (Great Britain), and the Dressmaking and Women's Light Clothing Trade Board (England and Wales) have, as a result of their first year's experience, unanimously passed resolutions expressing their sense of the value of a Trade Board."

(e) *Trade Boards and the Organisation of Industry.*

It is generally admitted that the Trade Boards have had a beneficial effect on the management of the clothing industry. In the tailoring trade, where an exceptional diversity of processes and conditions existed, the firms which were maintaining their positions solely by reason of low wages were compelled to reorganise the management or to adopt some other means of competing successfully with other firms. More efficient machinery was introduced in many cases, closer supervision and better organisation of work was instituted; learners were more carefully trained in order to ensure that they earned the rates. Another effect of the Trade Boards has been the diminution of homework, so that clothing is made in more healthy conditions and there is less danger of infection being conveyed to the purchaser.

Equally important and beneficial has been the stimulation to organisation on both sides prior to the Trade Boards Act, 1909. The employers in the wholesale clothing trade were generally unorganised and the organisation of the workers was unsatisfactory, especially amongst the women. This has now been changed, and representative organisations of both employers and workers are in existence. It is not true, however, to say that the clothing industry is now sufficiently well organised to dispense with the necessity for legal protection for the workers. Some measure of protection is now afforded by the Trade Unions in the larger towns, but the fact of the trade being so widely scattered has prevented the organisation from being completed, and numbers of workers would be entirely unprotected if the Trade Board machinery were withdrawn.

(4) *Proposals for Improvement of Trade Board Administration.*

(a) I desire to call attention to the various recommendations set forth in the Majority Report of the Committee appointed by Minister of Labour to make recommendations with respect to the work of the Trade Boards and the administration of the Trade Boards Acts, dated 4th March, 1921, and to urge the desirability of bringing those proposals into operation.

(b) I am opposed to the shortening of the period of two months at present in operation under Section 3 (5) of the Trade Boards Act, 1918, during which objections to the proposals to fix wages may be

lodged; firstly, on the ground that, if the period were reduced, it would become extremely difficult if not altogether impossible for District Committees, that have been or may be appointed, to function; secondly, on the ground that the fluctuations in the cost of living may be expected largely to decrease if not to disappear, thereby removing the reasons for frequent variations of rates. In the event of a reduction of the time at present taken being considered imperative, I venture to suggest that it may be sought in the period allowed to the Minister of Labour under Section 4 (2) of the Trade Boards Act, 1918, for consideration and confirmation of rates—namely, one month.

(c) I further desire to suggest that the administration of the Trade Boards, particularly as regards the enforcement of rates, would be greatly strengthened and improved by the establishment of local committees of employers' and workers' representatives on somewhat similar lines to the local tribunals established under the Munitions of War Acts and the Wages (Temporary Regulation) Act, 1918.

(Signed) A. CONLEY.

SCHEDULE.

PARTICULARS OF TIME RATES AT PRESENT BEING PAID TO CERTAIN CLASSES OF MALE AND FEMALE WORKERS UNDER AGREEMENTS WITH VARIOUS MASTER TAILORS' ASSOCIATIONS.

Tailors.	Time Rates.		Rate per hour. s. d.
Grade 1.—To male persons 18 years of age and over who are engaged on the making of Try-ons Canvassing, Making Button Cuffs, and Lining Sleeves			1 9
Grade 2.—To male persons 20 years of age and over who are engaged as Baisters-out and to do work included in Grade 1			2 3
Grade 3.—To male persons 20 years of age and over who are engaged as Baisters-under, Fitters, also to do work included in Grade 2			2 6
<i>Tailoresses.</i>			
Grade 1.—Finishers 18 years of age and over with three years' experience			1 3
<i>Underpresser and Second Machinists.</i>			
To Lining Makers and Underpressers under 18 years of age			1 6
To Second Pressers and Second Machinists			2 0

No worker shall, as a result of the above arrangements, suffer a reduction in wages.

8714. *Chairman:* Mr. Conley, you are the General Secretary of the Tailors' and Garment Workers' Trade Union?—Yes.

8715. You represent the workers on the following Trade Boards: the Readymade and Wholesale Bespoke Trade Board, the Retail Bespoke Tailoring Trade Board, the Shirtmaking Trade Board, the Corset Trade Board, the Hat, Cap and Millinery Trade Board, Dressmaking and Women's Light Clothing Trade Board, and the Wholesale Mantle and Costume Trade Board, all for Great Britain or England and Wales?—Yes.

8716. Now first let me take your Union. It is a large Union, is it?—The Tailors' and Garment Workers' Union.

8717. It is a large body, is it?—It is the largest body comprised solely of workers in the various sections of the garment industry.

8718. It had 86,000 odd members, I see, on 31st December, 1920. How many are there now?—I could not give you the change of numbers. We know there will be some drop in the numbers, but it

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will be 6 or 8 or perhaps 9 weeks before we have our complete records in.

8719. Then what proportion of the members are men, and what proportion women?—I give the numbers here showing that.

8720. I see. More than three-fourths are women apparently?—Yes, about.

8721. Then your Union is represented on a number of Trade Boards—13 of them I see?—Yes.

8722. Your Union is in favour of the retention of all the existing Boards in the clothing industry, and the progressive application of the Trade Board system in accordance with Sub-section (2) of Section 1 of the Act of 1918?—Yes.

8723. Before the Tailoring Trade Board was formed, conditions you say were chaotic?—Yes.

8724. Employers were unorganised, the employees were only in the early stages of organisation, and the women particularly were practically without organisation?—Quite.

8725. I think this Board was formed under the Act of 1909, was it?—Yes.

8726. As a result of that state of matters the wages, I suppose, varied very much?—Very, very much indeed.

8727. And were some of them low?—Very low.

8728. You give the figures for women of 18 years of age and over from 5s. to 30s a week?—Yes.

8729. And you say that a wage of from 7s. to 10s. for a week of over 50 hours was far from unusual, especially among finishers?—Quite.

8730. You also say that "Similar variations existed in the wages and earnings of male workers and there were many sensational cases of underpayment"?—Yes.

8731. And you give cases. Then the readymade and wholesale tailoring, as you say, is one of the four trades scheduled to the Act of 1909. The Board was established in 1910 for those branches of the trade which were engaged in making garments to be worn by male persons, and in 1915 the Trade Board was enlarged to include any other branch of the retail bespoke trade in which at least three persons or two female persons (in both cases excluding cutters and trimmers) are engaged in making one garment. In 1919 the Board was superseded by two Boards, the Readymade and Wholesale Bespoke Tailoring Trade Board and the Retail Bespoke Tailoring Trade Board. Meanwhile the Shirtmaking Board had been established, and in 1920 Boards were set up for other sections of the clothing industry. Then you say this, which I have not followed: "The necessity for these Boards was clearly illustrated in the course of proceedings before the Court of Arbitration in March, 1919, when figures were produced to show, not only that a wide variation existed in the wages and bonuses paid to workers in the dressmaking, light clothing and corset trades, but also that many workers, particularly unorganised workers, had received little or no advances since 1914." What Court of Arbitration were you referring to there?—I was referring to the proceedings before the Court of Arbitration which resulted in the Wages Order 357. I may say that the report of the proceedings shows that there were, I believe, seven or eight cases taken that week in connection with the various sections of the women's light clothing trades, and the first morning the employers, prior to the Court giving any consideration to the evidence, agreed with the workers' evidence as to the advisability of a rate being prescribed, and I think my memory is correct in saying that the representatives of employers in the following cases found a similar agreement with the workers' representatives.

8732. That was under the war legislation?—Quite.

8733. I have taken you shortly through that because I think it is really undisputed. Then you come to the results of the establishment of Trade Boards in the clothing industry. "The first rates fixed by the Tailoring Trade Board on the 19th August, 1912, of 3½d. an hour for women and 6d. per hour for men," were carried by the votes of the Appointed Members,

the workers protesting. You say no general advance resulted from that. In 1914 the wage for women was increased to 3½d. an hour minimum. Certain advances were made, but you say that, although the minimum rates for male workers were advanced on several occasions, there was not always a corresponding advance in the rates paid to the more skilled workers. There was a tendency in certain factories and localities for the minimum to become the maximum. This, you say, was both unfair to the workers concerned and harmful to the relationships of employers and employed, and consequently the principle of the uniform minimum rate was abandoned, and the rates fixed by the Tailoring Trade Board on the 1st December—what year was that?—1919; I am sorry I missed that.

8734.—included three separate minima to furnish some protection for the special classes of male labour. The differentiation was carried still further by the Readymade and Wholesale Bespoke Tailoring Trade Board, whose first determinations, effective from 16th August, 1920, made separate provision for 14 classes—cutters, fitters up, tailors, pressers, machinists, and so on. Just tell me, once more what is the purpose of that?—Of the 14 classes of separate rates?

8735. Yes.—The origin or the purpose is solely due to the different degrees of skill as between one class and another—the different occupations and different degrees of skill required.

8736. So you are regulating wages, not according to the cost of living of the worker, but in proportion to his skill?—Mainly, although we have always paid regard to the cost of living in arriving at our basic figure.

8737. That would be the lowest figure?—The lowest figure upon which we build up the rates for the other sections.

8738. *Dame Adelaide Anderson*: Is it because the skill cannot be maintained on less? Do you really connect it with the cost of living for that particular skill?—I do not quite follow you.

8739. You really are regulating according to value, and not according to the needs of the worker, for that particular kind of skill?—Apart from the basic figures that is the minimum rate for other classes of workers we pay regard to the degrees of skill as between one section of workers and another. I should add that, in addition to the degrees of skill, we have also paid regard to the description of work. There is included in these 14 classes a class of worker described as a presser in the clothing trade. That is a very arduous and very unpleasant sort of occupation. It is the one departure from the regard we pay to skill.

8740. *Lord Weir*: You would not suggest that it was more arduous, for instance, than the work of a steel works labourer?—I am not quite as familiar perhaps as you may be with the steel worker, but I should be surprised to find that the steel worker's occupation was more unhealthy than the presser's occupation.

8741. So the differentiation, you say, is based on the unhealthiness and the skill?—And the labour, the hard labour and so forth. It is the hardest task, I think, in the manufacture of clothing.

8742. *Dame Adelaide Anderson*: And the amount of sustenance that would be necessary to maintain the worker in efficiency?—Quite.

8743. The words "human machine" have been applied to the labourer a good deal in connection with competency and efficiency—that you cannot get out of a machine more than you put into it?—Yes.

8744. *Chairman*: Would the presser or the cutter want more sustenance than a packer or a porter?—I should say certainly in respect of the presser, but with regard to the cutter we have dealt with that class of worker on the ground of the skill required. We say that a cutter never really finishes learning his trade.

Chairman: I quite understand that.

8745. *Dame Adelaide Anderson*: But many a girl presses in the wholesale clothing trade—pressee her

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own garments, her own work?—Very seldom—the making and pressing of garments are two distinct operations, and girls are now engaged solely in pressing throughout the whole of their working hours.

8746. The whole time?—The whole time, but not with the same implements as the men use. Generally they are found pressing on what are termed Hoffman's machines.

8747. That was the kind of machine I had in mind; girls do use Hoffman's pressers?—Quite, and a few men do; but the majority of male pressers use the hand irons which are heated by gas and forced air, or by electricity generally, and they are very heavy irons—16 lbs. or more.

8748. Weighted, generally, so as to move easily?—Certainly, yes.

8749. You would not suggest that they were heavier to operate, or more unhealthy than the Hoffman presser?—Oh, no. I think it is held in our trade by those who have worked on both systems with the hand iron and the Hoffman machine, that the Hoffman machine is the unhealthier of the two.

8750. *Chairman*: Then you say: "The general effect of the Trade Boards on wages in the clothing industry has been to abolish some of the grosser cases of underpayment and some of the most flagrant anomalies. Material benefit has accrued from the prevention of arbitrary fines and deductions from the weekly wage, the compulsory payment for waiting-time in the factory, and the general substitution of 48 hours as the normal working week." Is that the normal working week in your trade?—Forty-eight hours, yes.

8751. But you say in some cases rates exceeding the Trade Board rates are paid, and you give an instance of an agreement under which the rates paid are 50 per cent. and over higher than the Trade Board rates?—Yes. These agreements are mainly applicable to the worker in the wholesale tailoring trade coming under the heading of sub-divisional workers. I can show you the rates of wages that have been agreed upon as between the employers and the union representatives.

8752. What is the meaning of sub-divisional workers?—That is very hard to describe to you. It is a term we use in the trade. I, personally, am of opinion, and my colleagues agree with me, that it is almost, if not entirely, impossible, to draw a line of demarcation between the sub-divisional trade and the factory trade. As a matter of fact, in actual practice the wholesale tailoring trade is generally sub-divisional trade—made on a sub-divisional system—but we have used that term instead of referring to the workers as the Jewish workers. They are mainly Jewish workers employed in this section of the trade, generally in the employ of sub-contractors who are either (1) making trade up for the retail merchant tailor, or (2) for the wholesale clothing manufacturer. The bulk of the people are employed by sub-contractors in making trade up for the merchant tailors.

8753. Are these London workers?—London and throughout the Provinces in all the large industrial centres where clothing is manufactured.

8754. *Lord Weir*: Is it largely piecework?—With the exception of a class of worker described as the tailor in master tailors' shops, yes.

8755. The sub-divisional work enables you to apply piecework?—Yes.

8756. *Chairman*: And you say on the formation of the Trade Boards there was some temporary displacement of labour in the earlier stages?—Quite.

8757. Has that righted itself by now?—It righted itself, speaking within my knowledge, within six months of the first rate being fixed. At that time, of course, you will bear in mind that under the 1909 Act the rate ran provisionally for a period.

8758. Yes, six months, I think?—Quite, and during that six months' period the workers who were dismissed from the various places seemed more or less to change over from shop to shop, and the problem righted itself.

8759. Of course, it is common ground that the wages should have been raised at that time; in some cases it was absolutely essential to prevent sweating, and that had the effect of ultimately transferring labour from one place to another?—True, although it may be said that at that time we listened to the very same sort of argument or prophecy from the representatives of the employers, as we are now listening to on Boards more recently established.

8760. Yes, but apart from what may have happened in 1910 or thereabouts, we have had evidence that some workrooms have had to be closed on account of Trade Board rates in more recent years. What do you say to that?—It would be a very exceptional case, as far as my knowledge extends in the various sections of the industry. My attention has not been listening to on Boards more recently established.

8761. Do you deal with Scotland?—Yes, mainly in the Wholesale Tailoring Section, and in the Retail Tailoring Section. We have the whole of the organised workers in the Retail Bespoke Tailoring Trade in Scotland, with the exception of perhaps some 40 or 50 who belong to another Union.

8762. *Lord Weir*: Have you a complaint from those working in the country shops; I mean do you get no reflection in your Union of the letters that we have had from employers as to the rates being so high as to throw the rural worker out of employment?—If you read my statement further on, you will find that we have conducted an inquiry, and I purpose putting in some 60 letters from various towns in Scotland. I have the original letters with me, and I have duplicates of them to hand in to this Committee, and we find in some of these letters that instead of businesses closing down since the Retail Tailoring Trade Board was established, it is quite the reverse—businesses have been opened up since the Trade Board was established.

8763. It would be represented by your own state of employment—the state of employment of your own members?—I do not follow that.

8764. I say that if that is so it could be very simply represented by giving us the state of employment of your own members?—That we are unable to give you at the moment, because there are members in the retail end of the trade who have not been insured in our organisation for unemployment benefits, and therefore records of unemployment have not been kept. It is on the factory side that our men generally have been in the unemployment benefit section, but my latest information from our retail branches, particularly Scotland—I am dealing mainly with Scotland as regards the retail side—is to the effect that at the moment the state of employment is somewhat similar to what it would be at this time of the year in 1913 or 1914, or prior to that—in years gone by.

8765. Nothing more abnormal than in those years?—Quite commonly the men were rather disappointed, because I understand they were led to believe that they were not going to witness the amount of slackness that they had witnessed in pre-war days, and it appears from the reports which come to me that the employers are mainly responsible for building up this idea, that when we got through the war and when things became somewhat settled again the trade was not going to be quite as bad as it had been in pre-war days as regards such extended periods of slackness between season and season.

8766. *Sir Arthur Pease*: Was it the employers who built up that idea?—I understand so.

8767. *Chairman*: I should like to have copies of those letters. Will you please affix to them a copy of your circular letter which brought them in?—I am afraid I have not that with me, but I could send it as soon as I return to Leeds. One of my colleagues sent the query out, one of our officials who deals more or less solely with the retail section of the trade.

8768. It would be convenient to have the questions as well as the answers.—Will the copies of the letters do, or would you like the originals?

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8769. Oh, certainly, we will take copies. (*Copy letters handed in.*) Then you refer to the better relations between employers and workers which have arisen from the working of the Trade Boards, and also you say there has been a growth of organisation amongst both workers and employers, due to the war?—Yes.

8770. How far has that proceeded now?—At the moment?

8771. Yes—so far as workers are concerned, what proportion are organised?—Perhaps you would assist me, Sir, by saying to what section of the industry you are referring?

8772. Tailoring?—Wholesale tailoring?

8773. I should like to know both as regards the wholesale and the retail bespoke?—I have to take it in two parts, because on the one hand the wholesale tailoring was badly organised prior to the establishment of a Trade Board, whereas in the retail there was a substantial measure of organisation on the part of employers and employees.

8774. I want to know what progress has been made in each?—The progress made in the retail section of the trade has not been much, if any; I doubt whether any real progress has been made in the direction of organisation on the part of the workers; there may have been some on the part of the employers. As regards the wholesale tailoring trade, there has been a considerable and a steady progress made. At the moment it would be, I think, more or less correct to say that between 40 per cent. and 50 per cent.—or not quite 50 per cent.; between 40 per cent. and 45 per cent. of the workers are organised.

8775. That is in the wholesale trade?—The wholesale tailoring trade. In the main centres of the industry the percentage of organisation will be found to be relatively larger than in the scattered parts of the country, in the rural districts and in the small villages and towns.

8776. *Lord Weir*: Has it been suggested for the wholesale branch or the wholesale trade that the organisation has now developed to the extent that the Board might be done away with, and a Joint Industrial Council formed?—Some of our workers have thrown out suggestions of that character where they happen to be attached to what may be described as strongly organised sections of workers in various towns. They look at it from a local point of view, and they think that without a Trade Board they would be able to attend to their own interests; but, from a national point of view, we have recognised that without a Trade Board it would be exceedingly difficult to protect the less well organised sections of the people. It is true to say that in many small places there is very little, if any, organisation, and without a Trade Board our experience teaches us to believe that wages would quickly go down to somewhere near the level that did obtain prior to a Board being established.

8777. In those small places?—Quite.

8778. *Dame Adelaide Anderson*: The Act of 1918 provides for such cases?—Yes.

8779. *Lord Weir*: I asked that question very largely because you have now gone on with your Trade Board to such a large extent on wage regulation. It looks as if when you fix 14 different rates for skilled labour you had become very highly organised?—Well, of course, there are two ways of looking at it. On the one hand, when the second Act came in, the 1918 Act, giving Boards power to fix wages for special classes of workers, we took it as our duty to proceed to utilise those powers and to fix these rates for the special classes of workers.

8780. But there is no change, surely, in regard to the duty upon the member of a Board in the two Acts. Where in the 1918 Act does it say that you must fix rates for the different classes?—I did not say you must; it says a Board may fix rates for special classes of workers.

8781. It is not mandatory; it is permissive?—Quite.

8782. And, due to your experience on that Board, you felt that you would exercise the permissive

power?—It would be fair to put it that way, yes. On the other hand, regard should be paid to my statement that on the 1st December, 1919, we had brought the basic rates up, and at that time we fixed three rates. That was our first departure from the one rate for male workers. We fixed rates of 1s. 1d., 1s. 3d., and 1s. 5d. That was our first step in the direction of utilising those powers.

8783. *Chairman*: Have you given us all these letters—all the answers you had?—Those are the whole of the replies we have received, yes.

8784. Then you point out some by-products of the Trade Board, in the improvement of organisation and of machinery?—Yes.

8785. And the reduction of home work?—Yes.

8786. You can speak to those facts, can you?—I can.

8787. Then as to proposals as to improvement of Trade Board administration, you call attention to a report of the Committee of March, 1921, and you support it. You were on that Committee, I think?—I was, yes.

8788. Then you are opposed to the shortening of the period of two months; do you mean as regards first rates and new rates?—I am opposed, and our union is opposed, to the shortening of the period of two months in the case of an old Board similar to the Wholesale Tailoring Trade Board. We do not carry that opposition to the extent of saying the same thing would apply with the more recently established Trade Boards; but taking the Wholesale Tailoring Trade Board and bearing in mind that for a period of years that Board had District Committees in existence and therefore had some knowledge of how these District Committees functioned, when the Board was dissolved and two Boards were established in its place, the wholesale and the retail, the employers' and workers' representatives on the Wholesale Board at the first or second meeting of the new Board decided that prior to re-establishing District Committees they would endeavour, after exploring the position, to arrive at an understanding or agreement as to the feasibility or otherwise of proceeding to re-establish District Committees. That investigation or inquiry has not taken place. We were jointly dissatisfied with the way the District Committees had functioned in the past. We looked upon the holding of these District Committee meetings as in some way a waste of money in so far as the various people on the Committee were called together from various parts of the area and the meeting continued for 60 minutes or 90 minutes, and became a sort of formal gathering, and very little business, if any, was transacted at those District Committee meetings. The workers' and employers' representatives agreed that if District Committees were to be re-established something more than what had transpired would have to be put into operation to justify the holding of these District Committee meetings. Now, as I say, we have not explored the question. Any member on either side of the Wholesale Board would be quite in order to raise at the next meeting the question of re-establishment of District Committees and to state reasons why they should be established. Assuming those District Committees were established—I believe there were some seven District Committees—from our point of view we consider it impossible to hold the meetings of those District Committees and allow the necessary time for objections in anything less than a period of two months. Therefore, from a practical point of view, we say that if District Committees are going to be established, or allowed to continue where they have been established, it would prove very very difficult, if not impossible, to shorten that period of two months, as the period in which objections may be lodged.

8789. I do not quite understand how the District Committee is concerned with it. The two months would run from the date when the Board proposes the rate?—Quite, and during that period the District Committees have to be convened and the proposals submitted to the District Committees, and

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those committees in the past had an opportunity of expressing their views upon the proposals.

8790. The District Committees of what body?—Of the Central Trade Board.

8791. Surely they would have to be consulted before the rate was proposed and not after?—They might be consulted by individual representatives of the Board, but they would not be consulted as a committee. The committees were not called together prior to a Board issuing proposals.

8792. Really! That is very curious, surely?—So far as my knowledge extends, speaking of the old Boards, I have no recollection of any District Committee being convened except during the proposal period.

8793. Will you assume that other Boards might act differently, and might consult their District Committees before they definitely proposed their rate? In that case do you think that the two months might be cut down?—It might be, but then does it not strike you, Sir, that even after a District Committee had been consulted prior to a proposal being issued, surely one must bear in mind that possibly the proposals that were issued would be something different to what had been before the District Committee prior to the proposal being issued, and there would be just as much need, if not more, for the District Committee being called together after the proposals were issued as for consulting them prior to the proposal being issued?

8794. That is your view. You know that nearly everybody else takes the view that one month would be enough in the case of variations?—I agree, but, on the other hand, I am of the opinion, and my colleagues who have sat on Boards for a number of years hold similar opinions, that many of the views that have been formed during recent months, or during this last year and a half, are not formed for what may be termed normal legislation; and if we were back in normal days and some measure of stability had been reached, it is beyond me to think that we are going to witness the modifications of rates every two months or every three months.

8795. Then you suggest the establishment of local committees of employers and workers?—I do.

8796. *Lord Weir*: What view do you take of the suggestions which have been made for a single Clothing Board—the grouping of the Boards?—There is a great deal to be said for and against the idea. Our people—and when I say that I mean the people in our organisation interested in or connected with certain Trade Boards for various sections of the trade—have held varying opinions. Some think that two or three Boards might be put together; others have gone to the extreme and said that all the Boards might be put together.

8797. You are a member of a very large number of Boards yourself. What is your personal opinion?—I am afraid that once the thing was put into operation unforeseen difficulties would arise. It is true to say from actual knowledge of the circumstances that there is just as much difference between one section and another section of the garment industry as there is between the garment industry and an entirely different industry; and, moreover, regard has to be paid to the fact that where you have got one section of the trade covered by a Trade Board for a considerable number of years and all the reorganisation has taken place, even on the employers' side, you will find some measure of dread that when they are joined up with another section of industry on the same Board their rate of progress or administration may be handicapped by the section that had only come along in recent days.

8798. So that you really disagree: your personal opinion is that they should go on as they are?—No, I do not say go on as they are. I believe from my knowledge and experience that it may prove beneficial in practice to take one step at a time and to join the sections of the trade that are more closely cognate, more closely assimilated.

8799. For example?—For example, the wholesale tailoring and wholesale mantle and costume trades.

8800. Is that about as far as you would go?—At the moment, yes.

8801. *Dame Adelaide Anderson*: You would make it progressive?—Oh, certainly.

8802. According to the social development and economic development, and the custom and experience in handling Trade Board questions?—Yes.

8803. With regard to home work, I should like to know how you think that the Trade Boards have brought about a diminution of home work?—How?

8804. Yes, how; what was the link of cause and effect?—Well, prior to the establishment of a Trade Board and the fixing of a minimum rate of wage for the woman worker, the woman worker outside—that is the home worker—had no measure of protection, and more often than not she would not be paid the same price for the work as the girl in the factory. Lack of organisation was responsible for many evils. Many women home workers might never see the head of a firm. They might have to secure their trade from some foreman or person who had the power of giving out work to women who had been employed in the trade in days gone by. When the responsibility was placed on employers for seeing that their prices yielded not less than the minimum rate to the ordinary worker there was a decided tendency to make room in their factories, in their establishments, for as many women home workers as would go into them; and whereas in days gone by, prior to the establishment of the Trade Board, it was customary in such a place as Leeds, for instance, on any working day from Monday to Friday, to find women with children wheeling their work to and from places where they were centrally gathered, now it is very seldom that you see that sort of thing.

8805. I quite understand that home work has been diminished, but I wanted to know how you think it was caused. I understand that the only advantage of home work to the employer was that it was cheaper in former days?—Undoubtedly.

8806. It is the bringing it up to the same level of cost that has led to the progress of home work?—I would put that forward as one of the main reasons.

8807. *Chairman*: Miss Loughlin, have you anything to add to what Mr. Conley has said?—(*Miss Loughlin*): I agree with most of the evidence given by Mr. Conley, but I think that the idea was that, on the evidence submitted which was agreeable to the colleagues of Mr. Conley, the members of the Committee might like to ask us questions on our experience either on Trade Boards or as having some knowledge of the trades that we represent on those Boards.

8808. You are a member, I think, of the Dress-making and Hat, Cap and Millinery Trade Boards, Readymade Tailoring, Shirtmaking and Wholesale Mantle and Costume Trade Boards?—Yes, that is so. There is just one thing I should like to add, a personal experience previous to being a trade union official. I worked in the wholesale tailoring trade and also worked in the mantle and costume trade. You have had employers who state that we have representatives on the Boards who have no knowledge of what obtains in various sections of the industry. Well, speaking from general knowledge as a pieceworker who has worked in every section practically of the clothing trade—because during slack periods it is quite easy to switch off from the wholesale tailoring trade and go into a mantle and costume factory, or even into a shirt factory—if you have a knowledge of machining you can make garments and understand the technicalities of the work in a very short time. I have experience previous to the first rate being fixed in the Tailoring Trade Board in 1912, and there are many things to be said for Trade Boards. I remember that there was no general increase given to the girls in the factories when the rate was first established at 3½d., but there was better organisation introduced into the factories. Previous to the rate being established the girls had to wait hour after hour in the factory, and they dare not ask to go home because there was no organisation, and if they did ask to go home there was a

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Mr. A. CONLEY and Miss A. LOUGHLIN.

[Continued.]

possibility of missing a turn of work. Well, after the rate became operative and the employers had to pay for waiting time, it paid the employer to reorganise his workshop or workroom and reorganise his cutting-room, whereby the girl could have a day in or a day out, or half-days during the whole of the week if there was not any work for her.

8809. That is the waiting-time section in the Act which you are thinking about?—Exactly, and it did away, for one thing, with unequal distribution of work; and even in the wholesale dressmaking to-day the same process is going on as was happening when the Tailoring Trade Board was scheduled. You always had this in a factory, that probably the girl who gave work out had a number of favourites, had a number of her own particular personal friends to whom quite naturally she would give what is termed better-paying work; she would give it to those particular girls sooner than she would to the girl who is not so friendly with her. Well, the Trade Board means that any girl with experience over 18 years of age has got to receive a certain rate, which means that the foreman tells the girl who gives out the work, or it may be the foreman himself, that there has got to be a more equal distribution of work, and each girl, instead of receiving perhaps bad work the whole of the week, receives her share of the good work which is going during the particular week. Instructions are also given to the passer, the presser, the foreman, not to keep girls waiting at the tables—not to keep girls waiting, as I know we have had to wait, hour after hour, because the foreman has been gossiping somewhere instead of attending to his business. That has been done away with through the Trade Boards, and it does not follow that the employers' pay roll at the end of the week is any higher, or was any higher, following the Trade Boards Act being established, than it was previous to the rate being established. And the same process is going on at the moment in wholesale dressmaking and every section of the light clothing and the cloth hat and cap section of the wholesale side. It is easier to reduce wages or keep low wages than it is perhaps to spend a little thought and time and energy on seeing to it that your machinery is up-to-date, and so forth. It is more difficult to improve your organisation than it is to reduce the wages or keep the wages of the girls low.

8810. The Board has led, as Mr. Conley has said, to better organisation?—Exactly.

8811. *Dame Adelaide Anderson*: And to more efficient output?—Much more efficient output.

8812. *Sir Arthur Pease*: During what period was this improvement made?—Following 1912.

8813. All the time from 1912?—(*Mr. Conley*): Yes.

8814. Not only since the War?—(*Miss Loughlin*): No, since 1912. The first rate fixed for the Wholesale Tailoring Trade was 1912, and you would find if an investigation was made that, taking the whole of the sewing trades, although some of them were not scheduled under the Act, we are paying similar rates of wages; for instance, in the mantle and costume

trade. The rate for the same girls in one town is the same, and you cannot get a girl to work in the mantle and costume trade who may be able to get higher rates of pay in the wholesale tailoring trade or in the hat and cap trade, or the shirt trade, and so forth. That has meant that a gradual increase of organisation throughout has been adopted in most of the wholesale trades as a result of the Trade Board Act.

8815. *Lord Weir*: The 1909 Act?—The 1909 Act.

8816. *Sir Arthur Pease*: You are speaking rather of the big establishments, are you not?—Not necessarily, because you can have the whole in a very, very small way. A man can commence with one girl, and the next time you go and visit the employer he may have twelve girls, or twenty girls, and so on, and still it is the making-up under the wholesale system.

8817. *Dame Adelaide Anderson*: Do you remember any improvement in that direction following on the application of the section requiring written particulars to pieceworkers to the wholesale tailoring trade, when a pieceworker had to have information before she began her piecework as to what kind of work was to be done and the rate she was to get for it? Perhaps you do not remember so far back?—(*Mr. Conley*): I remember scores of cases in pre-Trade Board days where our union dealt with complaints received from pieceworkers, not knowing what price they were to be paid for their garment or portion of a garment. This grievance very quickly disappeared in the main after the establishment of the Trade Board.

8818. After the establishment of the Trade Board. My question was whether the initial kind of organisation which was necessary to inform a worker as to what she could earn before she began on her piecework helped organisation, and helped in improving efficiency?—It considerably helped.

8819. That began in about 1902?—I should say about 1902. Yes, it would have a very direct bearing on the improvement.

8820. It prepared the way for the Trade Board?—It did, yes.

8821. *Lord Weir*: What she is going to earn appears on the piecework list?—?—It is what she is going to receive for it, and after the Particulars Clause in the Factory Acts came in it was laid down that a girl on piece should receive a paper showing how much was to be paid for that garment, and in the mantle and costume trade particularly it was a seasonal grievance when the samples were being made up that very often the firm would desire the girls to get on with the work and see what they could do at it prior to a price being stated. The union's contention was always: "If you are unable to fix a price because it is a new garment coming through, put the girl on time. Pick out your own girl, or girls, whom you can trust, and say to them, 'Whilst you are making that garment under supervision we will pay you 3½d., or 4d. or 4½d. an hour, as the case may be.' " Then they would not be charged with not complying with the Particulars Clause.

(*The Witnesses withdrew*).

(*Adjourned to to-morrow morning at 11 o'clock*).

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MISS SUSAN LAWRENCE.

[Continued.]

NINETEENTH DAY.

Wednesday, 11th January, 1922.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE,
G.C.M.G. (*Chairman*).
THE RIGHT HON. LORD WEIR OF EASTWOOD.
DAME ADELAIDE M. ANDERSON, D.B.E.
MR. W. T. LAYTON, C.H., C.B.E.

SIR ARTHUR F. PEASE, BART.
MR. A. PUGH.
MR. A. MACCALLUM SCOTT, M.P.
MR. H. D. HANCOCK (*Secretary*).

Miss SUSAN LAWRENCE, called and examined.

The witness handed in the following statement as her evidence-in-chief:—

I desire to draw attention to certain points in Mr. W. F. Impey's evidence and, in particular, to his statement that piece prices should not be fixed by a Trade Board.

As far as the Pin, Hook, and Eye Board is concerned, the only piece prices fixed have been for homeworkers. These workers, under the Trade Board, have a lower time-rate, and piece-work basis time-rate than in-workers. It was stated by Mr. Impey that it has been suggested that piece rates should be applied to other workers. It is true that an individual at the Board suggested that when the same work was done "in and out" the same piece prices should apply. The suggestion was made when discussing the piece-work basis of certain juveniles engaged in carding—as an alternative to the suggestion of a piece-work basis varying with age—a method which, in the opinion of the workers, is objectionable, as tending unduly to encourage the employment of children and their dismissal on reaching maturity. With this exception (affecting but few persons) the piece-work question on the Pin, Hook, and Eye Board is a homeworker's question. The Commission should realise that in dealing with out-work in carding, they are dealing with workers who have been exceptionally badly paid, and whose powers of resistance are at a minimum.

On the first point, I desire to put in the results of two enquiries made by the officials of the Trade Board in 1920 and in 1921. These are appended. The first relates to a time when wages were unregulated.

I desire to draw particular attention to the yield per hour for hooks and eyes (no allowance being made for wrapping or for cotton). It will be seen that this is estimated at 2-3d. per hour for sizes 1, 2, or 3, and at 1-875d. for size 8.

For snap fasteners, the estimate out-rate earned varied, as is seen by the paper, from 1-7d. to 3d.

Since that date a series of very elaborate tests have been made. Of them, I put in the reports of the last test. It will be seen that the times taken by homeworkers correspond very closely to the times taken in September, 1920. It will be also seen that the indoor carding of snap fasteners shows much better time. These workers work in a team, and each girl is not merely supplied with a back-board, but uses it. In the conditions of homework, where the whole family often turns to out-carding, the single back-board provided does not go very far.

Considering the wages earned by homeworkers before the institution of the Board, I think it is no exaggeration to say that we are here dealing with sweating; and that no precautions can be too great to prevent so lamentable a state of affairs.

Further, we are dealing with workers who have an especially low power of resistance. They are scat-

tered and almost unorganised; though the beginnings of a homeworkers' league have been made.

The work is easy enough. The amount is at present very small, and there are far more women ready to do it than can find employment. It is frequently done as a family job, i.e., the children on their return from school are set down to two or three hours carding.

The output of the women varies very widely, some being nearly twice as quick as others.

The work during the day is done with many interruptions, though a long spell of evening work is customary.

Under such circumstances, a time rate affords no protection whatever.

The women can only time their work with difficulty, and generally only in the evening. They often, as has been said, are helped by the children. The homeworkers' league has repeatedly asked selected workers to time themselves, but in spite of elaborate explanations, it was often found that the worker had received help during the test. Further, the question of whether the worker is really "normal" is a question needing much experience to decide. Very elaborate individual investigations would be needed in the case of every disputed wage; and putting aside the very real difficulty of inducing workers to give evidence or make complaints, the amount of investigation needed would be prohibitive.

Every Board dealing with homeworkers has felt the force of these contentions, and has fixed piece rates.

The plea of the employers against piece rates is (as far as homeworkers are concerned) merely a plea for no regulation; and the figures of the official test of September, 1920, show what is meant by no regulation.

Pin, Hook and Eye and Snap Fastener Trade Board.

Report on tests carried out under the supervision of Trade Board Inspectors in the work of:—

- (a) Carding safety pins.
- (b) Bunching safety pins.
- (c) Carding snap fasteners.
- (d) Carding hooks and eyes.

The whole of the arrangements preliminary to making the tests were carried out by representatives of the Trade Board.

The tests themselves were controlled and supervised by inspectors whose reports are appended.

In each case the conditions of work were favourable, a warm light room being provided and the work selected and arranged to suit the convenience of the worker.

Although the workers tested had not been supplied with home-work for the last two months they declared their output had not suffered in consequence.

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[Continued.]

It will be noted, however, that in the case of the snap fastener tests by outdoor hands the workers refused to use the "back-boards" provided by the firm, declaring they would hinder rather than help through their inability to manipulate them. It is doubtful therefore, whether, under these circumstances, the test can be called a strictly representative one, because it is now customary for back-boards to be supplied by the firm who gives out the work to be carded.

The following summaries of tests will serve to indicate the time taken on the various kinds of work:

Carding Safety Pins.

Of the 13 workers selected only 5 attended a factory for the purpose of test, 4 of these workers appeared to be an excellent type of homeworker, working throughout the test industriously and adopting the most economical method of working.

Carding mixed safety pins (punched cards).

Time per gross.

Worker.	6 pin cards.	9 pin cards.	12 pin cards.
	hrs. mins.	hrs. mins.	hrs. mins.
A. ...	57	1 10	1 40
B. ...	1 2	1 21	1 50
C. ...	1 6	1 20	1 36
D. ...	1 17	—	2 0
E. ...	1 31	—	—
	(slow)		
Time submitted to Board in Sept., 1920.	55	1 20	1 36

Bunching Safety Pins.

Same workers employed as above.

Conditions of work as at home.

Workers using bodkin for threading the tape through pin loops.

Workers not so experienced on this work as on carding, therefore output may not be what could be properly expected from an ordinary worker.

Work.—Threading on piece of tape 50 safety pins, i.e.:—

12 size 0.
12 " 1.
12 " 2.
10 " 3.
4 " 4.
plus 1 tally.

Worker.	Time per gross bunches.	Remarks.
	hrs. mins.	
A. ...	4 24	Not used to bunching.
B. ...	6 12	Do.
C. ...	6 0	Do.
D. ...	6 36	Do.
E. ...	4 24	Do.

No time for this work has previously been submitted to the Board.

Snap Fasteners. (Homeworkers' tests.)

Of the 12 workers selected 8 attended a factory for the purpose of test. The result of these tests cannot be considered very satisfactory in view of the fact that the workers all refused to do the work by the speediest method, i.e., using the backboards which are now supplied to homeworkers.

Worker.	Time per great gross fasteners.			Remarks.
	Size.	No. per card.	Hrs. Mins.	
A. ...	00	12	1 52	Without backboard.
B. ...	0	36	54	Good worker used backboard.
C. ...	1	12	1 37	Without backboard.
D. ...	1	12	1 40	"
E. ...	1	36	2 0	" aged
F. ...	2	12	1 29	"
G. ...	2	36	1 37	"
H. ...	2	12	1 45	"
I. ...	2	36	2 41	" aged.
Times submitted to Board in September, 1920.				
	00	—	2 0	Without backboard.
	0	—	1 35	"
	1	—	1 30	"
	2	—	1 30	"

Snap Fasteners. (Tests by indoor workers.)

These tests were made by young indoor workers who are regularly employed. The conditions of work are generally similar to those offered to homeworkers, i.e., they are given a supply of backs and tops with cards and a backboard which is used.

Workers.	Size.	No. per card.	Average time per great gross.
			hrs. mins.
4. ...	00	12	1 1
1. ...	00	36	50
7. ...	0	12	52½
5. ...	0	36	51½
6. ...	1	12	52
3. ...	1	36	54
7. ...	2	12	54½
3. ...	2	36	48

Hook and Eye Carding. (Homeworkers' test.)

Test carried out in a Birmingham factory. The carding was entirely by hand, and the conditions identical with those under which homeworkers are expected to work.

Worker.	No. per card.	Time taken.	
		Time per gross cards.	Remarks.
		hrs. mins.	
A. ...	12	6 48	Ordinary.
B. ...	12	9 36	Subnormal.
C. ...	12	9 36	"
D. ...	12	10 42	"

Time submitted to the Board in September, 1920 = 6½ hours.

(Signed) W. E. COUNSELL.
29/12/21.

Enquiry into the Carding of Hooks and Eyes by Homeworkers. (September, 1920.)

Only one firm in the Birmingham area appears to employ homeworkers for the hand carding of hooks and eyes. This firm employs about 30 workers regularly on the work.

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[Continued.]

For the purpose of obtaining information 17 workers were visited in their home and 13 supervised tests were made.

Cards.

In most cases cards appear to be marked into spaces indicating where the hooks and eyes are to be placed. A number of workers complained of having to card japanned hooks and eyes on dark cards, which, owing to lack of colour contrast, made the work more difficult.

Hooks and Eyes.

This work generally appears to be of the ordinary swanbill pattern or the patent spring pattern.

For the purpose of report, hooks and eyes and hooks and bars have been treated as one and the same, workers generally appearing of the opinion that the time taken on each is about the same.

The homeworkers fetch all work from and return it to the warehouse on completion. It is usual for workers to tie up their work in bundles of one dozen cards before returning it to the firm. Workers state that this bundling and the final parcelling of work averages 15 minutes per gross cards.

As in the case with safety pins and snap fasteners the work is weighed out to the workers and weighed in on its return. Hooks and eyes are supplied to workers in separate packets, different sizes also being in separate packets.

About half of the work given out is japanned, the remainder being nickelled or brassed.

There would not appear to be strict uniformity between the sizes of hooks and eyes made by different firms, e.g., one firm's No. 2 size may be as big or bigger than another firm's No. 3 size.

The size numbers however appear to be as follows:—

00. 0. 1. 2. 3. 4. 5. 6. 7. 8.

Workers appear to be agreed that excluding the midget sizes 00 and 0 (which are very seldom given out) and the large sizes 7 and 8 (also very seldom given out) there is no material difference in the time required to card the remaining sizes 1 to 6. Over 90 per cent. of the work appears to be on sizes 1 to 4 and of the ordinary swanbill pattern.

Japanned work.

Workers are very definite that japanned work takes longer to card than bright work on account of the former sticking and being consequently more difficult to sort out. It is also stated there is more waste with japanned work.

Work.

Workers purchase their needles and cotton which they use for carding. The cotton at present costs them 1d. per 150 yards, which it is estimated would do about 2 gross cards containing 36 hooks and eyes stitched top and bottom. The cost to the worker is therefore about 1d. per great gross of hooks and eyes.

Workers also provide their own wrappers and twine which they use for making up their work parcels to carry work from and return to the warehouse.

No hand carding was found (except inexperienced time-workers) in any of the factories visited; it was not therefore possible to obtain indoor evidence on output to compare with that of the homeworkers.

The evidence obtained from tests shows:—

Time taken by Ordinary Homeworkers.

Size No.	Pattern: Swanbill or Spring.	Bright or Japanned.	Tests on self sizes.	2 rows stitching top and bottom.	Time taken per gross cards hooks and eyes or bars.		
					Number of hooks and eyes per card.		
					24	12	8
00	None carded at time of enquiry.						
0	Dit to						
1 }	Swanbill.	Japanned.	Yes.	Yes.	None.	6½ hours.	None.
2 }							
3 }							
4 }	None carded at time of enquiry.						
5 }							
6 }							
7 }	Swanbill.	Japanned.	Yes.	Yes.	None.	8 hours.	None.
8							

Spring pattern hooks and eyes take longer than swanbill owing to extra difficulty on looping.

Japanned and bright work paid same rates although former is stated to take longer than the latter owing to work being more difficult to sort in addition to extra waste.

Cotton, needles, wrappers, and twine are provided by workers.

Time taken to handle and parcel work is stated to average 15 minutes per gross cards. This time is not included in the times set out in above table.

The workers tested adopted the following method of working:—

- (1) Arranged work.
- (2) Sewing on eyes or bars on cards.
- (3) Looping hooks on to eyes or bars.
- (4) Sewing hooks down to card.
- (5) Bundling cards in dozen lots (tying each lot separately, finally parcelling work for returning to firm).

Prices Paid.

Pattern and Price per Gross Cards.

Size Nos.	Swanbill.			Spring.		
	No. per card.			No. per card.		
	24	12	8	24	12	8
Ordinary— 1—8	2/6	1/3	—/11	2/8	1/4	—
Midgets— 00—0	—	1/5	1/1	2/8	1/4	—

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The yield per hour, no allowance being made for wrapping and tying or for cotton and needles, would appear to be as follows:—

Size.	Pattern.	Pence per hour.
1, 2 or 3 ...	Swanbill (japanned) ...	2·3
8 ...	Swaubill (japanned) ...	1·875

Enquiry into the Carding of Snap Fasteners by Homeworkers.

Enquiry shows that only two firms in the Birmingham area employ homeworkers on the carding of snap fasteners (with one additional firm who occasionally employ a few outdoor hands).

The total number of homeworkers who are fairly regularly employed on the work at the present time does not exceed 60.

All the firms in question were visited, and 15 workers were also interviewed at their homes for the purpose of obtaining evidence of the time taken to card the different kinds of work.

Cards.

The cards are all punched for the easy insertion of the fastener backs. No complaints were forthcoming about the cards being either unduly thin or thick.

Fasteners.

It appears to be the rule for all fasteners to be given out in packets, a separate packet for each size of fastener.

The fasteners are nickelled, brassed, or japanned. Enquiry showed the japanned work takes about 20 per cent. longer to card than does the other work, owing to the greater difficulty of fitting the fastener tops, which need more pressure in snapping.

All fasteners are uniform in size and weight, the standard sizes being 00, 0, 1, 2.

The cards usually contain 36 or 24 or 12 fasteners each.

Self sizes (not mixed) are principally used in carding.

Work.

All workers fetch the work from the warehouses and return it after completion.

To check loss of material it is customary for firms to weigh out the cards and fasteners, weighing in again on return of completed work.

In some cases firms provide workers with wrappers and twine with which to parcel the work, in other cases the workers provide their own.

Some firms supply their workers with boards in which there are moulds which the workers fill by shaking fastener backs into position, afterwards fitting the card over the backs (studs), and snapping on fastener tops (this latter operation is usually done by workers snapping with both hands). Using these back boards would seem to have the effect of increasing output by about 15 per cent. over that of the old method where the worker holds the card and inserts the studs with the left hand, fixing and snapping tops with the right hand.

The amount of bright and black work appears to be about equal, the black taking, as already mentioned, about 20 per cent. more time than does the bright work.

During the inquiry no carding other than that of 36 fasteners per card was found. Although the test times given below relate to this particular number of fasteners, time estimates were obtained from workers as to the time it would take to card the 12 and 24 lines.

The time taken and estimated are those for an ordinary experienced worker working diligently. Work, bright. Back board (tray) used.

Size of fastener.	Time taken per gross cards.		
	36 per card.	24 per card.	12 per card.
	(Time of test.) hrs. mins.	(Estimated.) hrs. mins.	(Estimated.) hrs. mins.
00.	6 0	5 0	3 30
0.	5 15	4 15	3 0
1.	5 0	4 0	2 0
2.	5 0	4 0	2 0

The above times include 10 minutes per gross cards to allow for worker counting and parcelling the work ready for its being returned to firm.

To the above times add about 15 per cent. where no back boards are used; to the above times add about 20 per cent. where black work is carded.

The average piece rates now being paid are as under:—

Size of fastener.	Price paid per gross cards.			
	36 per card.	24 per card.	12 per card.	
	s. d.	s.	d.	
00.	1 6	1	6	
0.	1 6	1	6	
1.	1 6	1	6	
2.	1 6	1	6	

Yield in pence per hour of the rates paid at present based on the above times:—

Size.	36 per card.	24 per card.	12 per card.
00.	3·0 (estimated)	2·4 (estimated)	1·7 (estimated)
0.	3·4 (test)	2·8 "	2·0 "
1.	3·6 "	3·0 "	3·0 "
2.	3·6 "	3·0 "	3·0 "

Provision should be made for those cases where the worker supplies paper and twine.

8822. *Chairman:* You are a member of the Pin, Hook and Eye Trade Board on the workers' side?

—Yes.

8823. You also represent the National Union of General Workers?—No, not on this occasion. I represent for this purpose the Home Workers' League, Birmingham Branch.

8824. You wish to call attention to some points in the evidence of Mr. Impey?—Yes. Mr. Impey made two points. He desired first of all that there should be one time rate, and one time rate only, for the trade, and, secondly, that the fixing of piecework rates should be removed from the scope of the Board. I want to deal with these two points particularly with reference to home workers. The only persons for whom piecework prices have been fixed on the Board are the home workers. Mr. Impey stated in his evidence in reply to a question by you, that suggestions had been made that piece prices should be extended to other workers. I want first of all to say that the only suggestion of that kind was made by me, and was made in order to meet the difficulty of the competition of the juvenile in-labour with adult out-labour, the suggestion by

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Miss SUSAN LAWRENCE.

[Continued.]

the employers being that the piece prices for the juveniles should be on a piecework basis, varying with regard to age. That we consider highly objectionable; it would mean that if a girl of 14 did the same work as a woman of 18 she would get less money for it, and we thought that objectionable, and the suggestion was thrown out by me that in and out-work should have the same piece price. That was only a suggestion; it has not been pursued.

8825. You are speaking of a discussion at the Trade Board—not here?—It was stated here that a suggestion had been made, and I wanted to explain that suggestion. Now there are two points, first of all, the time rate basis. We obtained without very much difficulty a 9d. time rate and a 10d. piece price basis for the in-workers.

8826. That is for women, is it?—Yes; that was originally; it is not so now; it has been lowered since. When it came to the out-workers the employers entirely refused to give the same time rate or piece basis rate for the in-workers and pressed—enforced it in fact—that their rates should be very much lower.

8827. For out-workers?—For out-workers. Now the reason will be seen, I think, in the position which I venture to place before the Committee. Those tests will show that whereas the position of the in-workers was, on the whole, a settled position, a position of people with more or less fair rates, the position of the out-workers was very different; that you were there dealing—I am not exaggerating—with a sweated condition of the trade; that their position was very much lower than that of the in-workers; and that to raise people who were earning at that time, some of them, 2d. and less per hour on full rate was, in the opinion of the Appointed Members, I think, too great a jump; that in dealing with a sweated section of a trade you do need to proceed by two stages, and that is a state of affairs which repeats itself in many Trade Boards. You find very often that the bulk of the occupations are already earning a reasonable living wage, and that you have to deal with the sweated occupations on a different level and by different stages. Now then I come to the tests. I have put in two sets of tests made by the officials of the Trade Boards for home workers, the first test of September, 1920, and the last test made within the last few months. There have been other tests. There was a test by the officials presented to the Board in October, 1920, with which I will not trouble this Committee, because it repeats substantially the results of the other two tests. There was a test made by the employers which I think I will hand in, because they attach a good deal of weight to it. I do not attach very much weight to it. It was a test by two persons, and they certainly worked at a rate which no experienced person would have believed they could keep up.

8828. *Lord Weir*: Which is the latest one; which is the test taken at the latest date, the one headed "Private and Confidential" or the other one?—They are both private and confidential, I think.

8829. They are not dated?—They are not dated. You will see that the first one compares the results of the September, 1920, one.

8830. That is the more recent one?—That is the most recent.

8831. *Mr. Pugh*: Is that the one carried out under the supervision of the Trade Board Inspectors?—Yes. I have not put in any tests which were not carried out under the supervision of the officials. Now the first test shows that the hook and eye people were then earning in September, 1920, from 2-3d. per hour to 1-875d.; that is to say, from just over 1½d. to 2½d. Those were the hook and eye people.

8832. *Chairman*: Let me find that, please.—I will hand it to you if you like. I have a spare copy.

8833. I have it, but whereabouts on that page shall I find the figure you have just given?—Perhaps I had better hand you the original. (*Document handed.*) It is on page 4 of the original, and then I shall refer again to the last page.

8834. It begins on the page which commences on the first line: "The cost to the worker"? Just let me understand; were these women?—These were women homeworkers.

8835. Who were set to work at a piece rate?—They were set to work; they were timed, and the amount of money earned was on the basis then being paid.

8836. Not the Trade Board piece rate?—No. This was the preliminary investigation before the Board fixed their rates.

8837. Then at that wage, at the price then being paid, they were found to be earning 2-3d. per hour?—That is for hooks and eyes.

8838. And 1-875d. in another size?—Yes.

8839. Was this carding, or what?—Carding hooks and eyes at home. You will see two pages further on in the original the amounts then earned according to the official investigators for snap fasteners. That, you see, was from 1-7d. to 3d. at the prices current before the Trade Board began its operations.

8840. *Mr. Pugh*: That is estimated, is it not—1-7d. to 3d. That is the last paragraph?—Yes, they took the workers; they tested them, and you will see that in the hook and eye tests no allowance is made for the cotton.

Lord Weir: What *Mr. Pugh* points out is that the low figure is an estimated figure; the actual test figures are 3-4d. to 3-6d.

8841. *Chairman*: That is 36 per card?—Have you the same page, *Lord Weir*?

Lord Weir: Yes, I am on page 4. You made the tests on 36 per card, and you estimated the others?

Sir Arthur Pease: They are all estimated, are they not?

8842. *Lord Weir*: No, first there are three tests?—No, I think it is all right.

8843. 0, 1 and 2 at the rate of 36 per card were real tests; the others are estimated?—Just one minute. It says: "The yield based on the above times." Here are the times—the times taken by gross cards you will see on the first page: 6 hours to 5, 5 to 4, 3 to 2. Those are the tests. Those are the actual times taken. The price paid by gross cards is also a fact; the estimate is merely estimated on smoothing out the average. You see you have the times which vary from six hours to five hours in the tests. You have got the prices, and the yield per hour is based upon the average of those times and the actual prices. The times are correct, but vary; the prices are correct.

8844. Is it not really the case that if the girl was working on size 1 and putting 36 per card, she would definitely earn 3-6d.?—No, if you look you will see that there are four workers who took different times over the cards—oh, no, I beg your pardon, you are quite right; I have got it wrong. Some of these are tests and some of these are estimated workers' times. That is quite right. I got a little mixed up.

8845. The variation is so great?—I am very sorry to have delayed the Committee. Then you will see, if you look two pages further on, what the snap fasteners were estimated at at that time. That was 1-7d. to 3d. Snap fastening is rather complicated, and the later tests present more variety than those of the hooks and eyes. Since that date we had a test by the Trade Board in October of last year, with which I have not troubled you because it more or less repeats. We had a test which you have got—in December, 1921, I think it was—with comparisons of the times taken in September, 1920. We had a test given by one of the employers, who brought a couple of workers down to the Board, who did snap fasteners, and did them 20 per cent. quicker than the official test. It was a short test and a quick test; and finally the Homeworkers' League have taken repeated tests. I have not put those in because I considered that, though they were good *prima facie* evidence, they were not absolute proof. You ought to have a skilled investigator present during the whole time for a satisfactory test.

8846. *Chairman*: What are these tests intended to lead up to?—These tests are intended to lead up to

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the amount of work which a woman can do under homework conditions in an hour. That is evidence for fixing the piece prices.

8847. And following that up it leads to piece rates?—Yes. Our tests on the whole confirmed the official tests, but showed a much wider range of variation. They were tests carried on, not in the presence of an investigator, but by women who had had instructions to time themselves. They showed a considerably wider range. They are not worth so much credence as the official tests, but they do afford a certain amount of corroborative evidence.

8848. *Mr. Layton*: Might I ask with regard to the reference to this hook and eye test on page 3 of your first statement—that is, I imagine, what you are calling the official test—whether that is the basis for the 2-3d. and the 1-875d., because I notice that the workers B, C and D are classed there as sub-normal?—Yes, but if you will look further on—and I am coming to the September test, the recent test—

8849. That is the last test?—If you will take the carding of safety pins you will see that the times correspond very closely to the September times. At the bottom of the first page you will see A, B, C, D and E. You will see the times put out varying from 57 minutes upwards.

8850. That is the recent test?—Yes, the last one. You will see that the difference between this and the September times are not very great. That is carding safety pins. But if you will look on to snap fasteners you will see again that the snap fastening without backboards, taken in September, 1920, corresponds pretty accurately—as accurately as you can expect to get in tests of this kind—with the most recent one. That is at the bottom of the second page—snap fasteners.

8851. *Lord Weir*: In connection with the question of the use of better facilities, such as the backboards, I notice that your inspectors, or the people who conducted the tests, value backboards at about 15 per cent.?—Yes.

8852. If that is so, why did the Board value them at 33 per cent.?—Because the employers would not let us value them at 15 per cent. only.

8853. Really the whole of this question is a question of whether the piece rates are ample or not?—No, that is not the point of my evidence. My evidence is intended to show that in these complicated and difficult conditions piece prices are the only possible protection to the worker.

8854. Surely the Board have carried that out, because they have fixed nothing but piece prices for the home worker?—Yes. But my point is that Mr. Impey said that it was objectionable that the Board should have that power. What I am trying to bring before this Committee is the very complicated and difficult conditions with regard to the out-worker, and that this power of fixing piece prices is essential.

8855. My recollection of Mr. Impey's main point was that he objected that a Board should fix piece prices where the process and the facilities would vary, by which I think he meant the factory rather than the home work.—In his evidence in-chief on the second page, the fourth paragraph, he says as to piece rates, "These should not be fixed by Trade Boards at all." I do not want to contradict members of this Committee, but this is what alarmed me.

8856. *Mr. Pugh*: I think in his summing-up he says that in the view of the Employers' Association the operation of the Trade Boards Act should be limited to what they held to have been the original intention of Parliament, viz., that of fixing a general minimum time rate, and that they should not fix piece rates, and so on. Is that where your evidence is tending to?—It comes in his conclusion, and it comes in his opening statement, and the object of my presenting this somewhat tangled and difficult evidence to the Commission is that they should be aware of the extreme difficulty under which any fixing of wages for home workers is involved.

8857. *Chairman*: If you look later on at Question No. 5746, he says: "A home worker might say that some arrangement about piecework is necessary;

but that is a very limited portion of the amount of wages paid in this industry."—He says that there; he asks that there shall be no piece prices fixed, and as a matter of fact the employers on the Board—got through the Board a proposal to scrap all the piece prices for home workers; they got out a notice of proposal to do away with all the piece prices, and I am informed that they are going to press the fixing of that at the next meeting of the Board and leave these women on a time rate.

8858. *Dame Adelaide Anderson*: How can you fix a time rate for home workers?—Well, you cannot; it means that they will be unregulated. That is what has happened at the Board; the employers carried a proposal to scrap the piece prices. I am told that at the next meeting of the Board they are going to press very much that those piece prices should be scrapped. They come here and say to you that there should be no piece rates, and that is what has brought me up here to-day.

8859. *Mr. Layton*: Do the employers assume that Trade Board rules about time rates are in theory at all events, or would become, applicable to home workers?—Their feeling is that we should fix a basis piece price; that the employers should then fix piece prices so to correspond with it, and that the workers, I understand, should be left to their individual powers of protesting if the piece prices fixed do not yield the time rate. What I want to say is this: I want this Committee to remember that you are dealing with people who have been receiving prior to the operations of the Board a cruelly low rate of wages; that you are dealing with people who have an especially low power of resistance. They are scattered; there is only the very small beginning of an organisation; there is very little of this work at the present time compared with the number of workers who can do it, and the competition is acute. It is done, not as a single job but as a time-rate job. I habitually find the workers work the children after school for two or three hours, and I want to ask under those circumstances what possible protection to the workers could a time rate be? The work, except in the evening, is done at odd times. The workers work when they get a spell of it; they call together everybody who can lend a hand, and they find it difficult to time themselves; they find it impossible to allow for the amount of assistance they have got. A time rate would under those circumstances be no protection whatever to the worker even if you put on one side the extreme difficulty of obtaining complaints from the worker with regard to any infringement of the Act. That is a thing which I know is extremely difficult. You can do it after some years, but it is very difficult in the earlier stages. You would have to have, even if you could get the complaints, an elaborate individual investigation in the case of every disputed wage, whether or not the piece price for the worker did actually yield the time rate or whether the worker was or was not subnormal.

8860. *Chairman*: Are these piece rates fixed with the intention that they shall yield the time rate?—Yes.

8861. Or something more?—No. Unfortunately for the home worker we have only got a 7½d. basis piecework price.

8862. And that to an ordinary worker would yield the minimum time rate?—No. They have not got the minimum of the rest of the workers. The Board chose to fix for them a special minimum of 7½d. only. The piece prices were intended to translate the 7½d. per hour into actual terms of piecework.

8863. *Sir Arthur Pease*: The workers in the factory have a minimum of 7½d.?—No. Now they have come down to 7½d.; they had 9d.

8864. And the home workers 8d.?—No; the home workers have not been reduced yet because there has been a considerable discussion about these piece prices, and the matter is still in the air. But originally it was 7½d. outside and 9d. inside.

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8865. What is it now?—Now the thing is rather in the melting pot. They have carried a proposal to reduce the in-workers to 74d., and they have carried a proposal to scrap all the piecework prices. Whether or not either of those will be fixed is a question which I cannot answer yet.

8866. *Mr. Pugh*: Does that mean carried by the Board?—The proposal was.

8867. Has that been carried with any unanimity?—There was no unanimity of any kind.

8868. Then how was it carried?—I was not present when they scrapped the home-workers' piece prices, and I cannot speak as to that. The other was carried by the Appointed Members.

8869. *Lord Weir*: Is it usual for out-workers to be paid at a lower rate than the factory hands?—No, it is not usual. I am not a member of the Tailoring Board, but I do not think it is so there. It is very usual when you get a class of workers moderately prosperous and a pool of really sweated work to make differential rates, anyhow for a time, so as to pull up the sweated ones slowly. That is very usual, and that is one of the grounds why we want the Boards to fix more than one minimum time rate.

8870. As a matter of fact, in this particular trade the number of out-workers is very rapidly decreasing, is it not?—Yes; there is the slump.

8871. Apart from the slump?—I do not think so, apart from the slump. I think it is the slump, as far as I can judge.

8872. *Chairman*: Have they devised any machinery for doing these operations?—There is only one factory which does indoor carding, as far as I know. They have got for the hooks and eyes sewing machines, and they have got back-boards for the snap fasteners. When the trade revives the employers will have to choose whether they will incur rent and overhead charges or whether they will give the work out. I do not know which way their decision will go. At present there is no accommodation in the factories for anything like the amount of carding done outside.

8873. *Dame Adelaide Anderson*: It is all in Birmingham or round about, is it not?—I do not know of any other place.

8874. *Sir Arthur Pease*: But there is no piecework rate fixed for the factory, is there? There is only a piecework time rate?—There is only one factory of which I know which does carding inside, and through discussion on the Board that particular job has for these two years escaped without any rate being fixed for it. It is a very serious dereliction of duty on the part of the Board.

8875. Is there not a piecework time rate for that factory?—No—not for carding inside.

8876. *Lord Weir*: Is it a dereliction of duty? It is a permissive duty, is it not?—It is the duty of the Board to fix minimum rates for the workers.

8877. *Mr. Layton*: The minimum time rate would apply, would it not?—Owing to very great difficulties and very violent discussions, the carding inside has never yet been subject to a Trade Board rate. It is only one factory, employing juveniles. It has never yet got this rate.

8878. *Chairman*: As a matter of fact, is a fair piece rate paid in that factory?—It is a piece price.

8879. Is it a fair piece rate?—I do not think the rate inside is good enough.

8880. Do you know what it is?—I could not say. It is very difficult to say what they are getting.

8881. *Sir Arthur Pease*: Is it equal to what is paid to the home workers?—It is very difficult to say what they get—very difficult indeed.

8882. *Chairman*: Then it is very difficult for you to doubt whether it is enough or not?—I want them to get the rate fixed for the other workers.

8883. I know, but if you do not know what the rate is which is being paid, how can you tell us it is not enough?—I have been through the factory, and I have talked to the girls. I have got an opinion about it, but I have not got sufficient knowledge to tell this Committee exactly what the girls are earning.

8884. *Lord Weir*: I wish to take that a little bit further. You say there is a factory where girls are employed carding and they are unprotected?—Yes.

8885. Surely they are protected. I see that the female workers over 18 years of age employed in carding have a piecework basis time rate?—Other than carding hooks and eyes.

8886. *Mr. Pugh*: Why is that exception made in the decision of the Board?—Because the question is so violently controversial that the Board have never been able to come to a decision.

8887. I suppose if you carry that out to its logical conclusion, the Board may come to no conclusion at all?—It is a very unfortunate position.

8888. *Sir Arthur Pease*: You started by saying that the outworkers were paid less than the workers in the factory, and now we have got it that there is no rate fixed for the workers in the factory?—I have not made myself clear. Carding, other than hooks and eyes, has a rate fixed by the Board. The people who have never come under the Board are the in-carders for hooks and eyes. I am afraid I put it very badly. Carding "in" has got a rate; carding "out" has got a rate; excluded from all rates is the in-carding hooks and eyes.

8889. *Dame Adelaide Anderson*: What is the peculiar difficulty about carding a particular little object?—It is generally done inside by juveniles. There has been a violent controversy on the Board, which has never yet been settled, as to whether there should be a piece price differing with age for the juveniles. We object to that.

8890. It is with regard to fixing a rate according to age?—Yes.

8891. And it is work so simple that it is suited for juvenile labour rather than adult labour?—It is exceedingly simple work.

8892. Then is the out-worker hook and eye carder generally a juvenile or an adult?—They always have the children to help them. To a great extent they are juveniles.

8893. But inside in this particular process it is juvenile work?—It is only a tiny factory.

8894. *Chairman*: The whole point of your coming here to-day is on the piece rates for this work?—There are two points: That the Board ought to have power to fix piece prices, otherwise this class of worker is utterly unprotected; and that the Board ought to have the power of fixing varying minimum rates for different classes of workers, otherwise you have either to make a revolutionary change in the sweated occupation, or you have to depress the people who are already earning a reasonable wage, and do them no good at all.

8895. *Mr. Pugh*: But what are you going to do in this case where you say you have not been able to do anything?—We are going to do it next time.

8896. You are?—Yes.

8897. There is some remedy for that?—Yes; we shall do it.

8898. *Chairman*: I want to understand exactly your second suggestion. You say, I have no doubt with perfect truth, that there are some industries where, owing to their history and to the nature of the industry, you cannot put up the minimum rate at one bound to what you would like to make it?—Yes.

8899. And therefore you say there ought to be power to fix varying rates?—Yes.

8900. For different classes in the same industry?—Yes.

8901. How does that follow?—May I give you an illustration from another trade?

8902. I can understand your inferring that you must have separate Trade Boards for different industries, so that each Board might have regard to the history of the industry with which it deals and go moderately in its work, but how does it follow that you ought to have varying minimum rates in the same industry?—An industry will cover many sub-heads of different occupations that have a different history. May I give an illustration from another Board? There was a Board set up to cover waste products. There are three sections of that Board—the

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marine store dealers, the paper stock and the woollen waste. The Board had pretty clear sailing with regard to the paper stock and the woollen rags. There were more or less settled rates which could be made uniform. They had very little information with regard to the marine stores. The employers pressed it very much that in dealing with that class of people we were dealing with very small people, to whom a violent change would be very dangerous; that it was imperative to give them, at any rate to begin with, a lower rate than the other two branches of the trade, where there were large firms and trade union agreements existing and so forth, could bear. You got under one Board a subhead in an entirely different stage of industrial development. With regard to the Pin, Hook and Eye Board, the metal workers in Birmingham are some of them organised. They have got traditions. The out-workers' question is utterly unexplored, and nobody knows anything about it. You must have power to deal differently with a section of different standing and different organisation.

8903. Really, what you say is directed to the different sections of an industry, and not so much to different grades in the same section?—This out-work business is a different grade of the same section.

8904. I am not sure that it is a different grade. It is a different class of worker?—If you go all through—hairpins, pins, hooks and eyes—you will find at the top of that section very skilled people indeed sometimes, and you find at the bottom workers with regard to whom the employers know nothing. It is an utterly different stage of development. The people who do the machinery work are highly skilled men about whom everything is known, and their position is well recognised. Then you go right down to these poor old women outside who are unorganised, who are perfectly ignorant, and who need very special treatment. It is sometimes between two industries, but in this case it is between classes of workers making the very same article at different stages.

8905. I am not trying to refute what you say, but thoroughly to understand it. I think it is common ground—almost universal ground—that the low class of worker whom you have just described must be protected by law, and I can follow your thesis that where you have different sections of workers, each section having its own special history and so on, you must empower the Board which covers them all to fix different minima for different sections. But when you have done that you come to the higher worker whom you have also just described—the man who is known and very likely protected by trade unions and so on. What I want to know is whether you think the Board should have power to fix the high minimum for him such as he would expect as his standard rate of wage?—I think it is sometimes necessary. You do have certainly a fear, and I think it is sometimes the case, that where you lift up the bottom man you may do it at the expense of the superior man unless his wages are also protected.

8906. On the other hand, if you lift up the bottom man it may be to the profit of the superior man?—It may or may not.

8907. He will say: "That is the lowest wage I must be paid"?—It may act either way.

8908. We were told by very experienced trade unionists that that had been the effect?—It is very often the effect.

8909. They want to get the basis wage and then the other grades will see that they get their proper sum above that?—It very often happens that way, but it may happen the other way. It depends entirely on the circumstances of the trade, and you cannot tell until you have explored the trade, which way that will work. Then I want to say that between the skilled machinist and the carder there is a grading up of people. The ordinary girls in this trade were, in the opinion of the Minister of Labour, deserving of protection. Where are you to draw the line? You say the home-worker wants a rate; you say the girl in the factory wants a rate; you say the people who are above the ordinary girls want a rate. Where are you to draw a line at all unless the Board are to fix varying minima?

8910. *Mr. Pugh*: In other words, when you get beyond the point where your Board operated, unless you had there the force of strong trade union opinion and organisation, you might not get a satisfactory rate fixed at all. The tendency might be to sink to the higher of the compulsory minimum rates?—Yes.

8911. That might be the tendency?—There is that difficulty, and you may have in the same job people who need protection—people who need the low rate; people who need a moderate rate, and people who need a higher rate, and unless the Board have the power of fixing varying minima, I do not see how you can have anything sufficiently elastic to meet all the necessities of a particular trade.

8912. *Chairman*: You say people need a higher rate. A good deal depends on what you mean by that. Do you mean that they are entitled to it having regard to the value of their work, or that they cannot live without it?—There is a living rate which we have fixed; there is the subnormal rate which we fix in some cases, and then you do not wish to do harm to the people who have secured by custom a precarious but rather better wage.

8913. How do you do harm by protecting a lower grade than themselves?—You may bring them down to it. Such things do happen some times. It is not general, but it does happen.

8914. It really comes to this, that these grades are to be fixed lest the minimum of the higher rate of wages should be brought down to the level of the others?—It is partly that. I think there may in some trades be a certain danger, but my real difficulty is the machinery of the Board. I know that you must have some sections of workers who are not skilled at all—workers who need protection at varying rates. I do not see how a Board could say that no rates should be fixed for skilled workers, because if there is one thing which is more difficult to determine in a Court of Law than anything else, it is the meaning of the word "skilled." I do not know if I am delaying the Committee too much—I am afraid I explain myself very badly—but for the protection of workers who might be sweated, it is necessary to have varying minimum rates. I do not see how you can put any restriction on the operation of a Board as to which classes of workers should have special minima. If you told the Board they were not to fix more than one rate, you would do a great deal of harm either to the lowest workers of all, or to those a little above them. If you told the Board they were not to fix skilled wages, then you would have all those complicated difficulties which come from trying to decide what "skilled" means. I speak from experience on this, because I should say three-quarters of the work of the Special Arbitration Tribunal on which I sat during the war was necessitated owing to the Minister having given a pledge that the skilled worker should have the skilled rate. It was as difficult as anything I have ever known to determine what was meant by "skilled."

8915. I do not think that anybody ever suggested to us that no rates should be fixed for skilled workers. It has always been put in the other way—that the Boards should be confined to fixing one minimum rate of wage?—Yes; and I protest against that.

8916. How do you say that would injure the lowest grades of workers?—You say the Board should fix one minimum rate. Take this question of the out-workers.

8917. I mean one rate for men, one for women, and one for children?—There again, I say if you fix in this rate the minimum rate suitable to the conditions of the out-workers, which are so very much depressed, you would not be doing any good at all to the workers inside the factory. If, on the other hand, you fix it, as I tried to get the out-workers' rate fixed, on the wage substantially agreed for the in-worker, then you would have produced such a revolution in the out-work trade as would, I think, have knocked out-work out of the market altogether.

8918. *Mr. Layton*: What would have happened?—It would have knocked outwork out altogether.

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8919. Would it have all come into the factory, because this carding of hooks and eyes is done practically outside the factory?—In the ordinary way it is done so now. What would happen if you fixed workers' wages at five or six times higher than they were? I should say that probably they would not be paid. Either they would not be paid, or there would be a violent change from "out" to "in," and while a gradual change from "out" to "in" might be a good thing, a catastrophic change would be too great for the industry.

8920. I understand the difference is represented approximately by the general minimum time rates which were 7½d. and 9d. and are now 6½d. and 7½d., so that the market is already diminishing?—We shall pull up the out-worker to the in-worker in the course of a certain time, I have no manner of doubt. But my point is that either you have got to treat the lowest class in a too revolutionary manner and make too great a change and upset the trade very much and make Trade Boards very unpopular, or else you have to leave the people who are above the extreme sweating line.

8921. Do you think it would have a disastrous result if you allowed only one rate to be fixed?—My whole point is, you want a range of minimum rates.

8922. There are only two now?—In the Waste Board we had either three or four.

8923. But was that for the same reason?—It was for the same reason substantially. A part of the trade was in a very much more depressed condition than the other. You have to make two bites at a cherry when you are dealing with absolutely sweated people. When you are dealing with poor people you can put them on a reasonable wage at once. When you are dealing with people down in the depths no Appointed Member will let you jump them up at once. It does not happen so; it cannot be done.

8924. Lord Weir: With regard to the Waste Materials Board, the Minister attempted to meet the requirements of a trade which was really an "in" trade?—Yes.

8925. There were very many different branches of the waste materials trade. There were four Birmingham Boards for the metal trades, I believe?—We made our divisions. The Board is a Board. It made its subdivisions according to the nature of what it thought proper. If it had not had the liberty to fix three or four minimum rates it could not be operated at all satisfactorily.

8926. It divided itself into three branches?—Yes, that Board did.

Mr. Layton: But is not that rather a different question from the question of fixing rates for people doing the same sort of work, because part of them are working under what are called sweated conditions, and the others are in factories?

8927. Chairman: Those two points I have been trying to keep distinct.—They are distinct points; but the necessities of the case point to the fact that the Board should have freedom to fix more than one minimum.

8928. Mr. Pugh: Is the claim for greater powers on the part of the Board to arrange their affairs according to the circumstances with which they are faced in a particular trade?—Yes. I have seen a good deal of evidence directed to proving the theory that the Board should fix one minimum. That seems too rigid. You may have one article manufactured in its different stages by people with very different traditions and very different positions and with whom you must deal differently. On the other hand, you may have sub-heads of work which also demand different treatment on account of their different history.

8929. Chairman: There are two things: Sub-heads of work I follow, because it is a minimum for the particular branch of the trade you want fixed.—Yes.

8930. But the other question is quite a different one?—It is quite different.

Dame Adelaide Anderson: That is, the need of the worker.

8931. Chairman: The question is whether you are to have regard not only to the living needs of the worker but also to some extent to the position and value of the worker. It is only when you do that that you can get grades. But I am interested in your point about the necessity of going slowly, which you put with great force. Would not that be met by saying to the Board: "Fix your minimum suited to the lowest class first. True, for the moment, it will not by law help anybody else, but other people will get the benefit because they will be able to point to this as being the very lowest wage of all by reference to which their better wage must be fixed either by agreement or by collective bargaining"?—See how it would work with the Pin, Hook and Eye and with the Button Boards. You had at one end of the trade these isolated people who wanted separate treatment whom there were reasons for not treating at once as well as they ought to be treated. You have the great bulk of the workers in the trade needing a minimum wage. If you could not have had the separate minima you would have had to say that all the in-workers' progress must depend on what you were able to do for the out-workers. That would be a cruel position. Suppose, for instance, the girls inside these factories were earning 15s. or 17s. and the out-workers were earning 10s. You might well not be able to pull up your out-workers to more than 15s., and it would mean that you have to leave people who were very badly off, and needed protection, alone for three or four years until you could deal with the people who were dealt with according to special circumstances. It would stultify the Pin, Hook and Eye Board, as far as the main workers were concerned, if everybody inside had to mark time, until you could bring up the out-workers. It is a difficult problem. It could be done, but it is a slow business.

8932. Sir Arthur Pease: Are the wages which are paid called minimum wages or are they the actual standard wages which are paid?—Inside there are people getting better than the minimum, certainly.

8933. I do not mean a few would get better wages, but is there a large body getting better wages? Are they real minima, or are they standard wages practically?—I have not got the detailed figures. I can only say that from what the employers have said on the Board, I think a very large proportion are minimum wages.

8934. Mr. Pugh: But are any rates which are not minimum rates settled by the Board or by separate negotiation? As a matter of fact, are there any rates settled for workers in the trade which are not settled through the Board as minimum or standard rates?—There are a few, I think, but the agreements are mostly on the men's side, of which I do not speak with much knowledge.

8935. Chairman: Would the point we are discussing be met by enabling the Board to fix a separate rate for out-workers?—Not wholly, because you may have in-workers. The variety of trade is so difficult. When you take up Trade Board work you continually find that most of it is on a fairly reasonable level, but with pools of sweating in it. To deal with the absolutely sweated part of the industry, whether it affects sections of workers or whether it affects the locality or the sub-head, is a thing on which the Appointed Members very rightly and justly always insist on going slowly. They will not have a violent revolution in the trade, and you have very often indeed to take the particular group and deal with it separately.

8936. Mr. Layton: Are there not cases of factory workers who have been dealt with in that way and have been given a minimum which the Appointed Members considered less than a minimum living wage?—I do not believe the Appointed Members would say it. I would say it sometimes.

8937. But most of the Boards have one minimum rate in a factory—a time rate?—It is very much

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[Continued.]

better, and I should prefer for simplicity of administration to have one rate where circumstances allow.

8938. But are there any cases where more than one minimum rate has been fixed for factory workers?—I have given you the Waste Material Board.

8939. I do not think that is really quite the same. We are really talking there of three or four trades?—On the Boards on which I am, it is necessary in waste materials, it is necessary in pins, hooks and eyes, and in buttons.

8940. But in pins, hooks and eyes, is there a differentiation in the factory?—Yes. It is not necessary, as far as I know, in aerated water or in confectionery.

8941. What are the differences in the factory in pin, hook and eye?—In the case of the pin, hook and eye industry, the difference is with the out-workers. In the button industry it is with the out-workers. On the Waste Material Board the difference is between the different sub-heads. The Aerated Waters Board and the Confectionery Board do not need two rates.

8942. *Lord Weir*: You say the difference is sometimes in regard to the out-worker, and sometimes between the different sub-heads?—Yes.

8943. The out-worker, you say, is the very great difficulty?—Yes, administratively.

8944. And that applies in how many trades?—On the Boards on which I am there are three out-worker trades.

8945. *Dame Adelaide Anderson*: It is the case that in partly organised industries a minimum rate has

been raised in the earlier stages without proof of a rise in the cost of living?—Yes; that may have been so before the war.

8946. In wholesale tailoring, for instance?—Yes, they went up.

8947. They started with a minimum rate for women of 3d.?—All those Boards moved before the war. I could not say exactly what the figure was.

8948. They moved by degrees as the trade could bear it?—Yes.

8949. So that there was time for the trade to adjust itself to a different estimate of what a woman should be paid?—Yes, but it was more than that. The view taken was that the trade should be regularised. There was a low minimum which was worked up to a living wage.

8950. Has there been any case where a woman's minimum has approximated more nearly to a man's minimum at a later stage?—I could not answer that. They have varied independently.

8951. You do not remember about the tailoring trade?—No. I could not speak as to that without looking it up. What I am asking for is reasonable liberty on the part of the Board to fix varying minima, particularly when they begin their business. It adds a real complication on both sides if you have to-day one hard-and-fast rate for every single class of worker in the trade.

Chairman: We are very much obliged to you for discussing this question with us.

(*The Witness withdrew.*)

Mr. H. Dawson, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

STATEMENT OF EVIDENCE OF Mr. H. DAWSON, Chairman of the Workers' Side of the Stamped or Pressed Metalwares Trade Board (Great Britain).

1. *Scope of the Stamped or Pressed Metalwares Trade Board.*

The Stamped or Pressed Metalwares Trade Board covers a section of the brass trade, which is one of the staple trades in the Birmingham district. Although certain firms exist in other parts of the country, the majority, i.e., about 500 firms, are in the Birmingham district. Some of these firms do not employ more than a dozen workpeople, and this, together with the fact that many of them are situated at the back of other premises, makes it exceedingly difficult to organise the workers adequately.

A number of the larger firms belong to the Engineering and National Employers' Federation or to the Brassfounders' Employers' Association, but many firms, especially the smaller ones, are not in any employers' association.

2. *Wages Prior to the setting up of the Board.*

When the Trade Board was set up certain firms which had been covered by the Ministry of Munitions Statutory Rules and Orders, or had been raised to similar rates by the operation of the Wages (Temporary Regulation) Act, were paying from 43s. 6d. to 38s. to their women workers. On the other hand, it is undoubtedly true that a considerable number of the smaller firms, which had never been touched by organisation, were paying as little as 25s. per week.

3. *Lack of Machinery for effective Regulation of Wages.*

It is important to note that, even with regard to the firms paying the higher rates at the time of the

setting up of the Board, it could not be said that adequate machinery existed in these trades for regulating wages, since many of them were not covered by any employers' association, and great apprehension existed as to the position which would arise when the clauses of the Wages (Temporary Regulation) Act, as continued by the Industrial Courts Act, expired.

As the employers' evidence has laid stress on the fact that there was no justification for the setting up of this particular Trade Board, it may be useful to explain how the fears which existed in the minds of the Trade Unions have been realised.

Throughout 1920 negotiations were proceeding between the Engineering and National Employers' Federations and the unions concerned regarding the rates to be paid to the women covered by these Federations on the expiry of the Industrial Courts Act. In April, 1921, the employers finally offered a schedule of rates (which is attached (Schedule A)). After the most careful consideration, all the unions concerned rejected this schedule, on the following grounds:—

- (1) That the alteration of the adult age of women from 18 years to 21 was a vital question of principle, to which they could not agree.
- (2) That the basic rates proposed by the employers' federations were little better than the pre-war sweated rates.
- (3) That the operation of an automatic sliding-scale on an utterly unsound basis, and from a figure 11s. 6d. below the 43s. 6d. was unjust.

The employers, however, intimated their decision to enforce the rates.

In September, 1920, the Stamped or Pressed Metalwares Trade Board had fixed their first rate. It is perfectly true that the employers in the Birmingham area first reduced their rates, varying

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[Continued.]

from 43s. 6d. to 38s. per week, to the Trade Board rate of 9d. per hour, but in giving his evidence Mr. Ramsay failed to add that soon afterwards the employers in the Birmingham area who were not covered by the operation of the Stamped or Pressed Metalwares Trade Board reduced their rates still further in accordance with the sliding-scale rejected by the trade unions, or even to still lower rates.

It will thus be seen that the machinery for regulating wages as between the most powerful employers' association in the Birmingham area and the unions concerned, broke down completely, and that, far from having a disastrous effect on rates and organisation, the minimum of the Stamped or Pressed Metalwares Trade Board constituted the only protection for the workers in that trade. If this was the position with regard to the organised employers, with regard to the many unorganised employers evidence shows clearly that without a Trade Board matters would have been even more serious.

In sections of the metal trade not covered by the Trade Board, rates even lower than those paid by the organised employers are being forced upon the workers. In certain areas pieceworkers on full time are only earning about 16s. a week, which, translated into pre-war values, shows a wage quite as low as the sweated wage which the Trade Boards Act was passed to improve.

On this point Mr. Beck, in his evidence given on 23rd November, said: "You may take it that there is an effective means in every organised trade of keeping wages up to a standard of reasonable living to workmen," and Mr. Jackson on the same occasion, speaking on the same subject, claimed that there is no unorganised trade, and made a point of the satisfactory agreement between his organisation and the union in the harness and saddlery trade for rates lower than those fixed by the Trade Board. (See Schedule C.)

The real position with regard to this trade, on which my colleague Mr. Wright, secretary of the Harness and Saddlery Furniture Trades Association, will be prepared to give further evidence, is that at the time the agreement referred to was made, only a relatively small proportion of the total number of women workers employed in the district were organised. Owing to the scandalous wages prevailing in the trade, the union felt obliged to accept an unsatisfactory agreement as the only means of securing some improvement for its members.

A summary is appended showing the rates of wages which prevailed in this trade before the agreement was arrived at (Schedule B). Even at this date, in the section of the trade which is not at present within the scope of the Stamped or Pressed Metalwares Trade Board, I have established the fact that many employers are evading the agreement, and that rates less than £1 a week are being paid in certain cases for a full week's work.

It must also be stated that owing to the prevailing unemployment there is great fear of victimisation among the women, which deters organisation, and prevents complaints with regard to the evasion being reported to the trade union.

4. Skilled Rates.

We would strongly oppose the proposal of certain employers to limit the power of the Trade Board to fix skilled rates. Certain sections of the stamped or pressed metalwares trade require long training and considerable skill, and it is the practice of the better employers to recognise this skill by paying higher rates. If these higher rates are not made legally binding, unscrupulous employers would be able to take advantage of abnormal unemployment to try to force down the wages of skilled workers to the unskilled rates, and this competition would react equally unfairly against the workers and the better employers

and would even endanger the present system of voluntary agreements between the employers' associations and the skilled men's unions.

The evidence tendered by Mr. Jackson on this subject would lead to the conclusion that the employers had always been opposed to the fixing of skilled rates on the Stamped or Pressed Metalwares Trade Board, but a survey of the minutes will disprove this contention. At the meeting held on May 17th, 1920, when the wages of men were considered, after agreement had been reached on the minimum rates for male workers, the following minute appears:—

"It was agreed that the following Committee should be appointed to consider and report to the Board on special rates for special classes of skilled and semi-skilled workers:—

"Representatives of Employers.

Mr. F. M. Chandler,
Mr. H. Jackson,
Mr. A. S. Keeling,
Mr. J. W. Maddeley.

"Representatives of Workers.

Mr. H. Dawson,
Miss M. N. Symons,
Miss J. Varley,
Mr. C. J. Wright."

There was a short discussion at this point as to the desirability of fixing skilled rates for the female workers, but the presence of representatives of the women workers on the committee clearly proves the intention of the committee. Rates were eventually agreed upon and proposed by agreement between the employers and the workers without any interference on the part of the Appointed Members, and it was not until the fixing stage that the rates were opposed by the employers. It is, therefore, our contention that the opposition of the employers on the Board was not based on objection to the power of the Board to fix skilled rates, but that it was merely circumstances arising from the trade depression which led them to adopt this attitude, after taking part in the committee, which throughout worked most amicably.

5. Appointed Members.

In our opinion, it would be better if the Minister accepted a panel from both sides and selected from each panel a number appropriate to the particular Trade Board under consideration. We consider this would improve the efficiency of the Board and would at the same time meet the objection of the employers that Appointed Members have no knowledge of the matters with which they deal.

In connexion with the Stamped or Pressed Metalwares Trade Board, however, it should be pointed out that the Administrative Committee, consisting of four a side, with the Appointed Members, has settled four sets of rates out of five, without the votes of the Appointed Members.

6. Officials of Organisations as Members of Trade Boards.

A number of employers have emphasised in their evidence the presence of trade union officials on Trade Boards. On the other hand, it might be pointed out that on the Stamped or Pressed Metalwares Trade Board the employers are represented by Mr. Brown, of the Engineering and National Employers' Federations, Mr. Jackson, Chairman of the Harness Furniture Manufacturers' Association in Walsall, and Mr. Madeley, Director of the Brassfounders' Employers' Association. The workers' side is glad that such prominent members are represented on the employers' side, since they believe that they add greatly to the power of the Trade Board and lead to efficiency in working.

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[Continued.]

7. *Permits of Exemption.*

The Stamped or Pressed Metalwares Trade Board remitted this matter to the Standing Committee, which agreed that in all cases one member from each side should visit the firm concerned and interview the workers. I have visited firms in connection with about 20 cases with a representative of the employers. In all cases a permit has been granted and in about 14 cases we were able to persuade the employers to agree to a permit on a higher rate than that originally asked for. In our experience we know of no case in which the machinery of the Act has proved too limited to allow a permit to be granted when application was made, and we have not found that the system drives the less efficient worker out of employment.

8. *Machinery of the Act.*

We are of opinion that after the first proposal of the Board, the period for objections should be shortened to one month.

9. *Duplication of Boards in the Metal Industry.*

We are agreed on the Stamped or Pressed Metalwares Trade Board that many difficulties are created by two or more Boards operating in one workshop in the Birmingham area. Some of the cupped blanks are stocked, and then may be used in the production of several different articles that may or may not come within the scope of a particular Trade Board.

It should, however, be pointed out that originally the respective employers in the trades concerned were most emphatic in demanding separate Boards, and that the efforts made by the Stamped or Pressed Metalwares Trade Board to secure amalgamation of the four similar Boards in the area have been opposed by the remaining three Boards.

10. *Scope of the Board.*

The Board covers:—

The manufacture from metals (other than precious metals) by the processes of cold stamping or cold pressing (including cutting or piercing) of cabinet fittings, window fittings, curtain accessories, stationers' sundries, drapers' sundries, fittings for gas or electric light, fittings for suit-cases or handbags or purses, buckles, eyelets, ferrules, labels, collar studs, tie-clips, thimbles, photograph frames, stamped chains, bells, fancy nails (excluding the shanks); parts of safety razors (excluding the blades), parts of braces or suspenders, corset steels or busks, whistles, tin-openers, medals or any similar articles or metal parts of such articles.

Some of the articles mentioned in the schedule, such as cabinet fittings, fittings for gas or electric light, and stationers' sundries, over a large number of articles. For instance, a manufacturer of cabinet fittings as a rule makes a number of articles that the workers' side say come within the scope of the Stamped or Pressed Metalwares Trade Board—a case in point, we say that a stamped hinge is a cabinet fitting; the employers agree, but the department say that stamped hinges do not come within the scope of the Trade Board.

When the Trade Board was set up many of the members on both sides were under the impression that the scope was a general one.

On the 25th September, 1920, the following letter was sent to the Secretary of the Trade Board:—

"Dear Sir,

"We have some members at Long Eaton who are carriage and bobbin workers. These members I claim came under the Stamped or Pressed Metalwares Trade Board. The carriage and bobbin consists of three parts—the carriage, bobbin and coombs. Each of the parts is stamped or pressed from sheet brass or sheet steel, usually about an eighth of an inch thick. This industry is confined to Long Eaton and Nottingham, as thousands are used in the lace factory.

"There are 10 firms at Nottingham and 5 firms at Long Eaton. The number of workers, from enquiries I have made—women 400, men 400. If there is any doubt about this, I should be glad if you will be good enough to put it on the agenda for the next meeting.

Yours faithfully,

H. DAWSON."

I received the following reply, dated 19th October, 1920:—

"Sir,

"I am directed by the Minister of Labour to refer to your letter of the 25th September forwarded by the Secretary of the Stamped or Pressed Metalwares Trade Board (Great Britain) relative to the applicability of the rates fixed by the Trade Board to carriage and bobbin workers. In reply, I am to refer you to the definition of the Trade as given in the Appendix to the Trade Boards (Stamped or Pressed Metal Wares) Order, 1919 (a copy of which is enclosed for convenience of reference), and to say that carriages and bobbins do not appear to come within the scope of the Board as specified therein. I am to add that the question of the inclusion of such workers will be borne in mind when the amendment of the scope of the Trade Board is under consideration.

I am, Sir,

Your obedient servant,

F. W. LEGGETT."

These letters were discussed at the sixth meeting of the Trade Board held on 24th November, 1920.

No. 17 Minute reads as follows:—

"After consideration it was agreed that a communication should be sent to the Ministry of Labour to the effect that the Trade Board were unable to agree with the opinion expressed in the letter of the 19th October, and that in their view the minimum rates which they had fixed were applicable to workers of the description in question."

It has been the custom of the Department to express opinions on questions of scope submitted to them. Some of the opinions we have not been able to agree with—for instance, the Department expressed the opinion that workers engaged in carrying work, which was within the scope of the Trade Board, to and from the warehouse are within the scope of the Trade Board, but a worker carrying work from one department to another is outside the scope of the Trade Board, also a worker who carries work from one department to another, and occasionally to the warehouse is not within the scope of the Trade Board. On both sides of the Trade Board it was agreed that an employer who wanted to evade the payment of the Trade Board rate could easily arrange that no worker should continually carry work to and from the warehouse. We contend that all workers of this description are entitled to at least the minimum rate of the Trade Board.

I am pleased to say that the Minister decided some four months ago that in future all questions of scope should be first submitted to the Standing Committee of the Trade Board. This is a step in the right direction. The Board appreciates the action of the Minister in giving us an opportunity to express our views before a decision is given.

The only way to settle the question of definition is to deal with a process rather than the article manufactured, and to include everything made by the process of cold stamping or pressing other than certain specific exclusions.

In my opinion this difficulty has caused many employers, who were originally favourable, to oppose Trade Boards, but such an objection is really in the nature of an objection to the definition of this particular Board, rather than to the Trade Board system in general.

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[Continued.]

SCHEDULE A.

THE ENGINEERING AND THE NATIONAL EMPLOYERS' FEDERATIONS.

STANDARD RATES.

Female Labour.

7th April, 1921.

Age.	Basis rate for 47-hour week.	Cost of living bonus.	Total.	Fluctuating Factor on cost of living (See note).
	s. d.	s. d.	s. d.	d.
14	8 0	6 8	14 8	4
15	8 8	10 0	18 8	6
16	9 4	13 4	22 8	8
17	10 8	16 8	27 4	10
18	12 0	20 0	32 0	12
19	13 4	20 0	33 4	12
20	14 8	20 0	34 8	12
21 and over.	16 0	20 0	36 0	12

Note.—Every full 7 points of variation in the Board of Trade "Labour Gazette" are taken as the equivalent to the amount set out above, being based on 240 points as at March, 1921, and 100 in 1914.

Employers' representatives will meet Unions in three months on any question they desire to raise on basis rates.

Fluctuating factor on cost of living will operate on the ascertainment of the Board of Trade Cost of Living figures in the June, 1921,* "Gazette," and quarterly thereafter.

Piecework prices and bonus or basis times shall be such as will enable a female worker of average ability to earn at least 33½ per cent. over basis rate (excluding cost of living bonus).

The above rates of wages to be paid in the pay distributed in the week beginning Monday, 2nd May, 1921.†

SCHEDULE B.

SUMMARY OF INFORMATION obtained from a meeting of women trade unionists employed in the Walsall harness and saddlery trade, held in December, 1921.

(The rates of the agreement should apply in all cases, unless the firm is covered by the Stamped or Pressed Metalwares Trade Board.)

Firm A: Worker started work in 1916 (17 years of age, at rate of 8s. per week. Another worker started at the age of 18 in 1915, at 7s. per week.

Firm B: Pieceworkers, on filing, earned from 12s. to 15s. a week (pre-war), buying their own files; now earn from 25s. to 30s. per week. Pre-war cost of file 4½d., now 1s. Require from two to four files per week.

Firm C: Pieceworkers on drilling earned a maximum of 16s. per week, earning 17s. 6d. before the trade union agreement.

Firm D: Pieceworkers on tonguing earned 14s. to 16s. per week pre-war. Now earn 17s. to 19s. for a full week's work.

Firm E: Worker started aged 25 in 1916 at 14s. per week, receiving 18s. per week before the trade union agreement.

Firm F: Pre-war, aged 32, receiving 10s. per week. In 1917, receiving 10s. per week for 57 hours on war work, before the trade union agreement.

Firm G: Workers started at 3s. 6d. to 15s. before the trade union agreement. Firm now covered by the Stamped or Pressed Metalwares Trade Board.

* Afterwards changed to July, 1921.

† Afterwards changed to 23rd May, 1921.

‡ Schedule C.

These conditions, which are representative of the conditions which prevailed in the Walsall Harness and Saddlery Trade, show:—

1. Exceedingly low rates prevailing up to 1917, the date of the first agreement between the employers and the Harness and Saddlery Furniture Trades Association.

2. The fact that, although the information was obtained entirely from trade union members, even those members are in many cases not receiving the agreement rates, e.g., in some cases piece-workers are earning less than £1 a week.

Since the unions do not claim to represent the majority of the workers in the trade, they maintain that it cannot be held that there is adequate machinery for the effective regulation of wages.

Further information relating to the rates of wages paid to women of 18 years and over in the Walsall harness and saddlery trades at the time they joined the union, i.e., before they were covered by the attached Trade Union agreement (Schedule C).

Firm A: 1919—Pressworkers, 20s.; warehouse worker, 14s.

Firm B: 1920—Varying rates, 24s, 20s. for presswork.

Firm C: 1919—Presswork, 18s. 10d.; filling knobs and studs, 14s. 8d., 21s.

Firm D: 1918—Buckle worker, 20s.; driller, 20s.; painting clips, 17s.

Firm E: 1919—Buckle finishers, 18s. 6d., 19s. 6d., 17s. 6d.; wet presser, 16s. 6d.; hand-presser, 20s.; power press, 16s. 6d.; forewomen, 17s. 6d., 18s. 6d.; clerk, 25s.; filers, 18s., 13s., 18s., 20s.; forewoman presser, 22s. 6d.; buckle machinist, 13s.; sorters, 14s., 15s.

Firm F: 1920—19s., 15s. 23s. 6d., 16s., 26s., 18s.

Firm G: 1918—23s. 3d., 15s. 6d.

Firm H: 1918—21s. 8d., 14s. 6d., 16s.

Firm I: 1918—24s. 5d., 21s.*

Firm J: 1918—Pressworker, 20s.

Firm K: 1918—18s. 9d., 20s., 21s. 3d., plus 2s.-monthly timekeeping bonus.

SCHEDULE C.

THE NATIONAL AMALGAMATED HARNESS AND SADDLERY FURNITURE TRADES AND METAL WORKERS' ASSOCIATION.

DAY-WORK RATES FOR FEMALES.†

Classification.	Ages.				
	15	16	17	18	and over.
1.—Forewomen, order clerks and despatch clerks, responsible for the production of orders only...	d.	d.	d.	d.	d.
2.—Warehouse bands, store-keepers, buckle tongers, rollers and plating shop assistants	—	—	4½	5½	per hour.
3.—Sorters, wire-up and shacklers	2½	3½	3½	4½	"
4.—Filers, chippers, edgers and frazierers	2	2½	3½	—	"
5.—Bobbers, moppers, grinders, japanners, blackers and stampers ...	3	3½	4	5	"
6.—Press workers, capstan lathe operators, drillers and screwers	3	3½	4½	5	"
7.—Acetylene welders ...	3	4	4½	5½	"
8.—Electric welders ...	3	3½	4	5	"
9.—Braziers, brazed chain makers, and chain burr-maker makers	3	3½	4	5	"

* Have to buy their files, costing 1s. 6d. to 2s. a week.

† Note.—All rates subject to addition of 25 per cent. Pieceworkers to receive 12½ per cent. addition to rates for dayworkers.

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[Continued.]

A probationary period of six months shall be allowed for any female when first entering the trade at a wage to be agreed upon with the employers.

Where employees are paid by means of a standing wage and a bonus on all work produced, the total wages shall be considered as constituting the rate for a full week.

Plus a clock bonus of 25 per cent for any week of 48 hours or over, or where the working hours of the firm are less than 48 hours on the full week worked by the firm, married women and others having special arrangements respecting working hours with their employers not to be affected by the 48 hours, but to be paid the percentage on the hours agreed to between them and their employers.

Females receiving higher rates than the above not to be reduced.

The above day-work rates and percentages to be minimum rates and percentages.

Where employers are paying a higher clock bonus than shown above they shall be considered to pay the proper rate of wages if their employees' gross earnings are equal to the above rates with the clock bonus added.

To come into operation and be paid on all wages due on and after the first full pay day after August 17th, 1918.

Adopted at a meeting of the Joint Committee established to govern the wages and conditions of employment in the trade, held on July 30th, 1918.

Signed on behalf of the Workmen and the Society,

C. J. WRIGHT, Gen. Sec.

Signed on behalf of the Midland Counties Trades Federation,

JOHN TAYLOR, Secretary.

8952. *Chairman:* I think, Mr. Dawson, you belong to the National Brass and Metal Mechanics?—(Mr. Dawson): That is right.

8953. And you are Chairman of the Workers' Side of the Stamped or Pressed Metalwares Trade Board?—That is quite true.

8954. That Board covers a section of the brass trade which, I think, is mainly carried on in the Birmingham district?—Yes. The brass trade is in practically the same position as the woollen trades and the linen trades which are just in certain areas of the country. If you take the whole of the brass industry, you would find the majority of the brass work is made in the Birmingham area. The firms that are covered by the Stamped or Pressed Metalwares Trade Board alone number, according to the latest statistics from the Department, 842 firms. Nearly 450 firms out of that 842 are in Birmingham alone, that is leaving out certain districts such as Smethwick and out to Dudley and Wolverhampton. There is a large number of firms in the Walsall area that came under the Trade Board, but I have not counted them in the figures I have given for Birmingham.

8955. Before the Board was set up, what kind of wages were being paid?—Before the Board was set up the wages that were being paid in many establishments to the men were the agreed rates between our own organisation and the brass employers or the National Engineering Employers. The great difficulty is that many of these smaller firms only employ six or eight hands, and you could never find out what was being done with the smaller firms. Therefore, we had no records. That is as far as the men are concerned. The women in the larger factories come under the awards that have been given by the Minister of Munitions, and their wages were round about £2 2s. a week. At the same time it is quite true to state that in many of the smaller establishments when the Board was set up, these women were only getting 25s. a week. If you go into the figures you will find that the majority of the firms are very small firms. The few large firms employ far more workpeople than all the small firms put together.

8956. It comes to this, that an endeavour was made to arrange a rate by agreement between the union

and the employers, which broke down, and therefore you asked for a Trade Board?—There has never been a proper recognised rate in the Stamped or Pressed Metalwares Trade. As far as the men were concerned, where the employers were members of an employers' association, we were in such a position that we could enforce the rates, but where they were not we could enforce nothing. I think I might give an illustration in order to prove the difficulty in the case of the smaller firms. In 1919 we took a case to the Munitions Tribunal, where a firm named Messrs. Armfield refused to pay what we considered was the prescribed rate. The firm were military button and badge makers, and we contended that the brass workers who were stampers and dippers should come under our rates, and we took this case to the Tribunal, and they referred it to the Industrial Court. The case was heard at the Industrial Court in December, 1919, and the Award of the Court stated that there was no prescribed rate in this trade. So we lost the day, although at the time one of the four men whose cases we took up was getting 8s. a week less than the agreed rate for labourers in the engineering industry.

8957. That was under another system altogether, was it not? That is the war rate that you are speaking of?—No; I am not speaking of the agreed rates; I am only speaking of men now that were a portion of the agreed rates. Even if we had gone then on to the war rates with these men, and claimed just the war advances which had been awarded, the general war advances that had been awarded to the metal workers throughout the country, we had got a case for a conviction against these men; but the Court held that the war wages did not apply to these workers.

8958. That is what I understood; it is the war award that you are speaking of. Then you go on to mention the harness trade. You are dealing, I think, with the question of organisation; you say it was not sufficient to enable you to get the proper rates of wages apart from the Trade Board, and you give examples from the Harness and Sadlery Trade; is that right?—Yes. We give these illustrations for this reason, that in the Walsall area the rates have always been very low; and owing to the poor organisation amongst the women the union was forced to accept an agreement, because they were not in a position to hold out any longer against the employers. You see, when the employers know that you do not represent the workers, you cannot put up as good a case as though you did represent the workers; and at this particular time when this agreement was signed there would not be more than 10 per cent. of the total number of women in the trade union, and so the union concerned was in a very weak position in dealing with that particular question.

8959. Your conclusion from all that is that there ought to be a Trade Board: is that it?—Well, on the workers' side of the Trade Board we think that the Trade Board has not only done a lot of good for the workers, but it has also done a lot of good for the employers, because it has prevented sweating by the smaller employers, and that went on prior to the war with women and with men. Our rates in Birmingham for the men before the war were very low indeed, and it is only since the war that we have been able to get rates that compare favourably with the other trades.

8960. Then you think there ought to be power to fix skilled rates?—Certainly. If you took away the power to fix skilled rates we should be in a most difficult position at the present moment, because if there were only one rate, an employer to-day would be able to say to a man who was out of employment who was a skilled worker that he would give him a job at the minimum rate, and if he refused to accept that job the Labour Exchange might debar him from receiving unemployment benefit, because the employer had offered him work at the minimum rate, and I take it legally the Employment Exchange payment would be stopped. Now, if you take these skilled rates you

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find that some of the men that are on the classes of skilled rates on the Stamped or Pressed Metalwares Trade Board have got to be in the trade at least six years. We have three sets of skilled rates on the Trade Board; the first one is for a man working at the particular trade; there are no other qualifications. But the second skilled rate says that the man must be in the trade at least six years and must be able to do certain things. Well, from the point of view of fairness to the skilled workers, if you take away the protection that is afforded to them at the present time by reverting to just the one minimum rate, it would be most unfair all the way round, because the skilled worker would always have an easier chance of getting employment than the unskilled worker, because the skilled worker at the pinch would be able to take on the unskilled work, and so it would be an additional hardship on the top of the already many hardships that confront the unskilled worker.

8961. You say it is a hardship that the skilled worker should have a better chance of getting work than the unskilled worker?—I say it would be a hardship if the unskilled worker had got to compete with the skilled worker, and that would be to a certain extent true if you did away with the skilled rates.

8962. But is not it the fact that in every trade and employment the better-skilled man is more likely to get a job?—That is true.

8963. Is there anything unfair in that?—If there is no skilled rate for the worker in that particular industry, what is the man going to stick out for?—If there is a rate the man will not take on a job at less than the rate; but if he has not got a rate he is apt to take on a job at something less than he might have if there was a rate.

8964. *Mr. Layton*: Have you said anything about the organisation of the trade union? Have you got a large proportion of the men in the union?—The men are far better organised than the women.

8965. They are not strong enough to enforce the skilled rates on their own responsibility?—The men would be strong enough to enforce the skilled rates in some respects; but the bulk of the employers who come under this Trade Board are small employers, and you cannot enforce anything on a small employer like you can on a large employer. I am an organiser in the employ of the Brass Workers' Trade Union, and if I went to a firm which employed 200 men and said that unless they conformed to our rates I should have to report it to the Executive, and that the Executive might withdraw the men, they would see the seriousness of it straight away; but where it only affected possibly two men that would not have the same effect, because the men who are employed in the Stamped or Pressed Metal Trade would only comprise about 20 per cent. of the workers, and at a firm where they only employed six workers you would probably find one man and five women. So you see our difficulty in going to a firm where they employ one or two men and attempting to enforce our rates unless we have got the legal remedy to force the employer to pay the rates.

8966. But you spoke of the skilled worker competing with the unskilled worker—coming down and taking his work; that is what you were suggesting, is it not?—Yes.

8967. That suggests that in bad times he might do unskilled work; that is what you suggested, I think?—I say the temptation would be there.

8968. But why cannot he do that now with varying rates fixed? If a man is a skilled worker surely it is open to him to take unskilled work if he is out of a job?—That is quite true; a man could take it on; but on the other hand if you had no rates there would be nothing to prevent the skilled man from working at the bottom rate.

8969. But you were not talking of his doing skilled work at the low rate; you were talking of his competing with the unskilled labour, and I put it to you, is not that possible to-day, no matter what grades of wages you have fixed?—And it would be

possible the other road for an employer during a period like that which we are just passing through to get skilled labour at a lower rate than what the prevailing rate is to-day if it were not for the Trade Boards.

Mr. Layton: Yes; but that is not the point. 8970. *Chairman*: You think the object of the State should be to prevent that, and to regulate wages: is that your idea?—We think that the object of the State should be to regulate the industries as far as it is possible, and we on the Stamped or Pressed Metalwares Trade Board say that the relationship between the two sides to-day is better than when the Trade Board was first set up.

8971. *Mr. Pugh*: Supposing you did not settle these rates by your Board, you have no other means of settling them except by more or less individual negotiation between employer and workmen?—That is true.

8972. And is it your view, therefore, that having the Board machinery for collective bargaining, it is to the advantage of both sides that that should be utilised to the fullest possible extent in matters between employer and workman?—That is true. We had a very big fight in setting up our first set of rates on the Stamped or Pressed Metalwares Trade Board, but after we had set up our first rates we appointed a sub-committee of four from each side, and practically the whole of our rates have been agreed to by that standing committee without the votes of the Appointed Members; so that proves that the relationship between the employers' and the workers' sides is better to-day than it was when we first started; and it is hard to realise that some of the employers from our Trade Board have been before this Committee giving damaging evidence against the Trade Boards.

8973. *Sir Arthur Pease*: If a skilled man was employed as a labourer he would not be entitled to the skilled rate, would he?—No.

8974. *Mr. Pugh*: It would be an occupational rate, not a personal rate. The rate fixed is for the job and not for the man?—That is true. The skilled rates refer to certain sections of workers, and a man who was not at work in those sections would not be able to claim the skilled rates. Immediately he worked under the section where certain rates prevailed he would have those rates.

8975. *Sir Arthur Pease*: Is there any difficulty in deciding whether a man is in one of these sections or not?—We have not had any case yet where a difficulty has arisen. There may be difficulties, but we have not had one yet.

8976. But you said in some cases there was only one man employed. Surely he must be doing a little of everything?—Well, it would be easy for a firm to say that a man was working on skilled work a portion of the week and on unskilled work the other portion, but those cases do not arise, for this reason. A man who can do the skilled work, if he is doing a little unskilled work during the week, generally gets the skilled rate; the firms, as a rule, do not quarrel over that; they pay him the one rate.

8977. *Dame Adelaide Anderson*: And he is aided by women in these small workshops. Are the women doing the unskilled work in those places?—No; as a rule they have the man to do the setting-up.

8978. That is what I meant.—And then the women carry out the operations.

8979. The women are doing the repetition work after the skilled man has set the tools?—Set up the tools, yes; and if the man happens to be a toolmaker and makes the tools he would not come under the Stamped or Pressed Metalwares Trade Board; but if he is not a toolmaker, and he is simply a stamper and setter-up, he would come under the Trade Board rates.

8980. You say these agreements have been made by sub-committees of the workers and employers. Has the improvement that has come about not made the organisation strong enough to regulate the higher wages voluntarily to regulate the skilled rates voluntarily?—I should say, as far as the women are

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concerned, the movement would be weaker to-day than it was when the rates were set up. That is brought about by so much unemployment, and when women have been out of employment for a few months they forget the trade union far more quickly than the men do.

8981. But are the women in the skilled classes?—Yes; in some of the industries, in some of the sections, we have got a skilled rate for women, and they are sections of the trade where skill is required. If you take polishing, that is a very dirty occupation, and we contend that polishing is not fit for women; but as women do it they get a higher rate than the general minimum rate. The occupation, in addition to being dirty, is at the same time dangerous, and anyone who has been working emery bobbin, or mopping on a polishing mop, when they leave it is an hour or two afterwards before they can get themselves clean and get the smell of the sand and the oil out of their clothes. If you sit next to anyone who has been at work in a polishing shop you will be able to tell immediately that they are polishers, because you can smell it on them.

8982. *Chairman:* What I am interested in is this. Supposing a man wants a brazier in a time of slump, and he says he can afford to pay a man 1s. 6d. an hour, and he advertises for a brazier, and a man comes to him and says, "I will take the job on; I have been six years at the work." The employer has got to say, "No, I cannot take you; you know too much; I must have a man who has had less than six years' experience, or else I cannot get him at 1s. 6d." That is right, is it not? That is the effect of your argument?—The man may—

8983. Oh, do say yes or no.—The man who had been at the trade for six years would be able to claim the second grade.

8984. Then say yes to my question; that is the answer, is it not?—Yes.

8985. He would have to reject him because he had six years' experience?—Yes.

8986. And if he knew anything about brazing aluminium then he would have to reject him unless he was willing to pay 1s. 9jd.; that is right, is it not?—I cannot agree with that, because it does not say that in the third grade. He has got to be able to braze all classes of metal.

8987. If he is an expert in brazing aluminium, or he is a charge hand with the duty of being responsible for all work and order in the shop?—That is true.

8988. Then if he is able to do that you cannot take him on at 18 pence an hour; you must pay him 1s. 9jd.?—1s. 9jd.

8989. It really is wage regulation, is it not?—In that comes part of the agreement that exists in the brass trade between the brass employers and ourselves, and those clauses are taken from the existing rate, and signed by both associations.

8990. This Order really embodies an agreement between the two associations?—Yes.

8991. Then you say a word about Appointed Members. You think there should be a panel on each side?—Yes; we think there should be a panel to be drawn from one on each side, because even on our Trade Board where we have had so very few differences of opinion we have noted that on more than one occasion one of the Appointed Members has voted on our side and two on the employers' side; so if it was simply left to the Chairman it would be far better for both sides.

8992. Then with regard to officials, you point out that the employers also have officials of their federations on the Board?—Yes, and we welcome that, because, after all, if the Trade Boards are to have any power at all they must have the people on who can conduct the business in a proper manner, and we are pleased that we have got three prominent employers on our Trade Board, because they must carry great weight with the other employers in the district.

8993. Then you refer to permits, and you say you have no difficulty. Then you say that the period for objections should be reduced to a month—that is,

after the first rate has been fixed?—That is after the first rate has been fixed.

8994. Then you say that difficulties are created by having two or more Trade Boards operating in the one workshop, and do you think that that might be met by combining some of the Boards?—Well, on our Board we are agreed that the other three Trade Boards ought to be amalgamated into one, but the employers themselves desired separate Trade Boards at the commencement, and acting on the instructions which were given by our Chairman, Mr. Jeeves, we had a meeting of the four Trade Boards in the Metal industry to try and get the employers' side and the workers' side to go back to the Trade Boards and press the Department for a scheme of amalgamation; but although the deputation from the Stamped or Pressed Metalwares Trade Board on both sides were in favour of it, there was no other Trade Board prepared to take up the matter, because I think some of the other three Trade Boards, which are smaller than the Stamped or Pressed, thought they might be submerged if they were taken into the Stamped or Pressed Metalwares Trade Board.

8995. However, you think there ought to be one. Now about scope, you have had some conflicts, have you not, with the Ministry?—Yes.

8996. And you say you are pleased that the Minister has decided that all questions of scope should be first submitted to the Trade Board before a decision is taken. That, you think, is right?—When the Trade Board was first set up, on both sides of the Trade Board the opinion was held that it was a general Trade Board—that it covered a multitude of things; but since then the Department have ruled that there are certain things it does cover, and certain things it does not cover.

8997. Then you say the only way to settle the question of definition is to deal with the process rather than the article manufactured?—Yes. We think that the only way to clear away the difficulty is to do away with the present Schedule and submit another Schedule that would give satisfaction on both sides. This is a difficulty that has been on for many months, and it has created opposition to Trade Boards on the employers' side of our Trade Board. We met the Department twelve months ago to-day in this building to try and get certain irregularities removed in the definition of the scope. We have not got that through yet, and that has been on now for more than twelve months, because correspondence was passing between the Department and ourselves before that date.

8998. That would be partly met by amalgamating the Boards, would not it?—Well, the same difficulties would exist then if the Boards were amalgamated, because some of the large shops have only got perhaps 5 or 10 per cent. of the workers under one Trade Board, and perhaps only 3 per cent. or 4 per cent. of the employees under another Trade Board, leaving the large majority of the workers outside any Trade Board; because when you take the articles that are enumerated on the list of our Trade Board you could make out another list half as big again of articles that do not come under the Trade Board and yet are part and parcel of the general stamped brass foundry of the country, and the one article is in and the other article is out, although in some instances the Department have ruled that some articles that we thought were in were out, and some articles that we thought were out were in; and in that respect we could say that we were surprised twelve months ago to-day when one of the members of the Department said that a bedstead mount came within the scope of the Trade Board. Well, there is nothing in the Trade Board definition; in our opinion, that is a similar article to a bedstead mount; but that was the ruling given, that they were in, and yet a stamped and pressed hinge was out.

8999. *Sir Arthur Pease:* Do you mean you would bring in press work done in the big engineering works, and so on? I mean, a lot of it is done by stamping and pressing now. Would you put those in?—It is really brassware that the Stamped

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or Pressed Metalwares Trade Board applies to more than anything else; it is the small things, such as window fittings, cabinet fittings, gas fittings—anything like this would be under the Trade Board (indicating a brass ash-tray).

9000. *Lord Weir*: It is not confined to brass?—It is not confined to brass, but the bulk of it is brass.

9001. *Sir Arthur Pease*: But, for instance, a boiler of a locomotive is pressed; the firebox of a locomotive is pressed?—Yes; that would be hot stamping, and our Trade Board is cold stamping; anything of that description would be outside the Board. They give you a list—it is in my schedule which I have handed in—of all the things that come within the scope of the Trade Board, and we think it should be by process, and not by article; all things stamped up to a certain size or a certain thickness should come within the scope of the Trade Board other than specific exclusions.

9002. *Mr. Pugh*: You think that would avoid overlapping which arises from taking the article?—That is true; that would do away with a lot of overlapping, and it would save us a lot of confusion.

9003. *Lord Weir*: You believe that there should be a Trade Board for every industry, for every trade?—I think that in all trades where they are not strong enough to arrange and keep rates there should be a Trade Board set up, for it is far better to have a Trade Board than to have continual strife in any section of industry.

9004. *Dame Adelaide Anderson*: But if part of an industry were not organised, and part were well

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9008. Have you anything to add?—I have a general statement which I should like to make. First of all, Mr. Dawson has been dealing with the amalgamation of four Trade Boards. Well, now, you take this as an illustration. I have got one particular firm in my mind, and I will give you the actual experience of members of my own family.

9009. You are connected with saddlery and harness furniture?—I am the General Secretary of the Harness and Saddlery Furniture Trade, and I may add that I have had 23 years' experience in these factories; I have worked both at Birmingham and Walsall; so that you will see I am not speaking without knowing something of the facts. Now, you have got four Trade Boards; you have the Button Trade Board, the Pin, Hook and Eye, the Coffin Furniture and the Stamped or Pressed Metalwares Trade Boards. Now, there are firms in Birmingham where the workers in the one shop, on the same machine, and working with the same material are interchanged on several occasions during the day, and come within the scope of all those Boards. That is our point from the Stamped or Pressed Metalwares Trade Board with regard to amalgamation. Now let us examine the Button Trade Board. In your Button Trade Board you have got workers sitting round the table, and employers, fixing prices for bone turning, pearl turning, buttons made from leather, made from metal, by the same process on the same machines that you use in the stamped or pressed metalwares trade; and also in the coffin furniture trade you have stampers, pressers, polishers, exactly the same as are covered by the Stamped or Pressed Metalwares Trade Board, sitting down making rates along with women who are employed on sewing machines. Now we suggest that the remedy is the remedy of process. For instance, in discussing the matter in this very building during last year, there was a question of scope being discussed, and I submitted two articles to Mr. Besso. One was a buckle; I said, does that come within the scope of the Stamped or Pressed Metalwares Trade Board? He said, Yes. I put another article down and said, Does that come within the scope?

9010. *Sir Arthur Pease*: What was the other article?—A bombas. I expect you will not know what that is, will you? Well, I will tell you what it is. A bombas is an ornament that is highly finished.

organised?—Well, even then it would be to the advantage of the community to set up a Trade Board in that organisation.

9005. For the whole, or for the part that was unorganised?—Well, I should say for the whole. With your permission I would like to go back now to the permits, because that was passed rather hurriedly. Now, the system which we have adopted on our Trade Board in granting permits is for one from each side of the standing committee to go and visit the firm and see the individual who has made the application for the permit.

9006. *Chairman*: That is very common on other Boards, too.—Yes; but the point I wish to emphasise is that certain employers have made a statement in front of this Committee that it is rather difficult to get permits. Now, in every case where a permit has been applied for in our Trade Board the permit has been granted.

9007. Somebody said that the process of getting the permit took time; not that it was refused.—I cannot give you the name of the member who made the statement, but he was referring to the old and infirm workers, and we contend that any employer has a right to ask for a permit of exemption if he does not think the employee is worth the rate. Then it is for the Trade Board, I take it, either to refuse or grant the permit; but in our Trade Board we have had quite a number of permits, and in the bulk of the instances, after we have seen the employer and the individual concerned, we have been able to arrange for a higher rate to be paid to the member than what was originally offered.

called and examined.

and is used in South America along the rein slides—an ornament. He said it did not come within.

9011. Sometimes cart horses have them?—No; they are only used in South America; cart horses do not have them. Now the fact was this: the girl who made the buckle made the bombas on the same machine, in the same shop and from the same material; and we say that the process should be the definition of the Stamped or Pressed Metalwares Trade. There has been the question also raised—that will apply in all these, and as far as the button trade is concerned they should be separated. The people who make, say, bone buttons, or pearl buttons, or cloth buttons, very rarely make the ordinary brass buttons which are simply stamped on a machine; they are made in a separate factory altogether; they are made in the stamped or pressed metalwares factories, and they should come within the scope of the Stamped or Pressed Metalwares Trade Board. Now, Mr. Dawson has been questioned and has been explaining about the question of skilled rates. We contend that all Trade Boards should have the right to set up skilled rates, especially from the point of view of the Stamped or Pressed Metalwares Trade Board. A skilled worker—and I am referring more to the women than anyone else—the most highly skilled of the workers in the Stamped or Pressed Metalwares Trade Board also do the most dangerous work, because it is operated by machinery, and you will find in the Birmingham district a large percentage of the women workers who are minding some part of their fingers through their occupation—through working on presses, stamps; there is the danger. There is another point about it. The work calls for a much bigger expense in the cost of clothes and boots on these skilled sections. They wear their clothes out more quickly because the machines themselves are rubbing their clothes; they have to use their feet on the presses, which wears the boots out; and that entails an extra cost to them, besides the extra skill that is required, and we contend that that necessitates a higher rate of wages than the minimum. There is also this—

9012. *Mr. Pugh*: Cannot you settle those matters with the Union?—You could not settle them with the Union, because this thing applies to women. I am going to make this statement, that there are not five per cent. of the women working in the stamped or pressed metalwares trade and allied metal trades

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similar to it that are organised; so what possible chance have you got of settling those things?

9013. *Dame Adelaide Anderson*: Have you ever tried to get protective clothing under the welfare provisions of the Act of 1916?—No, we have not.

9014. I mean, there is a possibility of getting protective clothing in industries where the workers need protection?—Well, in some sections—

9015. Protective clothing has been prescribed in some industries?—It is prescribed for dippers but not for polishers or stampers, and there are one or two other sections where it is provided. It is in the dipping section. Take jannappers: you will see a jannapper when she comes out of the factory is up to here, above the elbow (indicating), covered in japan, and it will take three-quarters of an hour to get that japan off her arms and face, and she has to wash herself in paraffin to do it. The result is that in these dirty occupations you will find that the women who are chiefly attracted to or put into these occupations are not what you might call the better class of woman; the better class of woman generally takes up the situations or the jobs that are in the warehouse, where the cleanest of the work is; and we contend that there is a bigger necessity for some extra protection for those people who are called upon to do this work, and therefore we state that skilled rates should be set up, and that the Board should have the power to set up the skilled rates.

9016. *Sir Arthur Pease*: You are not arguing on the skilled nature of the work; you are arguing because it is disagreeable?—I have put that point of view, but I should also like to put it from the other point of view as well.

9017. *Dame Adelaide Anderson*: The destruction of clothing is a necessary extra cost to the worker?—And not only that; it takes years of training and experience for these women to be able to accomplish this work. You take jannapping; they have got to have an eye for special colour.

9018. *Lord Weir*: A good jannapper will get good wages as a rule?—They do not. I can give you illustrations of jannappers who have not got 12s. a week. I can give you illustrations where they are not getting 16s. to-day.

9019. *Dame Adelaide Anderson*: Is that because they are unorganised?—Yes.

9020. *Sir Arthur Pease*: I want to be clear on this. There are two things; one is that there ought to be a minimum rate because they are skilled, and the other thing is because it is disagreeable work?—Yes.

9021. In the trade with which I am connected where the work is disagreeable—wet work, for example—there is a special rate given to everyone working in those conditions; but that is not necessarily a skilled rate; it is a rate for the disagreeable nature of the work.—Probably I may not have made myself quite clear. What I had really in mind and wanted to explain was this: that the skilled sections of the trade itself, or the dirty sections, are the sections where the more expense is called for, besides the skill. The unskilled work in this trade chiefly lies in the warehouse, and such as that—carding, boxing, packing-up. It is clean work, and there is no cost or expense as far as clothing is concerned in comparison with the other.

9022. There is no dirty work in the unskilled trades?—There may be some, but there is very, very little. Now, with regard to the rate, skilled and unskilled, in 1915, in the particular district to which I am referring now, there had been no attempt at organisation whatever. Organisation in Walsall, as far as the trade union is concerned, is of very recent growth; the men are not organised as they should be; so that as far as the women are concerned there is practically no organisation whatever in the metal industries—there is not 5 per cent.; the figure is less than 5 per cent. Well, now, in 1915 the average wage of the woman worker in the metal industry in Walsall and district, over 18 years of age, was about 10s. to 11s. per week. We tried, under the

auspices of the National Federation of Women Workers, to alter that, and probably we were somewhat at fault in the method we adopted. We approached the employers' organisation—the employers had an organisation—in order to get up an agreement, and in order to get a standard rate for the district at that particular time we were prepared to accept and sign an agreement of 12s. per week for a girl over 18 years of age. That agreement was drawn up and drafted, and when it was all ready for signing the question was raised by the employers, of whom Mr. Jackson, who has given evidence before this Committee, was chairman, as to the piece work price—as to what was fair—with the result that the agreement was held up; it was not signed. We went into the matter again. We submitted 25 per cent. as a basis of the day work, or 14s. a week. 14s. a week was agreed, and the new draft of the agreement was drawn up. Then when that was drawn up the employers again refused to sign the agreement. We had got no power to enforce them; we had not got the people; but the deplorable state of the women workers in that district was such that we were prepared to go to any extreme to which it was possible to go in order to get some advantage for them. When that second agreement was drawn up the employers said they wanted the word "skilled" introduced before the rates were given; so that the women, before they could have these rates of 12s. a week at 18 years of age—and that was the top rate—would have to prove their skill in the industry, and their experience.

9023. You say the top rate. I suppose they could earn more if they were on piece?—I have, practically, if not quite, the whole of the correspondence—

9024. *Chairman*: Surely we need not go into that. —I could leave it with you if you want it.

9025. We are not concerned with what happened in these negotiations. The Trade Board exists, and no one dreams of questioning it.—That failed. In 1917 we made another attempt.

9026. Need we go into these attempts?—We submitted these rates. I should like to go into this.

9027. What for? What are you trying to prove?—Well, it would show you the necessity for the Trade Board.

Chairman: We do not question that on this Committee.

9028. *Mr. Pugh*: Are these the present ones enforced?—No; that is the offer of the employers (handed); and you have got the pink one, which is the final settlement, and on that pink one the employers themselves insisted upon different rates being set up for skilled workers.

9029. *Lord Weir*: But, as a matter of fact, you are operating under the Trade Board rates to-day; these are all out of date, are they not?—I was only giving you that as an illustration. The Ministry of Labour have ruled that those particular operations do not come under the Trade Board on the question of scope and process. On the question of scope they are not covered; so that these people are actually working at those rates to-day, plus 25 per cent.

9030. *Mr. Pugh*: You argue that these should come under the Trade Board in view of the low rates?—Yes.

9031. *Dame Adelaide Anderson*: There is a very wide difference between a jannapper under Section 5 —?—That is jannapper 6d. an hour, is it not?

9032. Sixpence an hour as compared with a jannapper at shilling an hour.—Certainly. Now those rates have been adopted, and it proves the necessity of a Trade Board and the operation of skilled sections.

9033. *Chairman*: Is that all you wish to say?—I may be able to refer to a matter which I heard this morning—the question of home workers. I know some little bit about home workers; as a matter of fact, I have sisters-in-law who are home workers in all these sections of the trade, and the usual custom for the home workers to make up their rates is for the kiddies to be set round the table at night when they come home from school and help their mother with the work.

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Mr. C. V. WRIGHT.

[Continued.]

9034. What is the conclusion you want to enforce upon us?—That the home worker could be given special consideration under all Trade Boards, and there ought to be inspection of home workers. You get it in the brush trade and in this.

9035. Is that all you have to say?—Unless there are any questions you wish to ask me. I may submit this to you. There is a summary of information that we made at a meeting of women in Walsall from different sections of the trade. It gives you the rates

(The Witness withdrew.)

Mr. ARCHIE HENDERSON, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

MILK DISTRIBUTIVE TRADE BOARD (ENGLAND AND WALES).

The 48-Hour Week.

The Trade Board's power of fixing the number of hours that may be worked to entitle a worker to the week's wage fixed has been questioned.

The sole value of a fixed weekly minimum wage is that it has a fixed relationship to a fixed number of hours. Any alteration in one of these primary principals renders the whole valueless.

It has been suggested, or it may be inferred from evidence already given, that there is some special difficulty in operating a week with a specified number of hours in the distributive trades.

I can understand its being thought to be difficult, but few of the difficulties are as real as they seem to be, and none are insurmountable, and upon a little examination and re-arrangement of work they are dispelled.

I deliberately choose the evidence given by an employer in the Milk Distributive Trade, as he was fairly clear in his objection, and the trade is one that apparently it would be difficult to work within a 48-hour week.

Milk is a commodity that presents peculiarity in handling.

It is highly perishable.

It should, if efficient service be given, be delivered to the actual consumer twice daily.

Its delivery necessitates a lot of detail work, as it is distributed in small quantities to many different customers.

To take these points separately:—

Milk is brought to the larger towns once a day by road or rail. Its delivery to the distributor is timed for the early morning. The early morning round is thus catered for. The earlier the second round can be delivered to the consumer, that is the sooner the milk can be used the better for all concerned. In this respect, the shorter the working day the better.

Our second point is the demand of the housewife for two deliveries of milk each day. The first delivery must be before breakfast time, and yet cannot be till after the bulk delivery from the producer. The result is that the first round begins about 5 a.m., or even 4.30, and finishes, of necessity, about 8 o'clock. To be of any use, the second delivery must be completed before mid-day. This, too, as can be seen, therefore tends to make a short day quite easy of accomplishment.

The third point is not aggravated by the short day. It is simply a factor in distribution of milk that existed before Trade Boards, and will continue to exist as long as we are wise enough to continue our family life.

Finally, when arranging our wages schedule on this Trade Board before the time limit was proposed, we were told by the employers that in fixing wages we should remember the shortness of the working day in this trade. Many employers would agree that they were working their men fixed hours almost identical with those stipulated by the Board for years before its existence.

Cost of Distribution.

This question was also mentioned in some evidence taken earlier. I gathered that there existed a fear that the rates of pay fixed by the Boards might tend

prevailing at the different works; the rates that are being paid to-day; and you will find that while these people are doing work of a similar character, the same processes carried out by several Trade Boards, simply because the article is not actually mentioned in the scope or definition of the Trade Board, they are working at these low rates. I think you have a copy.

Chairman: Yes. Thank you for your attendance.

to increase the cost of milk to consumers through them increasing the cost of distribution.

There exist no figures that I have found that will give us the actual cost of distribution of milk.

Taking, however, those of Mr. Smees, when giving evidence to this committee, we find that the men deliver 40 gallons a day on a fair round. I have deducted one-eighth from this to get a fair figure to cover scattered rounds, and so arrive at an average delivery per man.

This process brings us to 1,960 quarts per week. The wage of 57s. 6d. is consequently about a third of a penny per quart, or about 5 per cent. of the price charged to the consumer. Any slight fluctuations possibly caused by our schedules of wages can therefore have had no effect on the delivery prices. The roundsmen as a class represent by far the greatest part of the wages bill of a milk distributor, foremen, sterilizers, can-washers, shop assistants and clerks figuring in but a minor degree. I have a note made at a meeting of the Board that 7½ per cent. of the consumers' cost represents the distributor's total wages bill, but I cannot give my authority, as at the time of making the note I did not think the matter so important as it has now proved.

9036. Chairman: Mr. Henderson, you are connected with the Transport and General Workers' Union?—That is so.

9037. And you are, I think, on the Milk Distributive Trade Board?—Yes.

9038. And you come here especially to deal with two points; one is the 48-hour week?—Yes.

9039. You say, very truly, that the value of fixing a minimum wage for the week is that it has relation to a fixed number of hours?—Quite.

9040. Of course, it would be worthless unless you connected it with a number of hours; but you call attention to evidence given by an employer in the Milk Distributive trade as to the difficulty of working the 48 hours' week in that trade. Now, what do you say to that?—Well, I attempted to bring before your notice in writing roughly what was in my mind; but I would like to elaborate it.

9041. We will take this statement as part of your evidence?—Yes, as a sort of skeleton of it.

9042. So if you desire to add anything to it please do so.—As you say, it is quite obvious that the only value in fixing a minimum wage is that it has some relationship to a given number of hours, and I do not think I can improve on that. There was a suggestion, I thought, in some evidence that I read, that there were employers in the distributive trades who had a feeling that it was the nature of our trade—the nature of distribution was such that a fixed number of hours was rather difficult, and being fairly well acquainted with distribution and transport I tried to fix on the most difficult trade that I could imagine from the employers' point of view in stating definitely that I would like a specific number of hours, and it occurred to me that the distribution of milk is just the sort of trade that would appear on the surface to be the most difficult, because of its nature and the nature of the commodity itself, and the requirements of the people who consume the milk. Now, that I have tried to outline. For instance, one of the difficulties which occurred to me, and would occur to anybody, is that milk, being highly perishable, must be handled when it is available; it is not like haddock or coal, which you can keep in storage indefinitely.

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Mr. ARCHIE HENDERSON.

[Continued.]

9043. Not haddock, surely?—Well, more or less indefinitely. I am thinking of Findon haddocks, of course. With regard to milk, its nature is such that hours make all the difference to it, and that adds to the difficulty in its distribution. Then there is the other point, that the consumer's requirements—and the main consumer from the milkman's point of view is, of course, the housewife—are such that she wants a delivery of milk twice a day to be of real service to her. Now there is no other commodity that I can think of in distribution where the actual requirements of the consumer are such that a dual delivery per day is absolutely necessary, at any rate if efficient service is given. Then the detailed amount of work introduced into the delivery of milk is such that probably there is nothing to compare with it. Coal is not delivered in the same detail as milk, and nothing appears to me to fit my case so well if I can demonstrate to you that we can fix a week even for this trade, which I hold to be the most difficult. If I can demonstrate that, I think the point I am striving to make will be established. Now I have tried to prove that even in the distribution of milk we have discovered in practice that it is possible to fix definitely the number of hours that a man can be expected to work, with the exception, perhaps, of very heavy rush seasons in a few watering-places, where the fluctuation of trade is absolutely abnormal. Take a place like Bournemouth, or Blackpool: with those exceptions—such exceptions as that—I do not think the employers have evinced any great difficulty in working to the schedule prescribed by the Trade Board, and that, roughly speaking—

9044. That has been done in practice, has it?—In actual practice.

9045. It has been found possible to do it within the limits laid down by the Trade Board?—That is so.

9046. I remember we had difficulties put to us—the early morning round, and then the long wait, and then the afternoon round?—Yes, the long wait is not so long. Customarily I am not up when the milk is delivered in the morning, but our second delivery is always before 12 or about 12 o'clock.

9047. *Lord Weir*: As a matter of fact, any difficulty connected with that was met on your Milk Board by a special allowance of an additional hour before the overtime was computed?—No; the reason for that was not quite that. The reason for it was that it was felt there was a close relationship between a milk roundsman and a man working as a road transport worker. It was felt that there was a close relationship between a man driving a milk cart and a man driving a hay cart or a meat cart, and that happened to be the condition obtaining in that trade, namely, that the first hour's overtime should be paid at ordinary rates. It was thought fair on our side of the Board that a similar privilege should be granted to the employers in this trade.

9048. It gives the employers a little more elasticity?—It does not actually, because they have to pay that overtime, but not at overtime rates. You do not get time and a quarter.

9049. They do not pay any actual overtime on the first hour?—If you were unfortunate enough to be a milkman, when you worked 49 hours in any given week you would get extra pay for the extra hour, but it would only be one-forty-eighth of your pay. There is an overtime payment made, but it is at the ordinary rate for the first hour. The reason for that, as I have stated, is that the road transport rate makes that allowance to the employers because of their request, and we thought it only fair in this trade, which is very closely allied to the road transport trade, that a similar allowance should be made. Arguing the case myself, I did not feel that we were entitled to expect that the Trade Board should give a more generous overtime than the trade which was negotiating under trade union conditions.

9050. *Mr. Pugh*: Does that apply to the man with a handcart as well?—Yes, it applies to the men with trucks and barrows.

9051. *Sir Arthur Pease*: We were informed that owing to the difficulty of varying quantities in London, an arrangement had been come to between the trade union and the milk trade which was really

outside the Trade Board. What they did there was to have a test round for a milk round and whether that round took seven or nine hours, if it was what a normal man could do, it was paid for at that rate?—There is no such arrangement made with the union. The unions concerned in this trade in London are very closely associated, and I should know of any such arrangement. I should be consulted before any such arrangement was made with the union. That a few employers may have over-ridden the power of the law and made such arrangements with their people I quite believe. If you have any such information I should be delighted to receive it and take steps accordingly.

9052. We were informed that the union knew of the arrangements here?—I should think not, because if so I would be informed and take the necessary steps to get the thing put right.

9053. I will not go so far as to say there is a signed agreement with you, but it was done in conjunction with the trade union; and it was added that the man going the round very often stopped for breakfast, or something of that sort, on the way. Having that arrangement that that was a round which ought to be done in the eight hours, or whatever the time was, they did not mind if he took nine hours if he took an hour for breakfast on the way?—You are probably more clear than I am on the legal side of that, but no mention of meal-times is made in our schedule, and if this arrangement exists we are not cognisant of it. It may have been made between employers and men. I will repeat that. I do not deny the possibility of that, but it is difficult for me to conceive that it has been made without my knowledge. I think it would have come to my knowledge. However, it may not have done.

9054. It was made for another reason. In London the milkman may be slack at the week-ends and may be more pressed in the earlier part of the week?—I should say there is no town in the country, and possibly in the world, where there is so little fluctuation as in London. The normal population of London on Sunday is practically the same as it is on Tuesday or Wednesday.

9055. I should have said in the West End?—There may be a little difference in the better-class neighbourhoods of London; but, on the other hand, that would be more than likely balanced by the fact that the better-class people would be likely to give week-end parties at their homes.

9056. They also added that the milk trade was most active in other parts of London at the week-ends?—It is possible that the housewife in the poorer parts might attempt to put a better dinner on the table and have something in the shape of a milk pudding. It is possible there is that slight fluctuation, but it would be known and it would be catered for. It would be a regular fluctuation.

9056a. *Chairman*: It was Mr. Trotman who gave us the evidence which Sir Arthur Pease refers to. Mr. Trotman said: "The matter was fully discussed with the trade union leaders and a working arrangement was come to with them, though whether it is correct or not I do not know, that any round should be tested by an average man, and if that average man could do the work within the time, that should form a sort of basis for the work." He was then asked: "Then a man might take eight or nine hours to go round, but if it has been tested by an average man he is not entitled to overtime," and he replied: "That is the position which has been taken up in consultation, I think, with the trade union." The next question was: "Outside the Trade Board?" and he replied: "I presume so, and I rather gather that that is not an infringement of the Trade Board Order, judging from the leaflet which they circulated." That is the evidence given before this Committee?—That final part suggests that it is something which has been made during the life of the Trade Board.

9057. It does rather?—I rather felt it might have been something which existed prior to the existence of the Trade Board.

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Mr. ARCHIE HENDERSON.

[Continued.]

9058. However, you have got the authority now?—Yes.

9059. *Sir Arthur Pease*: My point with Mr. Trotman was that this arrangement was really breaking the rule of the Trade Board, although agreed to as a convenient arrangement between the representatives of the owners and the representatives of the employees?—I am wondering whether Mr. Trotman meant just what he said, with all due deference. In the course of our discussion on the Trade Board, we named all sorts of things we were prepared to do. I would say quite frankly: "I am prepared to put it to any test." If I thought my claim was just I would not hesitate, and it is possible we did in the earlier days of the Trade Board say: "If you think that we are unreasonable, put it to the test," and that is what Mr. Trotman meant to convey to you—that some such thing had been stated. I would not dispute that that is possible, but that it is a working arrangement I can absolutely refute.

9060. *Chairman*: Then your second point is as to the relation of wages to cost?—Yes.

9061. I think you put it at $7\frac{1}{2}$ per cent.—I do not know, because I cannot establish it. I do not want to make a statement that I am not in a position to prove.

9062. You have some idea that you were told it was $7\frac{1}{2}$ per cent.—Yes. I have a note in my Trade Board file that a statement was made to the effect that the cost of distribution of milk by the retailer is roughly $7\frac{1}{2}$ per cent.

9063. *Mr. Pugh*: Of the price?—Yes.

9064. *Sir Arthur Pease*: The cost of wages only or all costs?—I took it to be wages costs. I cannot imagine it can be all costs. It is too low to be all costs, I should think. I was wondering if I should say something about another question which is disturbing the minds of some of the employers, that is the question whether the Trade Board should be limited in its powers to the fixing of only one flat rate of pay, or whether our powers should be continued on the question of fixing more than one rate.

9065. *Mr. MacCallum Scott*: For the skilled men?—I would not classify them as skilled. For instance, here we have got a man in this trade, and in many trades, who is not in the lowest stratum of workers. In many trades in the distributive world the lowest stratum of worker is not the main workman. For instance, take ordinary road transport. The main worker of that trade is the actual driver of the vehicle we see on the road. The drivers are the main body of workmen, but there is a lower stratum of workmen than they, namely, the porters who load the vehicles. Now the difficulty in the way of merely confining a Trade Board to the fixing of one rate, which would be the lowest stratum of pay, would be that in many trades you would exclude from the operation of the Board the main workmen in the trade. I think it is right that I should put it before you.

9066. *Lord Weir*: It depends on the basis. If you get the Board to protect that low grade of worker then you have carried out the spirit of the Acts. There is a difference between protecting the low grade and regulating wages?—Yes and No. The tendency to-day is, in this room, meeting Government officials, fixing rates of pay, to use Trade Board rates as a guide for the purposes of comparison and for the purposes of argument. They take a Trade Board and they say: "These are the rates fixed by the Trade Board, and although the people we employ are not strictly in line with the people in this schedule, that is the nearest comparable trade." And the result of

the Trade Board rates to-day is that they are having a wonderful effect on the atmosphere of the negotiating room where trade union officials are meeting employers to fix rates of pay.

9067. *Mr. Pugh*: In other words, a rate that is fixed and sanctioned with the enforcement of the State tends to become the standard for any other trades which approach that for which it was fixed?—Yes. The employers have a right to say: "This is somewhere comparable with that Trade Board, and therefore this should be the rate."

9068. And, therefore, if the rates have to be fixed in a trade they should cover the whole of the workpeople employed?—The powers of fixing should be sufficiently elastic to meet the conditions of the trade, otherwise a Trade Board as an effective piece of machinery is going to break down. Quite frankly, I would prefer being without Trade Boards than to be in possession of a Trade Board that merely had the power of fixing the wages of the very lowest stratum in the trade, because the lowest stratum in the trade frequently is not the main bulk of the trade.

9069. *Dame Adelaide Anderson*: But is it not a worse difficulty than the numerical smallness if it does not give any clue to the main kind of worker? I mean if the work were so different from the work of the main body you would not really get a minimum?—What I have got in my mind is that in many trades there is the ordinary person who classifies himself as being engaged in that trade. We will take any trade any of us can think of. You associate with that trade a certain class of worker. Take the stamped or pressed metal worker. There are certain people whom we at once specify as being employed in that trade; but underneath them and above them there are people just as closely connected with the trade who are not so strictly classified as being in that trade—ancillary people. Now if you are going to cut out from us the power of fixing more than one rate then what rate are we going to fix? The main bulk of the trade may happen to be the middle stratum person.

9070. Would it not depend on the average degree of competence of the worker and the heaviness of the work?—No. I do not think I have been happy in the way I have tried to put my point. We will take the ordinary market trade. It is contemplated that they may come under a Trade Board. Take a market like Covent Garden. The average person that you think of in Covent Garden is the man who is handling the stuff at the stall. Underneath him there are three or four grades of different porters with varying degrees of skill. Some are capable of carrying one type of commodity and some another. Above that comes another stratum of worker—people with a certain elementary skill in calculating, who have a rudimentary knowledge of arithmetic and use that knowledge to help the salesman. Suppose you had a Market Trade Board, and that Trade Board was confined to the fixing of one rate, which strata of people are you going to choose for the fixing of that rate—the main stratum—the middle people—the people slightly better off, or the people slightly worse off who are underneath them? If you are fixing a minimum for the trade you must fix it for the lowest stratum, thereby having a tendency to bring down the middle and upper strata. If you fix the middle stratum you are going to take the under stratum up to that level, or you are going to specify that they are cut out, and so cut out from the purview of the Board the very people who should be in, that is, the people who have no chance of being organised unless they associate themselves with the main bulk.

Chairman: Thank you.

(The Witnesses withdrew.)

(Adjourned to to-morrow at 11 a.m.)

12 January, 1922.]

Professor L. T. HOBHOUSE, D.LITT., LL.D.

[Continued.]

TWENTIETH DAY.

Thursday, 12th January, 1922.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE,
G.C.M.G. (*Chairman*).
THE RIGHT HON. LORD WEIR OF EASTWOOD.
DAME ADELAIDE M. ANDERSON, D.B.E.

MR. W. T. LAYTON, C.H., C.B.E.
MR. A. PUGH
MR. A. MACCALLUM SCOTT, M.P.
MR. H. D. HANCOCK (*Secretary*).

PROFESSOR L. T. HOBHOUSE, D.LITT., LL.D., called and examined.

The witness handed in the following statement as his evidence-in-chief:—

The Origin and Development of the Trade Board System.

Trade Boards were originally instituted by the Act of 1909, to meet the public feeling that had been aroused in connection with serious underpayment in certain industries. The method of dealing with such underpayment by the formation of a Joint Board of employers and employed in each industry affected had been devised by some of the Australian States and the system had been sufficiently successful to suggest its adoption in this country. The consequence was the passing of the first Trade Boards Act in 1909, which empowered the Board of Trade to establish a Trade Board in any trade "if they are satisfied that the rate of wages prevailing in any branch of the trade is exceptionally low as compared with that in other employments."

Three Boards were soon established under this Act, and after an interval a fourth was added. Very shortly before the war, four more Boards were added in Great Britain, making eight in all. These are the old Boards which still exist and have had a comparatively long and ample experience. The initial difficulties were considerable but two things may be said to have emerged from the experience of these Boards. The first is the effect on wages, namely that of levelling up payment in the worst sections or firms to the standard of the better, if not the best, employers. That standard might not be all that every worker could desire, but it was undoubtedly a very substantial improvement and it may be said that in these industries the more serious forms of underpayment were brought to an end. Secondly, in spite of divergencies of interests and opinions, the Boards settled down to a certain measure of co-operation. Both sides accepted the situation and made up their minds to do the best with it. Many points of contact and common interest were revealed, and this in particular that with the rate once fixed it was as much to the interest of the employers as of the workers to see that it was uniformly enforced. Rates could be paid when imposed upon every employer alike, which no individual employer could afford as long as he was exposed to the risk of being undercut by a competitor. It may be added that the apprehension which had been felt in Trade Union circles that the Boards would supersede the necessity for trade organisations and would thereby kill such germs of Trade Unionism as existed in these industries, proved to be unfounded. On the contrary some possibility of improving their conditions by collective effort arose for the workers for the first time. They realised the necessity for having skilled representatives to put their case, and the employers on their side discovered the advantages of having an organised body with which to negotiate.

In the meantime the demand of labour in general for a better standard of life had become more vocal

and force was added to this demand by the circumstances of the war—the higher rates of wages which labour, and particularly unskilled labour and women's labour, was able to command, the reiterated appeals to the patriotism of all classes, and the general feeling that if the country owed its preservation to the combined effort of all classes, it was just that all classes alike should find the country a place in which they could live a life worthy of civilised man.

As one result of this feeling, an Act for the extension of Trade Boards was passed in 1918. In this Act the Boards were no longer limited to trades in which the rates of wages were exceptionally low, but might be brought into existence where, in the opinion of the Ministry of Labour "no adequate machinery exists for the effective regulation of wages throughout the trade" and where "having regard to the rates of wages prevailing in the trade or any part of the trade, it is expedient that the principal Act should apply to that trade." It will be observed that in this paragraph two considerations are brought forward. The first is the absence of machinery for the regulation of wages, the other is the rates of wages actually prevailing. This latter consideration is very vaguely stated, but it may be taken to mean that the rates are in some respects, or in some parts of a trade, below the average of wages in general.

In the spring following the passage of the Act, when the war had come to an end, a National Industrial Council was established by the Government and the provisional Committee of that Council, consisting of employers and employed with a neutral Chairman, unanimously affirmed the principle of national minimum rates of wages. What the minimum rates should be, however, or precisely how they should be defined the Committee did not take upon itself to say. It suggested the appointment of a Commission for investigation and speedy report upon the question, and in the meanwhile urged the energetic extension of the Trade Board system. With regard to the establishment of national minimum rates, nothing has in fact been done beyond the production of a Bill on the lines suggested by the Council, which has never been pressed. But the extension of Trade Boards was pushed forward.

The first new Board under the Act of 1918 was the Tobacco Trade Board, which had its first meeting in the beginning of May, 1919, and from that time forward a series of Boards were rapidly established, until at the present time 44 Boards are in operation in Great Britain. The period that has since elapsed falls into two pretty sharply-marked divisions. For the first 18 months trade was booming, prices were advancing and labour was insistent in an endeavour to maintain the high standard of living which it had secured during the war, a demand which could only be realised by a continued increase in cash wages to keep up with the advances in the cost of living. Wholesale prices began to fall in the spring of 1920, but the cost of living still rapidly increased owing to the discrepancy between wholesale and retail prices,

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[Continued.]

and it was not till December, 1920, that the cost of living as indicated by the "Labour Gazette" figures, began to fall. The difficulties which had begun to make themselves felt in the early autumn of 1920, speedily increased, and in the spring of 1921, the trade boom had been definitely superseded by an exceptionally widespread and disastrous slump. It is this change which has brought about a reaction against Trade Boards, as against every agency designed to maintain the standard of living. It is perhaps already forgotten that in the first portion of this period the Boards acted as a moderating agency. By giving the workers confidence that advances would be secured in relation to the increase of prices, they did much for the preservation of industrial peace, and if there was frequent disappointment with the immediate results there was some compensation in the belief that the standard gained would rest under the security of the law.

Whatever may have been the effect of wages in other industries, of the Trade Board industries it would be generally true to say that advances in wages did not precede but followed the figures of the cost of living* in their upward course, and that workers had to exercise patience during the waiting period which the operation of the Act involves. Similarly, Trade Board rates lag behind the cost of living in its declension.† It is doubtless desirable to speed up the machinery of adjustment, and for this purpose legislative as well as administrative changes will be required. To these I shall return. For the moment I wish only to mention the "lag" in adjustment as one cause of complaint which is removable and does not touch the essence of the system. I would, however, point out another lag which embarrasses any method of wage adjustment, i.e., the slowness and the inaccuracy with which retail prices adjust themselves to wholesale. During the summer of 1920, while wholesale prices were falling in a manner which betokened a coming trade slump, cost of living was still rising. In consequence the function of the Boards about the time became very difficult. A proposal for an increase might be put out in June or July perhaps with the assent of the employers. It would come up for fixing perhaps in September or October, when employers were already apprehensive of bad times, while the workers could point to even higher figures of cost from those to which they had appealed when the proposal was made. It is not surprising that some of the rates when fixed should have required subsequent revision. What is more remarkable is that a new mechanism should have stood the strain of so sudden and so awkward a change as well as on the whole it has done.

Experience in connection with Old and New Boards.

My own connection with the Trade Boards began about the time of the passing of the second Act. Mr. Aves had been Chairman of all the Boards under the Act of 1909, and his position had served to give some unity to their administration. On his death the Ministry of Labour decided on a modification of the system and appointed several chairmen, professional men who were able to find time for a piece of public work. I was appointed to the Paper Box and Tin Box Boards, and held my first meetings in July, 1918. These were Boards with a well-established tradition, each side being organised with its chairman and secretary, and with a well-understood method of informal negotiation as well as formal discussion. In the spring of 1919 the new Boards began to come rapidly into being. I was appointed to the first of these, the Tobacco Board, and I subsequently became Chairman, in succession, of the Boot and Shoe Repairing Board, the Paper

Bag Board, the Dressmaking and Women's Light Clothing Board (England and Wales), the Hat, Cap and Millinery Board (England and Wales), the Rope, Twine and Net Board and the Wholesale Mantle and Costume Board. During the summer of 1920, I felt the work to be far too heavy and decided that I must resign several of the Boards. I was, however, asked by the Ministry to undertake the new Grocery and Provisions Board (England and Wales) and agreed to do so on resigning in compensation four Boards which appeared to have come into smooth waters, namely, the Paper Bag, Tin Box, Wholesale Mantle, and Boot and Shoe Repairing Boards. The remaining six I retained until December, 1921, when my term as Chairman of the Rope, Twine and Net Board came to an end. I may remark here that the Chairmanship of five or six Boards is, for a permanency, impossible. A man who has to make his living by a profession cannot attend to more than two or three Boards unless they are exceptionally easy. However, I have thus been connected with ten Boards and have, so to say, presided at the birth of eight, including two or three of the largest and most complex. In particular, the Grocery Board, the Dressmaking Board, the Boot and Shoe Repairing Board represent thousands and even tens of thousands of little businesses all over the country, while the first two represent a number of great concerns. It is needless to dwell on the complexity of the problem in such cases.

On a new Board everything has to be built up from the foundation. Few, if any, of the members had any previous experience of Trade Board methods or had definite knowledge of the legal powers of the Boards, or even a clear apprehension of the difference between a legal minimum and a trade agreement. On the employers' side men were frequently in the position of meeting to co-operate for the first time, and they had to begin by choosing their leaders and spokesmen. On the workers' side there were generally trade union leaders accustomed to stating a case, but there would be two or three unions in evidence holding different views and representing divergent interests. It was not always easy for the sides to agree among themselves and frequent applications had to be made for permission to retire "for a few minutes" which were apt to extend to more than a few. The appointed members were also, as a rule, strangers to each other. Where members of the old Boards appeared on either side matters settled down far more easily. Notwithstanding the lack of any recognised standard it was possible in several cases to arrive at a basic minimum time-rate at the first meeting, either by agreement or by the approximation of the sides to a point at which the appointed members felt themselves able to decide between them.

The Determination of the Rates.

This brings us to the central question of the principles and methods by which minimum rates are fixed. To begin with methods, it may first be observed that there are three possible ways in which a rate may come to be adopted—proposed or fixed as the case may be. The first is by agreement between the sides. This, in my experience, is the normal method in the case of skilled workers. The second is by the adherence of the appointed members to one side or the other. The third is by the abstention of the whole or a part of one side from voting, or the voting of some members of one side with the other. This is rare, but has occurred.

In no case are the appointed members arbitrators. They are simply members of the Board each with one vote like the rest. It is true, that in the frequent case in which the two sides are solid and opposed the appointed members have a casting vote, but even so they are not arbitrators. They cannot issue an award at which they have arrived independently after hearing the evidence. They are limited to a choice and it may be a choice between two rates of which neither completely satisfies them. In the concrete, the employers, say, propound a minimum rate for women of 7½d. per hour. The workers propose 9d. The appointed members think it ought to be 8d. But they cannot, like arbitrators, award 8d. They must either choose between 7½d. and 9d. or decline to vote. In

* It may be that in particular Trade Board industries the rise of wages increased cost of production. But the rise of wages in these industries followed at an interval on the increased cost of living.

† It is, however, to be remarked that employers frequently agree to anticipate the legal establishment of the rates by the action of their organisations, while it is not open to them now that wages are declining to anticipate in the same way.

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practice they choose the latter course, until one side or other modifies its proposal. If driven to it they propound rates which they think reasonable. In the case in point, they would propound their 8d. as a basis for discussion with each side alternately. In general, several rates are under consideration at the same time, junior rates, men's and women's rates, piece-work basis rates, skilled rates, questions of definition, of overtime, even of the date at which the rate should begin to operate, and out of these emerges a scale which the appointed members and one side if not both can accept. The discussion reveals to the appointed members the points to which each side attaches the most serious importance, and these they endeavour to preserve while persuading them to throw over the essential, and maintaining as far as they can the points which they in turn consider most valuable. It is, however, always possible that a deadlock should ensue, and the meeting has to be adjourned without result. It will be seen that the appointed members are neither free arbitrators nor pure conciliators. Their function may most aptly be described as that of conciliators with a casting vote. But even this is not quite accurate. If the two sides agree, not by the persuasion of the conciliators but of their own will, the appointed members have no power to stay them, and it is possible, and in my experience has occurred, that they agree on something on which the appointed members are at least doubtful. In that case it is difficult for the appointed members even to criticise, as they will appear to be more royalist than the king or more democratic than the Jacobins, as the case may be. They can intervene with any effect only if they can urge that some resolution would be contrary to the public interest or would involve the Board in conflict with the Ministry. All such cases are very exceptional, but are worth noting as bearing upon the position of the appointed members. Again, it has, in my experience, occurred that one or more members of one side have voted with the other. If there are three appointed and, say, two employers transfer their vote, the appointed members are outvoted. It is, however, unlikely that there should be any such cross-voting unless the case for the side which gains the votes is strong enough to have already secured the vote of the appointed members. On one occasion a whole section of the employers voted with the workers and a prolonged controversy arose between two sections of employers. Finally, in one or two important instances the employers, having supported a proposal, have, in the interval between proposing and fixing, become impressed with the objections to it and have declined to vote. In such a case, whatever the appointed members do, the rate is carried by the workers' vote alone. All such cases are exceptional, but they are occasionally embarrassing and necessitate a qualification in my previous description of the function of the appointed members. They act as conciliators with a casting vote if the two sides are solid and opposed.

From methods I turn to principles. The Trade Board Acts afford no direct guidance to the Boards. But the difference noted above between the Acts of 1909 and 1918, with regard to the grounds upon which a Board may be established has a significance. In the first Act it is a matter of common knowledge that what is popularly called "sweating" was in question. In the second Act, besides "sweating" there was a question of the regulation of wages in cases where trade organisation was not strong enough to stand on its own feet, and it was contemplated by many that industries would be divided into two classes, the one governed by Trade Boards and the other by Joint Industrial Councils. Behind this was the hope of a further evolution by which the Trade Boards might be converted into "Whitley Councils," or some higher form might come into being which should combine the virtues of both methods.

In any case, since 1918, we find a double motive in the Trade Board system—the prevention of underpayment and the adjustment of wages and hours with a view to peace, good feeling and mutual co-operation. It will be shown that in Trade Board practice these

two objects have led in practice to different methods of settlement.

I will take first the question of underpayment. Underpayment has two meanings, the one relative and the other absolute. There is relative underpayment when a particular worker or section of workers is receiving less than a rate generally recognised as appropriate to the class of work. Employers, like other human beings, differ individually. Some are more, some less, liberal. Some aim at high organisation with efficient and willing workers at good pay. Others with less organising capacity place more dependence on a supply of cheap labour. In this sense underpayment may occur at any grade. Many professional men who are better acquainted with the art of doing a thing than with the art of getting paid for it suffer from this relative underpayment. So I am certain do many clerks. So may any one in an industry which is not sufficiently organised to have secured certain basic rates. What the rate is to be in such cases can only be determined, in accordance with the definition, by general practice of the trade. But the desire that once ascertained it should be made universal and compulsory is very intelligible. It is a protection at once to the "fair" employer and to that worker whose weakness is not in his industrial, commercial or professional capacity, but essentially in his bargaining power. From the nature of the case, however, the question what is the fair rate is a technical question. It must be determined by those engaged in the vocation itself.

Underpayment has a more absolute sense when it is so serious as to make no adequate provision for the physical necessities of the worker. Here we come to a question upon which an outsider is as well entitled to an opinion as any one concerned in a trade, a question of great importance to the community. Underpayment in this form is a menace to health, vigour and civilisation. Now the reasons why remuneration is inadequate in this serious degree may be personal to the worker or they may proceed from the operation of the economic system. In the first case, where the worker through physical or mental defect is unable to yield the "fair day's work" that corresponds to the "fair day's wage" special provision has to be made. It is primarily a matter of charity and perhaps of discipline. What concerns good economic organisation is that every industrial function should carry reward sufficient for the maintenance of a decent civilised existence. Such a system cannot be secured by any wage regulation alone. It involves general education and special training, it involves the fiscal system, it involves, in general terms, economic organisation devoted to such an end and not to incompatible ends. The peculiar function of the Trade Board in the matter is to secure, as far as it is in its power, that no general rate recognised for any process required in industry should fall below the standard indicated.

This standard must be sufficient to provide not only for workers but their dependants. There are those who argue that this part of the problem can only be solved by direct State provision for children and for maternity. We have to take things as they are and taking things as they are we find that while some needs, for example, the important and expensive need of education—are provided by the State, in the main, provision for the family is still left to the worker, and since while the children are young maternity is in itself a sufficiently exhausting function it follows that unless the adult male worker's wage is sufficient to maintain it the family will be ill provided for. Before discussing how this consideration will affect men a word is required as to its bearing on women's rates. Against the whole conception of a family wage it is urged that if women are regarded as heads of families their rate would be unduly high since relatively few women workers are responsible for a family. On the other hand, if women are taken as separate individuals responsible only for themselves, their wages would be unduly low as compared with those of men and the position of women who have dependants would be untenable. On this it may be remarked first of all, that for permanent and general application in industry it is impossible to have more than one scale of values. Whatever determines the

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minimum for one class of worker will be found to determine, in the long run, the minimum for all classes of workers who can in any way enter into competition with one another. Otherwise there would be undercutting. Supposing men's wages, that is to say, to be fixed at a certain point, the wages of women must follow suit. If, considering their value to the employer, the women were overpaid relatively to the men, they would be displaced by male labour, and if underpaid relatively to the men they would displace male labour. This would happen speedily where men and women are in competition for employment of the same kind. It would happen less speedily, but not less surely, where they performed different processes, by a gradual substitution of one process for another or even by the handicapping of one trade to the advantage of another. It is clear then, there could not be two different bases of permanent or general application. It is accordingly open to us to discuss the suitable basis for men without fear of doing injustice thereby to women.

Since the responsibility for maintaining a family falls ordinarily upon men it is clear that if it does not take the needs of a family into account, the minimum will be insufficient, but it is also clear that the needs of the family vary greatly with its number and the ages of its members. It has been shown that with the poorer classes of workers it frequently happens that the wages actually received are sufficient to support a wife and one child, but when the second, third and fourth children are born, the family falls below the reasonable minimum of subsistence, and thus is pinched and dependent on outside help until the time comes when the children begin to earn. In this way it has been shown by Professor Bowley that the proportion of working class families that pass through what we may call the period of submergence is much greater than the proportion who are in that condition at any given time. It must be confessed that wage regulation alone cannot fully meet the problem arising from variations in the size of families. In discussions of the basic wage the family of five has generally been taken as the standard, (1) because three children per family are requisite to replenish the population with a moderate rate of increase, and (2) because a wage suited to such a family would at least provide an approximation to a minimum which would be generally applicable. But to meet the needs of larger families, as well as all misfortunes, illnesses, and periods of unemployment, other measures will doubtless be found necessary. What these measures are does not lie within the limits of the present enquiry to determine. I refer to the matter only because I would avoid the misleading impression that Trade Boards alone suffice to solve the entire problem of securing a material sufficiency for all classes of workers. In fact, as will presently appear, it has not yet proved possible, even in time of good trade, to secure for all workers the standard calculated by experts on the basis of the "statistical" family. Families of four or five children, which are very numerous, are obviously at a still greater disadvantage.*

How is the standard to be reduced to figures? In February, 1920, Professor Bowley gave evidence in the Transport Workers Enquiry. His estimate, which was accepted by the employers, rested on a basis which he had worked out very carefully for himself, independently of the "Labour Gazette's" estimate of changes in the cost of living. It required for the dockers 73s. 6d. at prices then current and made an extra allowance of 3s. 6d. for the London dockers bringing him to 77s. This standard was suggested for

a man doing medium hard work, and allowed meat on a scale which might not be necessary for lighter workers. Some deductions would have to be made on this account in order to arrive at a corresponding minimum in the case of work involving no special exertion.

In "The Human Needs of Labour" published in 1918, Mr. Seeborn Rowntree estimated the minimum budget for a family of five at 35s. 3d. on the basis of the prices of July, 1914. This figure was intended to yield a fairly comfortable living of the simple kind that we should all desire to see universal but not one which Mr. Rowntree expected to be realised in the immediate future. He had earlier arrived at a "poverty-line" representing the very barest needs for human subsistence the figure for which on the same scale of prices was 26s. By the courtesy of Mr. Stuart, Mr. Rowntree's secretary, I am able to give the corresponding figures for February, 1920, which afford a useful comparison with Professor Bowley's figure, for December, 1920, when the "Labour Gazette" figures were at the maximum, and for December, 1921:—

	July, 1914.	Feb., 1920.	Dec., 1920.	Dec., 1921.
	s. d.	s. d.	s. d.	s. d.
Poverty Line ...	26 0	56 4	67 7	54 1
Human Needs	35 3	76 0	90 0	71 5

It will be seen that the movement of these figures corresponds roughly to those of the "Labour Gazette" Index though the movement is a trifle slower. It will be seen further, that Mr. Rowntree's higher figure is intermediate between Professor Bowley's figure for the country in general and for London. Considering that these two figures have been independently arrived at by two experts who have given the closest attention to the facts we are on pretty sure ground in taking a wage of 73s. to 76s. as providing a reasonably good basis of life in February, 1920. Between this and Mr. Rowntree's Poverty Line figure for the same month there is a margin of almost twenty shillings, but this figure confessedly did not provide a standard to which we should wish to see any class of industrious workers reduced if we could avoid it. If the upper figure represents rather more than we can expect to secure the lower represents something that is less than satisfactory. By dispensing with the special allowances for food in Professor Bowley's estimate I arrive at a scale of 65s. as a minimum for work involving no special exertion in February, 1920.† This is roughly half-way between the higher and lower Rowntree figures and is suggested here as a standard with which it may be useful to compare the actual rates fixed by the Boards. A rate in that neighbourhood could certainly not be deemed excessive while a rate of 56s. or less would be decidedly low and a rate rising to 70s. or upwards would be liberal.

In February, 1920, the "Labour Gazette" index number stood at 130. All the figures that I have given would vary in a rough but not exact relation to the variations in this number. The great majority of rates in the table which I append would have been proposed or fixed at a time when the index figure was moving between 120 and 150. In a few cases in 1920, it would have been above that limit while it is not until the last two or three months that it has fallen sensibly below. We cannot here speak with any exactitude, but during the period mentioned, Mr. Rowntree's lower figure would roughly move between 54s. and 61s., the upper figure between 72s. 6d. and 82s. 6d., and the intermediate figure between 62s. and 70s. 6d. Thus, the figure of 65s. may stand as a reasonable medium with which to compare rates fixed during this period, that is to say, all rates ruling till the present time or until quite recently when the cost of living has fallen more substantially.

For women Professor Bowley gave no estimate but in "The Human Needs of Labour" Mr. Rowntree gave a reasoned standard on the assumption that the worker had to maintain herself and no one else. I have again to thank Mr. Stuart for supplying me

* As to the alleged 'waste' involved in the "family wage," it may be pointed out that what will just barely suffice for a married couple with three children provides but a tiny margin for two children or one child, a margin which it is eminently desirable that the household should enjoy. A childless couple will be somewhat better off and a bachelor will have a modest margin,—not so great as it appears because he has to pay in one way or another for the house-keeping services which a wife performs gratuitously. A young man in this position can get a little ahead of the world and provide for the responsibility of marriage. When the worst is said the margin of the very modest rate above the bachelor's requirements is not extravagant.

† It should be said that Professor Bowley is not to be held responsible for this figure.

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with the corresponding figures for the dates above mentioned. They are as follows:—

	Women.
July, 1914	30s.
February, 1920	40s.*
December, 1920	43s.
December, 1921	39s.

It will be observed that the variations in the case of women are decidedly less than those of the "Labour Gazette" index.

Mr. Rowntree gives no poverty line for women and the above figures are to be compared with the higher figures for men entered above. Any medium figure can only be conjectural. On the last three figures the deduction might be anything from 4 or 5 to 7 or 8 shillings. This would suggest 33s. to 35s. as a medium for the period in question, falling now to 32s. or possibly 31s. For reasons given above I do not regard this method of determining women's rates as adequate. Male and female rates must, in the long run, be proportioned to the respective value of male and female labour. But this much must be granted that the female rate ought not to fall below Mr. Rowntree's basis, i.e., the minimum required by a woman living alone to maintain herself, and if this is more than she would get by proportioning her wages to those of men then either her minimum becomes the basis and the men's rate must be raised or the exclusion of women from the particular industry must be faced. As a fact, in fixing women's wages Trade Boards have both considerations in mind. The argument that if a certain rate is fixed women will replace men or be replaced by them, as the case may be, is frequently heard. The argument that a certain wage is not sufficient to maintain a woman by herself is no less frequent. The truth is that through stress of economic circumstances, the male rate, though based on family requirements, is often fixed so low that when the women's rate is proportioned to it, it threatens to fall below the level of her personal requirements. The figures given below will illustrate the point.

A review of the rates actually fixed by the Boards will show that in general it has been possible to keep the male rates up to or a little above the poverty line but rarely, even in the boom period, to reach what I have taken as the medium point for the less skilled workers. On the other hand, highly skilled and experienced workers have had rates which in several cases exceed the most liberal interpretation of the minimum. To make this clear I have ventured to draw up a table† of the rates in operation between August, 1920 and 1st December, 1921. The first column shows the general minimum time rates applicable to all male workers not graded for any special reason. Such grading is determined in accordance with occupation, skill or experience, and in one or two cases area, or on the basis of all these criteria combined. For example, in the tailoring trade a measure cutter has one rate, a cutter of five years' experience another, a cutter of less than five years' experience a third. All such rates, where they exceed 65s. are noted in column 5. In general the grading clearly applies to selected classes of more or less skilled workers while there is a general minimum time rate applying to all other workers, but there are cases in which the classes are so numerous that it looks as if the lowest rates were the exception rather than the rule. I have no positive information to decide this point but to avoid giving a misleading impression I have formed a separate column headed "Lowest Rates," and have placed in it those lowest minimum time rates for adult workers which as far as I can judge apply only to a small section, leaving in my first column those which I take to apply to the bulk of the workers. I have, however, included in this column rates which are reached by every adult

after some years of experience subsequent to the age of 21.

Columns 3 and 4 show rates for adult female workers distinguished on the same principle. In column 5 as stated all rates for adult males above 65s. in August, 1920, are entered and in column 6 all rates for adult females above 35s. Later variations on these rates are subjoined. Where general minimum or lower rates exceed 65s. or 35s. they are repeated in columns 5 or 6. Rates per hour are multiplied by 48 if the weekly rate is not given. The first rates given under each head are those in operation in August, 1920. Later rates with the dates at which they came into operation are subjoined.

The first thing that strikes the eye in these tables is that of the minimum rates applicable to adult males. Generally only six exceed 65s. at any time. One of these (65s.) appears to be in a relatively skilled section of the chain-making trade, another is one section of the coffin furniture making trade where the rate for adults with five years' experience was fixed at 69s. 6d. in December, 1920, but reduced owing, as I am informed, to a depression in the coffin making business (through an exceedingly fine season which reduced demand) to 66s. in September, 1921. The third is the cotton waste reclamation trade (Great Britain) which was 66s. and has been reduced to 60s. The fourth is the perambulator trade where the minimum is 68s. The fifth is the retail tailoring trade where, after some years' experience, the minimum is 76s. and the sixth is the stamped metal trade where the minimum is 66s. In general the rates range between 54s. and 60s. Turning to the lowest rates we see the figures of 47s. (raised subsequently) in the coffin furniture trade, 43s. 9d. in the recently fixed rate in the jute trade and an abnormal rate of 26s. for outworkers of the pin, hook and eye trade, a case in which the men were not differentiated from the women who are the bulk of the workers concerned and for whom the rate was not doubt primarily designed.

A second point that emerges is that the predominant rates for women are from about 32s. to 36s., though they run down to 28s. in one or two cases—and even to 26s. in one case since the fall in the cost of living—and rise here and there to 40s. and even to 45s. in the boot and shoe repairing trade.

Are these figures determined in the main by relation to the male rates or by consideration of the requirements of the independent woman worker? To throw light on this question, I have compared the rates of column 1 with those of column 2, and those of column 3 with column 4, putting all high rates out of the question. I have then 60 fairly comparable pairs (including more than one determination by the same Board in several cases), and I get the following comparisons. The ratio of the female to the male minimum averages 57·2 per cent. and out of 60 pairs 46 lie between the ratios of 53 per cent. and 65 per cent. Only 2 are below 50 per cent., there are 7 between 65 and 70 per cent., and 2 of 100 per cent. These last are successive determinations of the same Board for a class of workers in which men, I understand, rarely occur. It would appear that where the unskilled labour of men and women is concerned the ratio tends to be uniform. If, further, we take the 11 male rates above 60s. we find that the ratio of the corresponding women's rates averages 55·4 per cent., which is below the general average, while if we take the 16 male rates below 55s. the ratio averages 64·3 per cent. The difference is material, and may be explained either by supposing that the higher male rates allow for some degree of skill, or that at the lower levels the "limiting consideration" of the woman's "personal" minimum came more consciously into play. While the index figure stood at 120 or more, Boards were reluctant to fix a women's rate below 34s., and still more reluctant below 32s. Even at the present time (December, 1921), 32s. would seem a fairly modest figure in view of what is said above, while at the peak of the curve it could hardly be below 36s. In general the rates will be found to range

* This is the best figure available, but, not as I understand, calculated so closely as the others.

† In preparation of the table I have had the kind assistance of Miss Sells.

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between 32s. and 36s., and would, as far as one can form an estimate, be above the bare subsistence standard for the single women. They lie in the region of what I have tentatively taken as a medium standard, while many of the men's rates hardly reach such a standard. The reason is, I think, that the Boards are influenced by the relation of female to male rates as well as by the requirements of the independent woman worker. It must be added that to secure this standard the increase in women's wages was in general materially greater than the increase in men's wages. Rates for more skilled women will be found in the neighbourhood of 40s. or even 43s. and 45s., rarely above. These would yield Mr. Rowntree's more liberal standard, and in one or two cases leave a margin above it.

Whatever the method of arriving at women's rates, we find in the result that a medium standard for the independent worker has generally been approached, and probably in a large number of cases attained. In a very few cases the general minima have touched the more liberal standard, which is also reached by some of the skilled rates, but seldom passed even by them to any considerable distance.

The third point that will occur is that the majority of the Boards have fixed higher rates for special grades of workers differentiated primarily by their occupation, secondly by length of experience, and thirdly by skill. Doubtless the differentiation by occupation is really a differentiation by skill, but in some cases skill is directly referred to, e.g., in the definition of a fully qualified worker under the Dressmaking Board the fact that the worker makes up the garment without supervision is the essential point, distinguishing her from a merely "qualified" worker who makes up the entire garment under supervision. These higher rates, it will be seen, in general, range in the case of men from 68s. to 84s. A good proportion would be within the limit of the more liberal minimum rate above laid down, others would exceed it by three or four shillings, while others again would exceed it by 10 to 15 per cent. But in several Boards there are one or two grades running up to 96s., and even in one case to 107s. I find nine cases in all of one rate or another, at one time or another, in excess of 90s. In such cases we may take it that the Boards are not concerned with the consideration of the minimum living wage in its ordinary sense, but rather with what they conceive to be a fair return for skilled work.

Turning next to the women's rates we find ten general minimum rates at one time or another rising above 36s. a week. For work ordinarily done by men, the Boot and Shoe Repairing Trade Board fixed the same rates for men and women, viz., 65s. a week, but for patching, which is mainly done by women, they fixed 45s. The Corset Board had a rate of 39s. in November, 1920, which is now reduced to 34s. The Cottow Waste Board (England and Wales) had 37s. also reduced to 34s. The Paper Bag Board and for a while the Paper Box Board have had 37s., the Retail Tailoring 37s., the Ready-Made Tailoring 37s., and later 40s., the Tobacco Board 38s. 6d., and the Wholesale Mantle and Costume Board 40s. for a few months in this year, which fell to 34s. on a sliding scale agreement. Finally, the Milk Distributive Board has a rate of 40s. in the London area. The great majority of the rates range from 32s. to 36s. In the Coffin Furniture trade the lowest rate is 27s. 6d., in the Jute trade it is 28s., in the Pin, Hook and Eye trade it is 26s. for outworkers. Higher rates for skilled workers have also been fixed generally in the neighbourhood of 40s. or a little more, but occasionally running up much higher. Thus, in the Boot and Shoe trade the female minimum being the same as the male runs up to 96s., at least nominally. The Fur trade has one rate as high as 80s., the Milk Distributive Board reaches 52s. 6d. in one area and the Jute Board 61s. 4d. in one grade (since reduced to 52s. 6d.). The Perambulator Board for a time had 52s. for experienced workers in one grade.

In order to discover by what method these higher rates were fixed, I have gone through the Minutes of the Boards with which I have myself been connected; I have taken the limit of 72s. in the case of men and 40s. in the case of women and have examined the voting both on the proposal and the fixing of all rates above these figures. I find that in the Boot and Shoe Board all the rates in question were moved by the leaders of one side, seconded by the leaders of the other, and unanimously agreed. (In addition a rate of 80s. for foremen and managers was proposed by the Board but not confirmed by the Ministry. On fixing, certain amendments to the definition were rejected by 11 to 10, the majority being due to the appointed members and the substantive motion was carried by 11 to 7, therefore independently of the appointed members' vote.) In the Dressmaking Board the rate of 76s. for male cutters and 43s. for fully qualified female workers was proposed by the employers, seconded by the workers and agreed. When the Boards came to fix these rates the employers entertained some doubts and they abstained from voting, and the rates were carried without opposition. In such a case the appointed members, as their number is only three, whatever their opinions may be, had no power to affect the decision. In the Hat, Cap and Millinery Board rates ranging from 76s. to 84s. were proposed by the employers, seconded by the workers and agreed. Four objections were sent in from the trade and on the motion to fix the employers intimated that they supported the rates which were moved by the workers and agreed *nemine contradicente*. In the Paper Bag trade rates between 72s. and 82s. were proposed and fixed by agreement. In the Paper Box Trade a rate of 76s. 6d. was moved by the employers, seconded by the workers and agreed. In the Tin Box trade 68s. was moved by the employers, seconded by the workers and agreed. In the Rope, Twine and Net Board various rates for skilled male workers between 72s. and 82s. were agreed both in proposal and in fixing. The case of the women rope-makers under this Board was peculiar. A rate of 42s. was fixed for four months only, in order to prolong for that period the wages enjoyed by those workers under the Wages Temporary Regulation Act. The object was to discuss what rate was suitable for these workers and get it established without first bringing their wages down to the general minimum applicable to the rest of the trade. This proposal, which was a compromise, was at first supported by all the employers except their Chairman. When it came up for fixing six objections by the trade were received. The employers intimated that they were now opposed to the rate but abstained from voting, and it was carried by the vote of the workers without opposition. The Ministry of Labour, after some delay, requested the Board to reconsider the matter and the rate was then reaffirmed by the vote of the workers and of the appointed members, the employers abstaining. After three months' delay the Ministry decided to confirm the rate which they ran for four months and came to an end in seven months instead of four, as originally proposed after the termination of the Wages (Temporary Regulation) Act. In the Wholesale Mantle and Costume Board rates for skilled workers ranging from 68s. to 96s. were moved by one side and seconded by the other and agreed, and their subsequent reduction to 67s. and 84s. was I believe similarly agreed. I may add to these the proposals of the Grocery Board which were referred back by the Ministry of Labour and did not come into operation. The only male rate exceeding 72s. was that for clerks in the London area which was adopted after an amendment had been moved by the employers eliminating cash desk workers and carried by the votes of the appointed members against the votes of the workers. The rates for female porters and assistants, ranging in some cases from 41s. to 48s. were agreed. In the new proposal substituted for that which the Ministry had disallowed, female assistants in the London area

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obtained 41s. This was originally agreed by the employers, but on fixing, the employers moved to omit it along with all rates for females above 22, and were defeated by the votes of the appointed members and the workers.

From this review it will be seen that on ten Boards there has been no case in which a male rate of 72s. and upwards has been carried by the vote of the appointed members against the employers. The only case in which the appointed members' vote has decided such a rate was that of the Grocery Clerks in which they decided against the workers. Of women's rates above 40s. there are two cases in which the appointed members voted on fixing a rate the employers had agreed to propose but declined to fix. If these ten Boards may be taken as typical, it is the predominant practice of the Boards to leave higher rates to be fixed by agreement.

I do not for a moment ask whether this is right or wrong. It must be borne in mind that the experts who have suggested the minima considered above have never put them forward as standard wages. They are basic minima below which, if economic circumstances permit, none should fall, but above which any may rise. Further, considering the wide margin of uncertainty in determining the basis, the local inequalities in the cost of living and the wide variations in family circumstances, it is socially desirable that where industry can bear it the more liberal interpretation of the minimum should be applied, and exceeded in cases where extra exertion or some degree of skill is involved. So far therefore as higher rates have been fixed without injury to a trade good has been done. On the other hand appointed members cannot pretend to judge of degrees of skill or measure their relative value. Hence, though in the course of the discussion they may form a view, they are chary of enforcing it, and the more so the higher the rate contended for. I fully admit that the record of votes does not tell the whole story, since pressure is brought to bear in negotiation. But pressure is applied to both sides and where higher rates are concerned is more likely to be directed towards the completion of an agreement which the two sides seem at bottom to desire than to the enforcement of a rate to which the employers are definitely averse. The chief exceptions to this rule, I think, would be cases in which the action of the employers at one stage or other of the negotiations has given the appointed members what they deem a sufficient ground for a decision.

With regard to minimum rates, and generally rates falling below or within the limits indicated above, the position of the appointed members is different. Here they have the cost of living to consider and undoubtedly they desire to secure what they deem an adequate living rate for all workers and are only deterred from doing so by strong evidence that the trade cannot bear such a rate. To such evidence, however, close attention is given and the suggestion which is occasionally made that appointed members habitually impose the employers' argument, and in substance impose rates automatically upon the trade, is not borne out by the facts. To test this point I have gone through the Minutes of four Boards whose decisions have been in special the subject of public or private discussion.

I take first the Grocery and Provisions Board. The first proposal of the workers on this Board was:—

	Male.	Female.
Clerks (21)	90s.	90s.
Assistants, Warehousemen (21)	90s.	72s.
Porters (21)	85s.	70s.

These rates were to be of national application. The first proposal of the employers was for three rates:—

- A. Rural District Council areas, except towns or villages in such areas of more than 10,000 inhabitants.
- B. All the country except A and C.
- C. The London area (viz., City of London and Metropolitan Police Area, except areas under Rural District Council).

I confine myself to the male rates in each case and to two ages, observing that the employers proposed to run the rates up to the age of 26.

	A.	B.	C.
Porters at 21	40s.	45s.	50s.
Porters at 26	50s.	55s.	60s.
Counter assistants and clerks at 21	45s.	50s.	55s.
Counter assistants and clerks at 26	55s.	60s.	65s.

On a second proposal the workers materially reduced their demands and the employers improved their offer by proposing the higher rates above-mentioned at the age of 21. These proposals were before the appointed members in August, 1920, when the cost of living was very high and still rising. They declined to vote for either side and a further meeting took place at which, after fruitless direct negotiations between the two sides, the appointed members themselves put forward a scale which, with minor modifications, was eventually accepted by the employers. As modified the scale had three areas, as in the original scheme of the employers, but the lowest area was limited to the rural districts and towns or urban districts of not more than 5,000 inhabitants. Taking only the ages of 21 and the highest age in each case the scale was as follows:—

	A.	B.	C.
Porters (21)	52s.	55s.	57s.
Porters (24)	55s.	61s.	63s.
Assistants (21)	54s.	60s.	62s.
Assistants (25)	58s.	68s.	70s.

This scale was moved by the employers and carried by them with the vote of the appointed members against a succession of amendments moved by the workers. It will be seen that it stands in much closer relation to the original proposals of the employers than to that of the workers. Rates for women and for clerks of both sexes were subsequently agreed. Unfortunately, when the rates came to be fixed in February, 1921, a considerable change had taken place in the industrial situation. The employers now desired alterations to which, in the light of the objections received, the appointed members were constrained to assent, and modifications were carried by their vote. The Ministry was unable to accept these modifications and in the situation which now arose the appointed members supported the workers first in certain intermediate proposals and then in endeavours to sustain those portions of the rates to which the Ministry could assent, but eventually the rates were cancelled and a new proposal with reduced rates was agreed between the parties on August 15th, 1921. When these rates came up for fixing on November 15th, 1921, the employers wished to postpone their confirmation till after the report of Lord Cave's Committee, or failing that, to make certain amendments. The appointed members, however, voted for the maintenance of the agreement of August 15th, though they voted for the employers in excluding apprentices.

On a review of these facts it will be seen that on the actual rates the view of the appointed members was, as it happened, more often in accord with that of the employers than with that of the workers. On the other hand, they consistently supported the workers in their endeavour to bring rates into operation. The long delay which has occurred in so doing has been due to a change in the economic position and to a close consideration on which the appointed members insisted, of the objections coming from employers in the country. It may, however, be remarked that no delay would have taken place and a succession of expensive meetings would have been avoided if the Board had been allowed a modest latitude of amendment.

I pass to the Dressmaking Board, where again it has been suggested that outside people ignorant of the trade have arbitrarily imposed impossible rates. With the skilled rates in the trade I have already dealt. Coming to the minimum rates I find that at the first meeting proposals for the male, female and junior rates were made and agreed by the two sides.

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When the rates came to be fixed the employers expressed an opinion that the minimum rates for female learners would operate harshly, but in view of their former agreement they decided to vote for the resolution. Later on they proposed to reduce the junior rates and came to an agreement with the workers on this point along with others. The proposal was therefore agreed unanimously, and on fixing was agreed with one dissentient. In fact, upon this Board the appointed members have never carried a rate by their vote.

On the Hat, Cap and Millinery Board at the first meeting minimum rates for male and female adults were moved by the employers and, the Chairman being the only appointed member present, were carried by his vote against the workers. These rates were fixed by agreement, and the learners' rates were agreed. In April of this year a proposal for the reduction of the junior rates was carried by the employers and the appointed members against the workers. The fixing of these rates was agreed. In November of this year a general reduction of rates was moved by the employers, smaller reductions were suggested by the appointed members and were finally accepted by the employers, moved by them and carried against the vote of the workers by the appointed members. On the Rope, Twine and Net Board all the minimum rates, piece rates and skilled rates were agreed with the exception of female rope makers' rate as explained above. In June of this year a general reduction of rates was moved by the employers. At the instance of the appointed members the proposal was materially modified so far as the minimum rates were concerned, but with these modifications it was carried by the votes of the appointed members.

It is, of course, perfectly true that the voting does not tell the whole story. The appointed members exercise their influence in negotiation in the manner already described, and it is not suggested that the agreement arrived at always represents a rate which the side entering into it would have offered of its own free will. Nevertheless, it is an agreement and is, as a rule, honourably regarded as such. It is a rate for which the side is willing to take responsibility and from which it will not depart unless there is some change of circumstances or some new fact brought to light. Finally, it is not to be assumed that such an agreed rate represents the independent wishes of the appointed members any more than that of the other party. In fact, all three elements concerned on the Board habitually give and take something after the ordinary process of negotiations.

In view of these facts it is clear that any suggestion that the employers are helpless in the presence of the appointed members and have no real say in the determination of the rates is seen to be without foundation.

A similar allegation on the side of the workers might be no more and no less plausibly made and would be equally devoid of substantial truth. The residuum of fact is that in the presence of a third party neither side can get all things its own way.

As a matter of fact the new Boards have proceeded on much the same lines as the old ones, that is to say, by levelling up rates of wages to those which many employers were already able to pay, and it is comparatively rare that this levelling has been materially exceeded through any rules of the Board. From almost all the Boards the same tendency to a general acceptance of the position, the same development of a spirit of mutual good-will and co-operation has, in a greater or lesser degree, manifested itself, industrial peace has been kept and several Boards have testified to the good effects of the system upon the interests of the trade as a whole.

Difficulties and Drawbacks.

On the other hand the Trade Boards have had to grapple not only with the difficulties incidental to the extraordinary changes in the commercial position, but also with many problems of administration, some of which might have been solved by the exercise of more foresight.

To begin with, the new Boards were established without any adequate provision for the enforcement of

their decisions. A small group of highly skilled inspectors had been formed under the old Boards and had done admirable work, but they were wholly insufficient in number to deal with the task now set to them. The old Boards may have covered some 500,000 to 400,000 workers in Great Britain; the Boards now in existence are supposed to cover 3,000,000.

In some cases the machinery for notifying the rates proved inadequate, and the very existence of the Boards remained unknown to many of the outlying employers in some of the extensive trades now covered. The report of the inspection in the Women's Light Clothing and Dressmaking Trade during the eleven months after the first rate was fixed revealed surprisingly widespread ignorance of the law. Attention was drawn to this difficulty and remedies suggested by the employers as early as the second meeting of the Board. The majority of visits, particularly among small firms in the provinces revealed more or less serious breaches of the regulations, and in a larger number of instances it turned out that the employer had never even received the notice of the Board's determinations.

The consequence of such a chaotic state is that the employers who have taken care to inform themselves, who are desirous of conforming to law and treating their workpeople fairly, find themselves exposed to the competition of those who are either more ignorant or less scrupulous. Thus, the last state of the fair employer is worse than the first. The undercutting which it is the prime object of the uniform rate to prevent, becomes all the more serious when it is a question of a strict rule which "A" feels he is bound to observe while it is neglected by "B" or "C."

The Boards have no substantial power for enforcing their own decisions. A certain authority is indeed given them by the Trade Boards Acts, but they have no machinery for the purpose and no means of financing the machinery if they had it. They cannot order an inspection in any specific case or in any particular locality where they have reason to believe that it is required. They can only appeal to the Ministry, who have to decide between their needs and all other claims that are made at the same time upon an overburdened staff. Hitherto the Ministry would, I think, admit that it has found great difficulty in meeting its responsibility in relation to enforcement.

The question of scope has also presented a great deal of difficulty. The definition of each trade is arrived at after prolonged consultations, but it is naturally difficult to make it so precise as to avoid all ambiguities and uncertainties. It is admitted that, in the last resort, it is a Court of Law which must pronounce, but in substance scope is determined by administration, since, if a case is not brought before the Courts it is for all practical purposes excluded. The Minister of Labour has held that, as the administrative authority, it is for him to decide questions of scope.

The Boards, on the other hand, feel that they alone have the technical knowledge which enables them to judge the actual interlocking of one process with another in the conduct of industry. On behalf of the Ministry it is replied that the Boards do not necessarily contain any legal experts, and in the pursuit of practical considerations, are apt to overlook the niceties of definition which a Court would certainly insist. On behalf of the Boards it is rejoined that the necessary legal advice might be supplied to them with advantage, and that, with the aid of such advice they could arrive at the required determinations, while where a real difficulty is found they will be in a position to advise the Minister on any necessary modification of the order constituting the Board.

Legal Advice.

This brings us to the third difficulty from which the Boards have suffered. For the interpretation of the Act the Ministry has its legal advisers and it has very frequently happened that in the pursuit of what appeared to be its powers, the Board has been confronted with a veto from the Ministry on the ground that, in accordance with legal advice which the Ministry has received, some proposal of the Board is *ultra vires*. The Boards, on their side, have no legal advisers, and have, therefore, no means of meeting this opinion with an expert view of their own. It is strongly felt by the Boards that they need legal

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advisers of their own to assist them in their smooth working of their determination, to keep them adequately informed upon the technical difficulties which are real and insuperable, and to aid them in avoiding technical faults in pursuing what is in itself a practical and reasonable object.

Revision and Amendment.

One of the legal questions that has arisen concerns the right of amending proposals when they come to be fixed. The Acts appear to assume, without definitely stating, that the rates proposed by the Board will, after the period for objections has elapsed, either be fixed or simply withdrawn. As a matter of fact, occasions have frequently arisen in which the Board would have wished to have fixed the rates in the main as proposed, but with some amendments of detail. In some instances the trade experts have made a slip in some small portion of a complicated list of piece rates. In other cases they have proof of wide-spread objection in the trade, say to some portion of the junior rates. In some instances cognate Boards have fixed junior rates on slightly divergent scales rather through the accidents of negotiation than through any *malice prepense*. In such instances the Boards would naturally wish for some power of revision, not in the interests of either side as a side, but for the convenience of the trade as a whole. While the Board of Trade took, as I understand, a more liberal view, the Ministry of Labour have held rigidly that no amendment is legally admissible unless it is of the most trivial description, and the Boards have been faced with the alternative of rejecting their proposals as a whole and putting out a new one to the country at the expense of some four months' delay or carrying through a series of rates which they believe to be in some detail objectionable. Whether the Ministry's interpretation of the law is correct or not, it has certainly hampered the Boards in their work, and they will require some further elasticity in this respect. It seems a most inconsequent proceeding to delay determinations for the sake of obtaining criticism from the trade and then to forbid any amendment based on such criticism.

Confirmation.

This brings us to the question of the present method of confirming the rates. According to the Act of 1918, the Trade Board first gives notice of proposal of a rate, then after a period of two months for objections, it must meet again to fix the rate, while the Minister, if he does not refer the matter back to the Trade Board, makes the Order confirming the rate. The Board in its turn gives notice of the making of the Order. The Minister, if he does not refer the rate back, has to make the Order within one month from the date on which he receives notification from the Trade Board, but if there are "special circumstances" which, in his opinion, make it necessary or desirable to postpone the making of the Order, it is open to him to do so; it is clear, therefore, that the Minister is not strictly bound by time, and at one period he in fact announced his intention of taking one month for consideration in all ordinary cases. The necessity for such an interval is only intelligible as giving time for objections from the trade to reach the Ministry and receive consideration. In fact, if the Minister is to be responsible for defending the Order in Parliament, he will naturally wish to be certain that he is justified in making it. But as we advance on this argument it will be seen that a double series of objections come into view. One, the objections sent in to the Board during the two months prescribed by the Act, and another—after the Board has considered these objections, and in spite of them fixed the rate—a second series of objections sent in to the Minister, but not necessarily discussed in the presence of the two parties nor settled with the aid of their votes. In fact, upon this interpretation of the Act the Minister becomes the decisive authority and the Board an advisory body, but an advisory body strongly handicapped by their limited

right of amendment. The Board cannot negotiate with the Minister; it cannot say, "If you feel any objection to this or that point, make such and such a modification." It is debarred from doing so because it has no power of revision. If, therefore, it were desired to make the Minister the rate fixing authority and the Board the advisory council, a completely different and much simpler machinery would have been the natural thing to establish.

It may, however, be greatly doubted whether either employers or employed would acquiesce in a system in which the determination of wages should pass into the hands of a Government Department. Such a determination is obviously open to political influences. The object of the Trade Board system is to discover a rate of wages which will provide a reasonable livelihood for the worker without causing dislocation in the industry. This rate, under the Trade Board method, is arrived at by the trade itself with the aid of an impartial element which endeavours to ascertain the facts of the case and is not guided by any extraneous consideration. It would be extremely difficult for a Government Department to hold itself aloof from the influences of political forces which in one trade may press one way and in another in the opposite direction, with the result that precisely where the workers are the weakest their interests would be most likely to suffer. The question of delay incidental to the Minister's method is also serious. The Act of 1918 contemplated a period of two months for objections to be sent in. When to this is added the time necessarily occupied in preparing, printing, and issuing the notices and the arrangements for summoning a meeting of the Board, and then the minimum month which the Minister requires, in practice the two months become four. In old days this formed a very serious difficulty when workers were impatient for an increase. At the present time it forms a difficulty which has perhaps been more readily admitted and acknowledged when employers are desirous of a decrease. Delay is injurious on both occasions, and to both sides, and it is far better that, if changes are to be made, they should be made promptly. What should be done by way of confirmation will be considered at a later stage, but here it will be sufficient to say that the delays that have taken place have added terribly to the difficulties of Trade Boards, and they will desire more promptitude and more certainty as to the date on which their decisions will come into force.

Inter-relation of Boards.

The difficulties of Trade Boards have been added to by their own multiplication. In many instances it has proved exceedingly difficult to demarcate one trade from another, and however successful demarcation may be there will always be numerous borderland cases. In many instances the employers find themselves under the authority of two, three or even more Boards, and the very same worker may at one time come under one series of determinations and another time under another. The result is a serious annoyance to many employers, a cause of uncertainty as to their actual duties, and a source of expense in the book-keeping and supervision required to that all the rates are duly carried out. There are also occasions for heart-burnings between workers operating side by side, with different rates under different Trade Board determinations. Immense friction might be avoided if a means of correlating all the decisions of allied Trade Boards could be found. In some instances this could easily be done by consultation if the revision of rates were allowed. Where junior rates, for example, differ in detail from year to year, there would as a rule be no difficulty, when two proposals have been set forth, in arriving by consultation at a uniform rate which both Boards could agree to fix. In other cases it may be necessary to amalgamate several Boards and with yet others it may be to establish some machinery of co-ordination, consideration

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of which will finally lead us back to the question of the confirming authority.

The Problem of Autonomy.

A review of all these difficulties shows that the relations between the Trade Boards and the Ministry of Labour have been less satisfactory than could be wished. To say this is not to impute blame on either party. The simple truth is that the Trade Boards do not possess powers commensurate with the responsibilities placed upon them. They are to propose, and after hearing objections, to "fix" rates of wages (this is the expression used in the Statute) but as a matter of fact they do not fix the rates, for the order is ultimately "made" (again as the Statute has it) by the Minister. They neither have the final decision upon the rate nor the freedom of a purely advisory body. Supposing their rate, however, to be confirmed, they have no control over its enforcement. They cannot decide the scope of its application. They are destitute of legal advice of their own to assist them in interpreting their powers. They are unable to amend any detail of a proposal which has been sent out to the trade for criticism and has encountered objections on certain points. Finally, each Board is a separate entity, and though their decisions may ultimately affect an allied trade, there is no regular means of establishing adjustment and correlation between them.

To remedy these defects it is necessary that the Trade Boards should possess some collective organisation of their own, not purely dependent on the Ministry of Labour. The inspectorate and all the staff would continue to be appointed as now by the Ministry and for disciplinary purposes would remain under its control. The Ministry would also supervise expenditure by regulation and any extraordinary expenditure would require its consent. The entire official staff should be under an official of the rank of an assistant secretary, if not a principal assistant secretary, and great care should be taken to avoid any duplication whereby the action of the Trade Board department might be reviewed by the staff of another department. The principal officer of the Trade Board office should report directly to the permanent secretaries of the Ministry and to the Minister himself. Subject to this supervision the Trade Board organisation should have control of the secretariat and inspectorate and have legal advice at its disposal. It should have power to determine questions of scope, to provide means of adjustment as between different Boards and to deal with the problems of revision and confirmation.

The Question of Confirmation.

This proposal at once raises the question of the ultimate confirming authority. It is not possible to leave the final decision upon the rates to each Board separately. This would be to put too great responsibility on the appointed members who hold the casting vote. It is equally undesirable to leave the decision in the hands of a Government department, in which it is exposed to political influences.

It remains that there should be a regular court to which the Minister should, in any case where he is not prepared to confirm it, refer the rate. It is suggested that the most suitable court would itself have the constitution of a Trade Board, representing employers and workers and possessing independent elements. Such a body might be called the Central Trade Board, and might be elected so far as the representative members are concerned, by the respective sides of all the Trade Boards. The appointed members might, as now, be nominated by the Minister, and ought, I think, to have had experience on Trade Boards.

The period for sending in objections at the same time might be reduced to one month and notice given through the Press. No objections should be entertained either by the Minister or the court which have not been sent in to the Board. Amendments should be allowed at the time of fixing and in the

case of appeal the Central Board would have the power to decide whether an alteration should, or should not be regarded as a fair amendment or, in the alternative, as constituting a new rate and requiring fresh proposal.

This body, through its committees, would be in direct control of the officers of the Board, the secretariat and inspectorate, and in direct touch with the legal advisers. The several Boards could then deal with questions of scope, again subject to appeal to the Central Board in case of a dispute between two Boards. Neither the single Board affected nor the Central Board could modify the Minister's definition, though they should have the power of referring unsatisfactory decisions to him for consideration. It is a question for consideration on which I do not offer an opinion, whether the decision of the Central Board on scope should be made authoritative by statute or whether it should be what I understand the Minister's opinion is now, a ruling which guides administration, but is subject ultimately to the decision of the courts.

Finally, the Central Board could provide for the adjustment of rates by calling, if necessary, a conference of two or more Boards and arranging for uniformity where that is practicable, or consenting to divergence where adequate grounds for it exist. Several allied Boards, might, I think, be amalgamated, the present Boards being formed into statutory committees which would have both the right of initiative and of criticism on any proposed rate, but not, I think, a vote. Finally, provision might be made for the case of employers who find several Boards concerned with one of their departments. Such cases might, I suggest, be referred to the Central Board, with whose sanction the set of rates applying to the majority of the workers concerned in the department might be adopted as the rates for that department. It is suggested that these alterations will obviate the principal difficulties which the Boards have encountered in their operation, and would provide the autonomy that is generally desired without endangering the relations between the several Boards or actually extending the power and responsibility of the appointed members on any single Board.

An alternative suggestion is that the appeal body should consist of a small council of representative employers and workers in equal numbers, with the Chairman of the Industrial Court as their president.

If a suitable appeal body can be agreed upon the question arises whether the Minister should merely register its decision, or should retain an ultimate power of reversal. On the other side it may be urged that if the final decision is the Minister's the main purpose of an appeal body fails, the door is opened to political pressure, and the Minister if only to secure his own position must have his own independent enquiry—an appeal behind the appeal. On the other side it will be maintained that Parliament will refuse to part with ultimate control and that there must be for the executive some loophole of escape from the consequences of a mistaken judgment. Upon the whole two things would seem to be essential to any system of appeal. The first is that under all normal circumstances it should be final and the confirmation of the Minister given without awaiting further criticism.

The second is that on appeal as in the first instance, all objections should be openly discussed and the two sides confronted. Hence if fresh objections reach the Minister he should communicate them to the Central Board. If the Minister should form a definite view from which the Central Board diverge the natural resort would be a conference between the Board and officials of the Ministry. Should this fail there might remain a reserve power of decision to the Minister in a case where he remained personally convinced on definite grounds formally adduced before the Central Board that there would be danger of grave industrial consequences from the confirmation of the proposal.

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The proposed National Minimum.

It was mentioned above that the National Industrial Conference in 1919 proposed a national system of minimum wages. This proposal has been revived in some quarters as an alternative to the Trade Board system, though it is sometimes forgotten that the Conference also urged the extension of Trade Boards. Different views may be taken about the value of a national minimum if understood as a single rate for each sex at a given age. In the view of the present writer it would be the natural outcome of the work of Trade Boards when it has advanced to a further stage and has covered the greater part of the field of the less organised industries, but as a substitute for Trade Boards the plan encounters more difficulties than appear on the surface.

In the first place, to determine the actual figure—a problem which is difficult enough in any given trade where the experience of both parties is available—will become vastly more serious when it is considered that whoever lays down a national minimum takes upon himself the responsibility of saying that no man or woman, boy or girl, is to have the opportunity of work of any sort or kind unless he can earn some specified rate. The almost inevitable result of this consideration would be that the rate at the outset would be fixed so low that it could not do much harm, but for the same reason might do no good at all. It is lightheartedly assumed in certain quarters that the minimum might vary by districts; but anyone on a Trade Board who has had to do with the fixing of district rates is aware of the extraordinary anomalies which arise from a delimitation of areas, even when that is attempted for a particular trade, by people conversant with that trade. Probably the clearest case for an addition to any general minimum on local grounds is that of London, where the worker has both high rents and fares to contend with, but even here it may be asked, "What is London for this purpose?" Some governmental area is necessarily taken, and governmental areas do not correspond with industrial conditions. The London area stretches out into rural districts, and where any wide discrepancy exists between the London and rural rates, anomalies and injustices are immediately felt. Again, it is clear that a national minimum cannot deal with piece rates. How it is to be enforced is a question which its advocates do not seem to have addressed themselves, nor is it easy to see what good system could be devised for the permits of exemption which are necessary under any system of minimum rates. It is possible to work up to a national minimum through the Trade Board system, but to undo that system which, when the worst is said against it, has done good work, would be a very retrograde step.

Occupational and Skilled Rates.

There are those who desire minimum rates, and recognising the difficulties of a national minimum concede to Trade Boards the function of fixing the minimum for each trade, but would restrict them to that duty alone; that is, they would eliminate differential rates for operations involving skill from the purview of the Boards.

On this, two things must be said. First, no one can desire that the majority of workers should be left with the bare minimum, which is all that is likely to be secured for the least skilled grades. The minimum itself, as has been said, cannot be made a precise figure and we must be guided in determining it largely by what we find will work well in practice. There is, therefore, a serious need for something a little more generous for workers above the lowest grades. Secondly, the determination of rates by the Trade Board method is superior to any other yet devised. It is superior to the unfettered individual bargaining which leaves the weak at the mercy of the strong, and to the collective bargaining which, without any standard to appeal to, degenerates into a fight and keeps the industrial world in unrest. It is superior to bureaucratic decisions which may be exposed to political influences and to the decisions of an arbitrator who may know nothing of a trade. It promotes co-operation, mutual concession and good

will, and draws out from both sides a real output of public spirit.

It would, therefore, in my judgment, be a retrograde step to limit Trade Boards to the determination of a single minimum rate for each industry. In some cases, indeed, to do so would be to shelve the main problem, for important instances could be mentioned in which the main body of workers in a trade are not of the lowest grade, but have a small number admittedly below them. In such a case any single rate would leave the main body uncovered. It must be added that in some cases the most important function of the Board has been the determination of piece rates. It can hardly be intended to take these out of their hands. As an intermediate course it has been suggested that, a basic minimum having been fixed in the present manner, any higher rate might be fixed by agreement between the sides, but not by the vote of appointed members. This, however, would not meet the case mentioned above. A method would have to be devised by which the rates of the main body of workers would be determined as now, even if they happen not to be the lowest rates. If such a method can be devised and the determination of higher rates left to agreement the alternative proposed would be less serious. But I see no clear evidence of any necessity for a change in the function of the appointed members and I should certainly regret any diminution of the present power of the Boards. What they need is more autonomy and greater elasticity subject to a properly constituted court of appeal, and it is through the practical good sense of the Boards in the exercise of their powers rather than by cramping them with restrictions that mistakes are to be avoided.

The Economic Effect of Trade Boards.

After all, it will be said, the final test is practical. A "fair" wage defined as above is doubtless desirable. Is it possible? Does it not automatically increase the cost of production and thus lower the value of money and so defeat itself, causing dislocation, loss and unemployment in the process? In answering this question we must discriminate. We cannot lightly assume that all increases of pay by reacting on the efficiency of the worker ensure corresponding increments of output. Where wages exceed the value of the product, where increments are used merely to obtain the old standard of earnings with less work this does not hold. This was sure to happen in the mood of relaxation following the war and the exceptional rates forced by trade union action in one or two trades have been a cause of trouble and poverty to other sections of workers. Similar consequences may have occurred here and there in the Trade Board industries, but in general, as has been said above, tendency of the Boards is to level up wages to those which the best and ablest employers are already paying or are, at any rate, prepared to pay if all do the like. The effect of such levelling up is that the type of employer who has maintained himself by underpayment is placed at a disadvantage, that inefficient and out-of-date methods can no longer be maintained and that the fairest and most capable employers come by their own. One has every sympathy with a form of production struggling against a rival with new methods. If the old form can adapt itself to the conditions and make good it has every right to a fair field. But the fight ought not to be waged over the bodies of the workers, and it here that the Trade Board, like the Factory Acts, intervenes with certain conditions that all alike must fulfill. If they can meet those conditions, the small firm, the outlying district, the old-fashioned process have every right to maintain themselves. So far as they fail the result is not necessarily that production is diminished or cost increased, but that production is transferred to those who can meet the conditions. An economic change which is otherwise long drawn out, to the disadvantage of the worker, is accomplished, not indeed without regrettable suffering, but with more speed and less injury to large classes of the population. The Trade Boards in fixing a minimum are bound to have regard to the least fortunate conditions and least favourable circumstances which they find in existence, but they are equally bound to have

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regard to the needs of the worker, and they cannot neglect them in order to maintain methods or forms of production which might be replaced by better ones. Such replacement has been and will be the

economic effect of all regulation of industry from the Factory Act to the Trade Board determinations, and it is this which makes the improvement of working conditions economically possible.

TRADE BOARD MINIMUM RATES FOR MALES AND FEMALES BY TRADES EFFECTIVE UP TO 1ST DECEMBER, 1921.

N.B.—Under “general” minimum rates (Columns I and III) are included (a) rates laid down for adult males (or females) in general terms; (b) rates for adult males (or females) which, though not “general,” do not depend on specified occupations, but merely require some special condition of age or experience; (c) rates prescribed for “other workers” when special rates have been fixed for certain classes. If, however, classes are numerous, rates fixed for “other workers” are brought under Columns II and IV “lowest rates,” except in cases where there

is a still lower rate fixed for a specified class. Where the “general” rate exceeded 55s. (or 35s.) in August, 1920, it is repeated in Column V (or VI) with the word “general” in brackets; similarly with “lowest rates.” “Occ.” means a rate fixed for certain occupations; “exp.” that it is a rate dependent on certain length of experience; “area” that the rate holds only within a certain area. Rates in these columns (V and VI) are given only if they exceeded 65s. or 35s. in August, 1920.

Trade.	Males.		Females.		Males.	Females.
	General Minimum. Col. I.	Lowest Rate. Col. II.	General Minimum. Col. III.	Lowest Rate. Col. IV.	Rates above 65s. Col. V.	Rates above 35s. Col. VI.
Aerated Waters (E. & W.)	61s.	—	33s. 6d.	—	—	—
Aerated Waters (Scotland).	56s. 60s. (Oct., '20).	—	30s. 32s. (Oct., '20).	—	—	—
Boot and Shoe Repairing ...	65s.	—	55s.	45s.	75s. to 96s. (Occ.).	45s. (Lowest rate). 65s. (General). 75s. to 96s. (Occ.).
Brush and Broom ...	—	56s.	33s.	—	70s. (Occ. and Exp.).	—
Button Making ...	—	62s.	34s.	—	68s. to 72s. (Occ. and Exp.).	—
Chain Making:— *Dollied or tommied (mainly male).	—	54s. (Oct., '21).	30s. (Oct., '21).	—	*68s. (General) 68s. to 94s. (Occ.).	—
†Hand-hammered (mainly female).	—	—	34s. 6d. (Oct., '20).	—	—	—
Coffin Furniture:— Furniture section ...	*60s.	47s.	†32s. 6d.	27s. 6d.	70s. to 86s. (Occ. and Exp.). 69s. 6d. (Gen. and Exp.). 89s. to 95s. 6d. (Occ.) (Dec., '20).	36s. to 42s. (Occ. and Exp.).
*5 years' experience...	*69s. 6d. (Dec., '20).	56s. (Dec., '20).	—	—	66s. (General). 74s. 6d. to 90s. (Occ.) (Sep., '21).	—
†3 “ “ “ ...	*66s. (Sept., '21).	—	—	—	—	—
Cerement Making Section:— *4 years' experience, 24 years of age.	—	—	*36s.	†30s. to 34s.	—	36s. (Exp. and General); 40s. (Occ. and Exp.).
†At 21 years of age ...	—	—	—	—	—	—
Corsets:— *At 22 years of age ...	—	*55s. *60s. (Mar., '20).	34s.	—	68s. (Occ.). 66s. to 84s.	—
	—	*62s. (Nov., '20).	39s. (Nov., '20).	—	(Nov., '20) (Occ. & Exp.). 60s. to 76s. (Sep., '21) (Occ. & Exp.).	39s. (General) (Nov., '20).
	—	*56s. (Sept., '21).	34s. (Sept., '21).	—	—	—
Cotton Waste (E. & W.) ...	66s. 60s. (July, '21).	37s.	—	—	—	—
	—	34s. (July, '21).	—	—	—	—
	—	35s.	—	—	—	—
“ “ (Scot.) ...	—	32s. (July, '21).	—	—	—	—

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Trade.	Males.		Females.		Males.	Females.
	General Minimum. Col. I.	Lowest Rate. Col. II.	General Minimum. Col. III.	Lowest Rate. Col. IV.	Rates above 65s. Col. V.	Rates above 35s. Col. VI.
Dressmaking (E. & W.) ...	*56s.	—	34s.	—	76s. (Nov., '20) (Occ. & Exp.).	43s. (Nov., '20) (Occ.).
*At 22 years of age ...	—	—	—	—	—	38s. to 43s. (July, '21) (Occ.).
Dressmaking (Scott.) :—						
*At 22 years of age ...	*56s.	—	34s.	—	—	38s. (Retail).
Flax and Hemp ...	54s.	—	32s.	—	—	—
Fur ...	—	53s. 56s. (Nov., '20).	—	35s.	70s. to 80s. (Occ. & Exp.).	40s. to 45s. (Occ.) 40s. to 80s. (Nov., '20) (Occ. & Exp.).
Hair Bass and Fibre ...	—	56s.	—	34s.	70s. to 72s. (Occ. & Exp.).	37s. to 38s. (Occ.).
Hat, Cap and Millinery (E. & W.) :—						
*At 22 years of age ...	*56s.	—	34s.	—	76s. to 84s. (Occ. & Exp.).	—
Hat, Cap and Millinery (Scott.) :—						
*At 22 years of age ...	*56s.	—	34s.	—	—	—
Hollow-ware ...	58s. 6d. 58s. (Oct., '21).	—	34s. 3d. 32s. (Oct., '21).	—	55s. to 67s. (Occ. & Exp.) (Oct., '21).	—
Jute ...	50s. 43s. 9d. (Sept., '21).	—	32s. 28s. (Sept., '21).	—	—	37s. 6d. to 61s. 4d. (Oct., '20) (Occ.). 35s. 3d. to 53s. 8d. (Sept., '21) (Occ.).
Lace Finishing ...	—	—	30s. to 34s. (Feb., '21). 28s. to 32s. (Oct., '21).	—	—	—
Laundry :—						
*Excluding Cornwall, the Orkneys and Shetlands.	60s.	—	28s. 30s. (Nov., '20).	—	—	—
Linen and Cotton Handkerchief.	60s.	—	32s. (May, '21).	—	—	36s. (General).
Milk Distributive (E. & W.).	—	*55s. 6d. to 65s.	*32s. 6d. to 40s.	—	67s. 6d. to 80s. (Occ. & Area).	38s. to 52s. 6d. (Occ. & Area). 36s. to 40s. (General & Area).
*Areas.	—	—	—	—	—	—
Ostrich Feather ...	56s.	—	32s.	—	66s. to 72s. (Occ.)	37s. (Nov., '20) (General).
Paper Bag ...	55s. 65s. (Nov., '20).	—	32s. 37s. (Nov., '20).	—	66s. to 82s. (Nov., '20) (Occ.).	—
Paper Box ...	61s. (Nov., '21).	—	32s. 37s. (Nov., '20).	—	61s. to 75s. (Occ.) (Nov., '21).	37s. (Nov., '20) (General).
Perambulator ...	55s.	—	33s. (Nov., '21).	—	66s. 6d. to 76s. 6d. (Nov., '20) (Occ.).	—
Pin, Hook and Eye...	62s.	32s.	30s. (June, '21).	32s.	63s. to 72s. 6d. (Occ.) (Nov., '21)	36s. to 42s. (Occ. and Exp.). 40s.
Retail Tailoring :—						
†Experience ...	—	—	—	—	68s. to 88s. (Occ. and Exp.).	36s. to 52s. (Feb., '21) (Occ. and Exp.).
*At 22 years of age ...	†76s.	*56s.	—	37s.	68s. (Feb., '21) (General)	36s. to 46s. (Nov., '21) (Occ. and Exp.).
	—	—	†43s. (Nov., '21).	34s. (Nov., '21).	60s. to 78s. (Sept., '21) (Occ.).	36s. (General).
	—	—	—	—	—	40s. (Occ.) (June '21).
	—	—	—	—	—	37s. (General).
	—	—	—	—	—	43s. to 49s. (Occ. and Exp.).

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Trade.	Males.		Females.		Males.	Females.
	General Minimum. Col. I.	Lowest Rate. Col. II.	General Minimum. Col. III.	Lowest Rate. Col. IV.	Rates above 65s. Col. V.	Rates above 35s. Col. VI.
Ready-made Tailoring :— *At 22 years of age ...		*56s. *60s. (May, '21). *56s. (Sept., '21).	37s. 40s. (May, '21). 34s. (July, '21).	—	68s. to 93s. (Occ. and Area). 72s. to 105s. (May, '21) (Area, Occ., and Exp.). 66s. to 93s. (Sept., '21) (Occ., Exp. and Area).	37s. to 41s. (Occ.). 40s. to 44s. (Occ.) (May, '21). 34s. to 38s. (July, '21).
Rope, Twine and Net *Ropemakers, temp. ...	54s. 56s. 60s.	52s. (Nov., '21).	30s. 32s. 34s. 32s. (Nov., '21).	—	68s. to 82s. (Occ. and Area).	36s. to 41s. 3d. (Occ. and Area). *42s.
Shirtmaking ... Stamped Metal ...	— 66s.	64s. —	34s. 36s.	—	76s. to 84s. (Occ.). 66s. (General). 70s. to 98s. (Dec., '20) (Occ.). 72s. to 88s. (Oct., '21) (Occ. and Exp.).	36s. (General). 40s. to 48s. (June, '21) (Occ. and Exp.). —
Sugar Confectionery *At 24 years of age ...	*58s. *54s. (Nov., '21).	—	34s. 30s. (Nov., '21).	—	—	38s. to 58s. (Occ.).
Tin Box ...	60s. 56s. (Nov., '21).	—	36s. 32s. (Nov., '21).	—	68s. (Occ.).	36s. (General).
Tobacco ... Toy ... Wholesale Mantle ...	61s. 6d. 64s. — 65s. (May, '21). 53s. (Sept., '21).	— 64s. 56s. 60s. (May, '21).	38s. 6d. 34s. 34s. 40s. (May, '21). 34s. (Sept., '21).	—	68s. (Occ.). 68s. to 96s. (May, '21) (Occ.). 67s. to 84s. (Sept., '21) (Occ.).	38s. 6d. (General). 36s. to 38s. (Occ.). 40s. to 44s. (Occ.) (May, '21). 36s. to 38s. (Occ.) (Sept., '21).

9071. *Chairman*: Professor Hobhouse, you have been good enough to give us a memorandum on Trade Boards. Perhaps I may take quite shortly the earlier and historical part of the statement. You state that the Act of 1909 was passed in order to meet complaints as to serious under-payment in certain industries, and that the Boards regulating the trades scheduled to that Act which were formed shortly after amounted in Great Britain to eight in all?—Yes.

9072. There were also some Irish Boards?—Yes.

9073. Then the effect of those Boards was first a levelling-up of wages in the worst sections of those trades amounting, if not to everything that the workers would desire, at all events to a substantial improvement?—Yes.

9074. And there was a secondary effect, namely, that a certain measure of co-operation was produced between workers and employers?—Yes.

9075. Then, as you say, came the war with its results, and then came the Act of 1918 which altered the formula under which the Boards were to be appointed, substituting for the words referring to wages being exceptionally low, the provision that Boards might be appointed by the Minister whenever no adequate machinery existed for the effective regulation of wages throughout the trade. That was followed by the somewhat indeterminate expression: "Having regard to the rates of wages prevailing in the trade"?—Yes.

9076. You say that in your view those latter words mean that the wages should be somewhat below the average in order that the appointment of a Board should be justified?—Yes; I think that would be a reasonable interpretation, though it would apply to some part of the trade as well as to the trade as a whole.

9077. Then came the National Industrial Conference of 1919 which recommended, I think, a national minimum wage for all trades?—Rates of wages—it was plural.

9078. Yes. It was recommended that there should be minimum time rates of wages which should be universally applicable?—Yes.

9079. Those meant rates for men, women and children, or do you understand it to mean different rates for different trades?—I may say that I was Chairman of the Sub-committee which made that recommendation, and the honest truth is that I do not think the Committee had a perfectly clear view upon the subject. There was some controversy as to whether it should be the singular or the plural, and it was decided to leave it in the plural.

9080. But I think in the Bill which was prepared in consequence of the Report the suggestion was to have a national minimum rate for all trades?—I have not the Bill before me. I am only concerned with the recommendation of the Conference, which was to appoint Commissioners.

9081. *Mr. Pugh*: Here is a copy of the Bill. (*Handing same*.) You will see what it says?—Yes, I see it says: "For the purpose of inquiring into and deciding what such minimum time rates of wages should be, regard being had to the cost of living in the various districts, and any other matters which appear to the Commissioners relevant."

9082. *Chairman*: You are quite right; it is still left somewhat indeterminate in the Bill itself. Then consequent on the Act of 1918 came a multiplication of Trade Boards, and you say that at present there are 44 Boards for Great Britain in addition to the Irish Boards, and the tendency of trade during the formation of those Boards varied?—Yes.

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9083. That is, in the earlier months after 1918 there was a boom in trade which continued, I think you say, as regards individual trades, down to December, 1920?—There was a discrepancy between retail prices and wholesale prices. You will recollect that retail prices began to fall in the Spring, and that was a warning. But so far as my Boards went, I did not feel any sensible difficulty until the Autumn. In the meantime the cost of living was still going up very rapidly, as you will remember, until it reached its apex in November of 1920.

9084. Trade was falling, but the cost of living was still rising?—Yes.

9085. Because the effect had not shown itself in the retail trades?—Yes. There was a great discrepancy in the retail and wholesale prices which was undoubtedly the cause of many of our difficulties.

9086. And I suppose at the beginning of 1921 the full effect began to be felt?—The effect began to be felt earlier than that; it was felt in 1920.

9087. I mean the effect of the fall in the cost of living. That would be felt in 1920 or the beginning of 1921?—Yes.

9088. Then came very naturally the strong feeling about the Trade Boards?—Quite.

9089. It is true, is it not, that the Trade Board rates tend to lag behind the cost of living?—That is so.

9090. That is, they do not rise so fast as the cost of living, nor do they fall as fast as the cost of living?—That is so.

9091. Partly, I suppose, because it takes time to realise the rise or fall, and partly because the transactions of the Board take time?—That is so. The principal thing is that the transactions of the Board take time.

9092. Mr. Pugh: Apart from that it would not be peculiar to Trade Board rates that they should lag behind?—I imagine not.

9093. Chairman: Then we come to your experience of Trade Boards, which is considerable. You have had personal knowledge as Chairman of no less than ten Boards?—That is so. Might I just say with regard to my statement generally that although I am solely responsible for it as it stands, I have shown it to Mr. Jeeves, who has had almost as great an experience as myself in this connection. He has discussed my statement with me, and he authorises me to say that he agrees both with my statement of my experience as Chairman and also with my conclusions, in a general way. Of course he is not tied to every word.

9094. You began by taking the Chairmanship of one of the old Trade Boards?—Yes—the Paper Box and Tin Box.

9095. Then you became Chairman of the Tobacco Board in 1919, then of the Hat, Cap and Millinery Board in January, 1920, of the Dressmaking and Women's Light Clothing Board in the same month, and of the Grocery and Provisions Board in June, 1920. In addition you have also been Chairman of the Tin Box Board, the Boot and Shoe Repairing Board, the Paper Bag Board, the Rope Twine and Net Board, and the Wholesale Mantle and Costume Board, but you have now resigned your Chairmanship in those cases?—That is so.

9096. So what you do not know about the procedure of the Boards is perhaps not worth knowing?—One can always learn.

9097. You deal first of all in your statement with the method adopted in fixing the minimum rates, and especially with the case of the appointed members. You say quite truly that the appointed members are members of the Board with one vote; they are not arbitrators in the sense that if the two sides differ they can decide?—That is so.

9098. We have heard a good deal about what some witnesses call "bargaining" in the presence of the appointed members. To some extent I suppose that is true?—Perhaps I may deal with that fully. I am bound to say I have been rather astonished that we

should have made the impression that we have made as I gather from one or two witnesses. I have had the evidence supplied to me by the Secretary, and I have read it with care and with great interest, and, as I say, with some surprise. I am extremely surprised at two things: first of all at the general statement that agreements are made under threats, as though a kind of bludgeon was used by the appointed members; and, secondly, at a statement which I am very much surprised to find in Mr. Cahill's written evidence, of which he was kind enough to supply me with a copy, to the effect that they are hardly to be regarded as agreements at all. I think you will find that he says that the question arises in the minds of employers whether any agreement of any Trade Board is really an agreement at all, on the ground that they came to this agreement *faute de mieux*, because otherwise they thought worse would befall them. That is entirely new ground to me in any trade negotiation I have had to deal with, or I may say in any negotiation in business life I have had to deal with. In these days I might have to buy a house. I might have to pay a price which I think is exceedingly stiff, which is the experience of anyone who buys a house just now. But if I make an agreement I make an agreement. I fail to understand Mr. Cahill's statement.

9099. The way it was put to us was—I do not know whether it was by Mr. Cahill or by somebody else—that the appointed members sometimes take up this position: Well, the employers have proposed a rate, say, of 6d. The workers propose a rate of 8d. We think that you ought to split the difference and accept 7d.; but if you employers stand out we shall have no alternative but to vote for the 8d. so as to get a rate fixed. Does that kind of thing ever happen?—No, it would not happen like that.

9100. I do not mean it would be put so shortly as that, but it was said that was the effect of the negotiations sometimes?—No, it is not the habit of anyone at all experienced in trade negotiations to say how you would vote under certain contingencies, or that you will vote with somebody else. It certainly is our habit to say: "We cannot vote for you on this proposal," and I think perhaps they draw the inference that we vote for the other side. Or we might perhaps have to remind them that the other side exists and had made an offer; or there may be an attempt made to press us very strongly. We might be asked: "How are you going to get a rate at all?" We say: "We will see what the other side have to say on the matter."

9101. That comes to very much the same thing, although in diplomatic language, does it not?—No, it is not enough that the other side has put forward a rate. The other side's rate may be just as disagreeable to us as the employers' rate, and we are still negotiating with both sides at once, or alternately.

9102. Has it ever happened to you to vote for a rate which you thought on merits either too high or too low in order to get some rate fixed?—No. When the negotiation is a very long one there are a great many rates mentioned. It is reasonable that the appointed members should keep an open mind, as the two sides keep an open mind, and that they should be prepared to give way on non-essentials and on small points as they expect the two sides to give way on non-essentials and small points. They do not make up their mind at a certain stage and say: "There the thing is fixed and now we will vote for that and nothing else." At every stage they try to keep their minds open. But I certainly should not go and vote for one side on a rate which I thought was unreasonable, because I thought the other side still more unreasonable. If I ever said: "Well, in this case we shall vote for the other side," it would be because we had got through them already a rate which we thought quite within the bounds of reason, and we were still trying to see what the alternative would be. It would be at the penultimate stage of affairs.

9103. I suppose it is rather a handicap to a Chairman and the appointed members that they cannot themselves decide. They can only be parties to a decision to which either one side or the other may

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come?—That is so; it makes it an infinitely more difficult matter than on an arbitration. If what is suggested is at all true it would be that we assume the position of arbitrators really, only in rather a clumsy fashion, and we have never assumed that position.

9104. You cannot?—That is so.

9105. Because you cannot say: "I think so and so, and it must be done"?—That is so. We should put it off, as a matter of fact, and that is what we did on the Grocery Board. I think it is only there and on the Rope Board that I have heard anything of this kind. On the Grocery Board we kept on putting it off. May I give an account of the way in which a negotiation ordinarily goes through? It will not take very long.

9106. If you please.—In the first place, you may have an agreement between the two sides—and that very frequently happens. Then the more normal thing is this: The two sides state their various positions, and your knowledge of affairs will tell you—I need not emphasise it—that they will state pretty advanced positions—each of them—and in public they will not give way on those advanced positions. Neither will move. That being so, you say: "We had better have a little informal discussion, and you then get through their advanced positions to what I may call their battle positions—the things the two sides are hopeful of getting and are keen about. If there is a discrepancy, as there probably is at this stage, you try to represent to each side the view of the other. You try to show what the other wants, and why they want it, and you say: "Do you think you could do this or that to meet them?" Then you get something, perhaps dropped rather than openly stated, from one side or the other, indicating where they might come to terms, and you take it to the other side and in that way you very likely arrive at an agreement, if you are fortunate, between the two sides. If you do not do that in the course of the proceedings, you discover the points which are essential, and you find yourself drawing nearer to one side or the other. You then pursue that apparently more profitable ground. But you do not use any threats at all; possibly you do not even disclose your own view. On the contrary, it is the two sides that are trying to get at your view all the while, and if you have any sense you keep it back. You then approximate to one side, and perhaps at this stage the other side, finding you are approximating to the one side, may find themselves more ready to come to an agreement, and an agreement may be reached. Failing that, the matter is put to the vote, and the vote is carried by the appointed members.

9107. You really are conciliators, but you have a small stick in your pocket?—Yes, a reserve power which gives us, of course, an influence. Then again a variant of that is that the appointed members may at an early stage find themselves in agreement with one side on principle, while the other side refuses to touch them on principle. The labour side may say: "We will not have a reduction." The appointed members may make up their minds that there must be a reduction. It then becomes simply a question of the amount of reduction and the particular form it has got to take. The appointed members in that case would find out where the shoe pinches most. I always put a lot of questions to the employers and try to find out where the trouble is. Then I try to find out from the workers' side what reduction would be most bitterly felt, and would be most disagreeable, and I think what the figures are in relation to what I know of the cost of living and the movements of other Boards and so on. In that way one forms an idea of what form the reduction should take and tries to guide the reduction into that particular shape and that amount. In that way the voting will ultimately be carried by the appointed members' votes. Then lastly there is a particular case which I think has given rise to this feeling. So far as I know I think it has only occurred on the Grocery Board. It is this case: The discussion has gone on for a long time. In the case of the Grocery Board we had nine full meetings, and at the beginning of the ninth meeting the two sides were as far apart

as ever, and the appointed members did not think that either of them were acceptable at all. Those are the rates which I mentioned just now—unreasonable rates which I would not vote for, but would rather put off, and we were faced with the difficulty of putting them off indefinitely. At that stage we thought the best thing to do was to make suggestions of our own, and we made a suggestion of a rate based upon all that we had heard and on the shape and form that the discussion had taken. Then we put these rates to the two sides and we said: "We are not tied to these rates, but we think these are about it, and we should like both of you to consider very seriously whether you cannot put forward rates in some sort of conformity to these. Anything that comes within reasonable compass of these we will very carefully consider." Then discussions took place. The workers' side did not approach us very nearly. The employers, on the other hand, soon came pretty close to our view. Nevertheless, they made very substantial alterations. I think we only had two areas in our proposal, and they introduced a third area. But as the discrepancy was not very great we accepted that—not exactly as they proposed it; we modified their proposals. Of course, if you like to put it in this way, you can. You can say that this was under threat in the sense of a consequence, namely, that if they did not produce rates which were near to those, we should not vote for them. But that is not to say we should have voted for the other side. It would, however, naturally be reasonable under such circumstances—the appointed members having put forward a rate—for the side which approximated to expect they would obtain their suffrages.

9108. Lord Weir: Would you say in your experience that the rates for skilled workers are usually arrived at by agreement?—My answer to that is in the affirmative. The appointed members, as a rule, form a clearer view of their own the lower the rate is. The higher the rate is the more we think it is outside our sphere.

9109. Mr. Layton: In your experience, have you found any difference in the skill in diplomacy, so to speak, on the two sides? You speak of the labour side taking up a specific attitude and showing not much readiness to modify their attitude. Would that be when you were coming down?—It is not true even about coming down. I was thinking of a particular case in which that occurred.

9110. That was only in a particular case?—Yes. I gave that as an example. As a rule, the labour side appear quite reasonable about coming down, speaking generally. Then you asked me as to whether there was any difference in skill in negotiations. Not in general. Sometimes one has more skilled representatives and sometimes the other.

9111. Mr. Pugh: I suppose there is some difficulty arising from the fact that generally you are dealing with people who have not had experience in industrial negotiations or the use of negotiating machinery?—That is so on a new Board.

9112. And then I suppose as greater experience is obtained, the tendency is rather towards agreement than otherwise?—That is so.

9113. Dame Adelaide Anderson: It is rare then for this kind of situation to arise where the appointed members have ultimately to put forward suggestions of their own?—I think it has only occurred in this one case as far as I know. But it has occurred more than once on that Board. I ought to say in justice to Mr. Stamper that he refers to a particular case. It was in answer to Dame Edith Lyttelton that he made his remark, and the case he referred to was one at which I was not present at the Board; but I should be exceedingly surprised to find that the situation was other than I have described.

9114. Mr. Layton: Do you find in your experience that you have been able to obtain from the employers adequate data for forming your own opinion?—In some cases I have obtained rather good data—as much as you could expect in the rather hurried way in which you do it.

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9115. What class of data?—Take the highly-skilled people. You want data in order to get a rough estimate of the percentage of them that are employed. For instance, I remember in one case it was only 10 per cent.

9116. Do you get the cost?—Yes; I get a rough analysis of the percentage of the total labour costs. I get statements from the employers on that, and then a very rough statement of the percentage of one kind of labour cost to another.

9117. But you get sufficient information from the employers to show the effect of wage reductions?—No. Not always; sometimes I do. Of course, if I get that I should be in a very much better position.

9118. Is it through unwillingness or through lack of information?—I think it is lack of information. It is not unwillingness. I do not think I have had any difficulty about getting information from any side.

9119. Is this information given at the Board meeting, or would it be given privately?—It is generally given at the Board meeting, but sometimes they speak privately. However, I get what I can at the Board. Take the case of the Rope, Twine and Net Board. Mr. Buckpitt puts some quotation marks on some remarks which he attributes to me, but which I do not recognise—there is one phrase I am positive I did not use. Again, he quotes me as speaking of a small boat crossing the wash of a big liner, and he apparently took it that by the big liner I meant the big trades of the country. My feeling was that on the evidence they themselves had given me it was the general industrial situation, and particularly the depreciation of European currency, which was the cause of the greater part of their troubles. Theirs is largely an export trade. He spoke of the impossibility of competing with Germany and Belgium. He went into the question of the German mark and of the Belgian franc and the rates of wages and the impossibility of competing. That leaves you with a very confused and uncertain sense of what the effect of any reduction of any nature which you could at all contemplate is going to be. Of course, if you cut the wages down to nothing it would have a great effect; but any reduction you could contemplate would seem to be a small matter. That was the meaning of my remark.

9120. Lord Weir: What sort of information would you require?—We only get a very rough statement, and it is only from one side. We should like to know accurately the general relation of wages to the total cost, for instance.

9121. Do you not get that information when you require it?—I do not think they know it. They will give you a rough statement.

9122. The percentage of wage cost to total cost is what you would like to have?—Any one man knows it, no doubt, for his own business, but I do not think that they know it for the trade, and there may be many branches in a trade.

9123. You would require the collection of statistical information from every manufacturing unit in the trade?—To do the thing scientifically no doubt you would.

9124. That would be rather a big business?—It would be.

9125. Mr. Layton: I rather gathered that your view was that in fact you get all that is required to enable you to form a really reliable view so far as that is possible?—Yes; but more accurate information would help undoubtedly.

9126. Chairman: Before we leave the question of the Appointed Members, I want to put to you a suggestion which has been made to us from more than one quarter, namely, that instead of having, say, three Appointed Members on a Board you should have a Chairman appointed, with power to call in members from panels on each side?—Yes.

9127. So that they would be persons probably experienced in the trade or with some special knowledge which would make them suitable for that Board.

What do you say to that?—Do you mean *ad hoc* for a particular day, or permanently?

Chairman: *Ad hoc*.

9128. Mr. Pugh: To act as assessors?—In place of one's accustomed colleagues?

9129. Chairman: Yes. It might be *ad hoc* or it might be throughout a particular question?—That is a possibility. Of course, that leaves the actual decision to the Chairman. At present he can to a small extent shelter himself behind his two colleagues. The Chairman has got to conduct business and deal with people. It is very intimate; you are talking the whole time nearly. It is going on between you and the meeting nearly the whole day. At the same time you may have to vote. You may have to decide against one side and your position is not particularly comfortable. Sometimes it is remembered against you for a long time. If the responsibility is diffused the position of the Chairman is easier.

9130. You have a "Mr. Jorkins" to refer to?—Yes; you do rather want a "Mr. Jorkins." Might I just make one or two more remarks about the more personal side of the Appointed Members? Firstly, in Mr. Cahill's statement there is a prolonged narrative of events upon the Grocery Trade Board. I do not propose myself to deal with it further than by submitting to you my very slight and short narrative which I myself give. But I would not like you to think that I accepted that narrative of Mr. Cahill as more than one view. There are discussions going on constantly, as the narrative itself shows, between an independent element and the two sides. Probably each of those two sides would have its own narrative to give, and the two versions would not look at all the same; and if the Appointed Members gave theirs it would look quite different. I only wish to say that as I understand Mr. Cahill's evidence will be printed; but I am quite prepared, if you think there is any point I ought to deal with, to do so, otherwise I do not propose to trouble you on that matter.

9131. I do not think it is necessary.—In regard to Mr. Buckpitt's statement, I should like to say also that he speaks, I think inaccurately, of there being a deadlock when they came to ask for a reduction, and he rather twits me with inconsistency for having said in one place that we could always come to a decision and in another place that we could not arbitrate and come to a decision. You said just now that I had had such experience that I had nothing to learn, but I said that one can always learn. At present I should not say it is always theoretically certain that a decision will be arrived at. But, as a matter of fact, in this particular case there was no deadlock at all; it was simply that the appointed members agreed that there must be a reduction from the outset, and it was simply a question of determining the nature and extent of this reduction, the discussion of which followed very much the course that I outlined just now. In the course of the discussion it is true we had partially to displace an agreement which the two sides had arrived at, and that was a very unfortunate thing. The two sides had arrived at a grading of workers into four classes, and Mr. Buckpitt, who is a most energetic and useful member of the Board, had taken a very great part in arriving at this scale. For various reasons, with which I need not trouble you, we felt we could not give four different rates without raising some of the workers, which we thought it was impossible to do under the conditions of the trade. In consequence of that, two of these grades had to be telescoped into one. That is really the substance of his complaint. I think that deals with the criticisms of what might be called a personal character on the appointed members; but if any members of the Committee think I have not dealt with any point with which I ought to deal, I will be very glad to have a question put to me.

9132. Mr. Pugh: I rather gathered that what you did was to re-arrange an arrangement that had been come to by the two parties, and to which they had mutually agreed. To what extent would that operate on Trade Boards? Would not the general policy of the appointed members be that where the parties

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agreed they would accept that, or what would be their attitude?—They would accept it. It did not really amount to a re-arrangement exactly. One's greatest object as Chairman of the Board is to obtain agreement and to follow, particularly on technical and trade matters, the line on which the two sides appear to be together. The whole success of the Trade Boards, to my mind, depends on the extent to which agreement is come to. In this particular case it was a trade which had been in a state of great chaos, with absolutely no notion of scaling or organisation—it was just what any individual happened to give in any locality. The trade, owing to the influence of the Trade Board, thought it would set its house in order and would form a general scale or grading of the more skilled and second, third and fourth workers. They had done an admirable work and had agreed in setting out all these technical terms—things far beyond my understanding—in proper order. But it was an exceedingly difficult thing to introduce a grading of that kind, and to do justice to it at a time when you had to reduce wages, and at a time at which, in particular, some of the higher grades probably were expecting some increase. It seemed impossible to impose on the trade any increase. The consequence was that we had to make the differences in rates very small between the four grades, and we could not even find room for four; we had to reduce them to three. We preserved the grades and their names and specifications, and we gave the two lower grades the same rate. All the grades stand there, and when things are shaped more, either by a further reduction or a further increase, the whole scale will be considered, and it will be possible to apply it.

9133. As a general principle the appointed members direct their attention to getting the parties to agree amongst themselves, I gather?—That is their first object—to forward agreement.

9134. *Lord Weir*: Such an agreement might exist outside the Trade Board?—It might.

9135. You might, on the Trade Board, settle a grading of three classes, and the trade union outside might have settled four?—That is so.

9136. *Chairman*: Then I see you draw a considerable distinction between the two Acts. You say the Act of 1909 was intended simply to prevent sweating, and the second Act is intended to produce the State regulation of wages?—Yes. I think there was an idea behind the Act of introducing machinery for the establishment of minimum wages for various classes of people—minima suitable to the class.

9137. Going beyond the question of unfair or sweated wages?—Going beyond sweating; not necessarily beyond fair.

9138. Do you take the view that the intention was that the State should regulate the minimum wage for the different classes of worker?—I think that was the intention behind the Act.

9139. *Mr. Layton*: It is not specifically in the Act?—That is true.

9140. *Lord Weir*: As a matter of fact there is really no difference between the duties laid on the Boards under the two Acts, is there?—I think there is some difference, is there not? The new Act gives a normal day, and so on.

9141. But as regards rates there is no difference. There is a difference as to the conditions?—That is so.

9142. *Mr. Pugh*: The second Act is based upon the necessity of having adequate machinery for regulating wages throughout the trade?—That is so.

9143. *Chairman*: And that is the view you have taken?—Yes.

9144. *Mr. Layton*: Although the Act does not specifically say so, it is evident that it would cover the regulation of wages in all branches of a trade and might cover every conceivable sort of trade regulation?—We cannot touch the general terms of the industrial contract. We can really only prescribe a rate on conditions.

9145. *Lord Weir*: I would like to get it quite clear. The change in 1918 was a change in the con-

ditions under which the Act had been imposed?—That is so.

9146. The duty laid on the Board in regard to the fixation of minimum rates did not change as between the two Acts, but according to you you have interpreted it as if a very important change had been made?—We have taken the Act just exactly as it stood. I should have to compare the two Acts very carefully to make out that no change at all had taken place.

9147. I do not say there is no change at all, but in regard to the primary duty laid on the Board—the duty of fixing minimum rates—that was not changed?—If that is so, then the scope of the 1909 Act must have been very wide. I am not very familiar with it, because I barely came in under it at all. But we can fix a minimum rate for any class of worker. That is what we are to do. I am not interpreting anything; I am merely taking those words exactly as they stand.

9148. *Chairman*: But you could always do that?—Then you could have done under the 1909 Act all that we have been doing.

9149. *Lord Weir*: It has been put to you that you conceived the duty of the Board was the regulation of wage rates?—The regulation of wages; not exactly the fixation of standard rates. It is the regulation of wages to the extent of fixing a minimum for any class of worker for whom it was desirable to fix it. I think it is a question whether it is desirable to fix it for all classes of workers separately.

9150. You associate that with a change brought about by the 1918 Act?—If I said that, I said it incautiously. I do not know how far that was brought about by the 1918 Act.

9151. You point out the important significance of it?—What I said was there was a question of the regulation of wages in cases where trade unionism was not strong enough to stand upon its own feet. That, I think, is what has been said.

9152. *Dame Adelaide Anderson*: And it in fact involves further consideration of the different classes of workers?—Yes.

9153. Who are assumed not to be in a position to fix anything for themselves?—Yes, that is so.

9154. *Mr. Layton*: The implication of the 1918 Act presumably was that you could fix minimum rates for all classes of workers, but the class of workers for whom you would fix them were those whose rates were exceptionally low, because that is the phrase governing the Act of 1909?—That is so.

9155. Now the point is whether the object of the 1918 Act was to take the place of what in organised trades is the method of regulating wages?—Yes.

9156. And the difference is that it is the intention of the Act to produce that machinery?—I think it was.

9157. *Mr. Pugh*: That would be a proper construction to place upon Section 1 (2) of the original Act, which speaks of the rate of wages prevailing in any branch of the trade, a branch of the trade not being confined to an individual occupation in that branch, and therefore of necessity covering different occupations and probably a number of minimum rates. Would not that be a fair interpretation to place upon that section?—That you would have to consider branches?

9158. Yes, and not individuals. Therefore, if you have to consider more than one occupation, you must have a series of minimum rates?—Yes.

9159. *Chairman*: It makes a difference, does it not, because, is it not one thing to appoint an independent person like yourself to decide what is enough to enable a man or woman to live and to appoint the same kind of person to decide what are proper minimum rates to be paid to certain classes of skilled workers?—That is a point I have emphasised in my statement, as you will note as we proceed. I think that all the appointed members had that distinction very clearly in their minds; but I should add that this distinction is perhaps to some extent one of degree. You may have several grades. For your lowest grade you cannot secure what you think is a really adequate minimum wage; for the next grade,

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perhaps, you can just secure it. When you get above that, then you begin to get more doubtful.

9160. When you come up to rates of 90s. and 100s., you are getting far beyond the question of subsistence, are you not?—Yes, at 90s. and 100s., you are.

9161. Some Boards have fixed rates as high as that?—Yes. I should very much doubt whether any appointed members ever voted on them; but I do not know.

9162. At all events, the appointed members had a right to vote on them?—Yes.

9163. I think you say yourself that the appointed members cannot pretend to have the experience or skill to judge in matters of that kind?—I think you must assume that you have got some common sense in your appointed members and that they will take that view.

9164. *Mr. Layton*: But would you encourage the Board to fix rates, or would you even go so far as to say it was its duty under the Act to fix rates for the main classes of workpeople; or would you leave it entirely to their discretion?—I should leave it to their discretion.

9165. You would not say it was their duty under the Act to fix the rates?—Our bare duty under the Act would be fulfilled if we had fixed a rate for all workers; but I do not think our moral duty would be fulfilled unless we had considered the lower grades of workers and fixed something more than a bare rate.

9166. That depends on what is meant by "lower grade"?—I have dealt with that, giving my meaning as concretely as I can, in my statement.

9167. *Mr. Pugh*: Unless you are going to consider varying rates, you come back to one rate for every grade of worker?—That is so. Of course, we get a good deal of criticism, I see in this evidence, to the effect that we appointed members do not consider grades of workers at all. In one case I see certain approval of a trade union proposal for a whole series of gradations of rates, and that was rather held up as what we ought to follow.

9168. *Chairman*: Some think you go too far and others think you do not go far enough?—Yes. I do not know that I fully answered *Mr. Layton's* question about the lower grades. May I develop that?

9169. If you please?—It is this way: If you make any attempt at defining what you mean by a living or subsistence wage you will find that the best experts on the subject allow a very considerable margin. I put aside all the differences there are as to what family you are taking. Even so, if you are thinking of the so-called statistical family you will find, as I say in my statement, that at the particular period which I take there is a discrepancy of 20s. between the higher grade of subsistence or comfort given by *Mr. Rowntree* upon one basis, and a lower or bare grade upon another basis; that is to say, if you took that criterion you would feel that it would be very undesirable that many people should be forced down to this lower level. That is what I mean by saying that if you had only succeeded in getting this lower level for all workers in the trade you would not have done your moral duty under the Act, provided you could get for other grades something rather better than this intermediate region.

9170. *Chairman*: I have read *Mr. Rowntree's* book, but what do you say is the distinction between the two?—The distinction is that his lower standard is supposed to be the very barest amount upon which his statistical family could maintain themselves in health, allowing for no contingencies and no little comforts.

9171. *Dame Adelaide Anderson*: No recreation?—No recreation, no newspapers, I think, and so on—allowing in fact nothing. Cutting everything down to the very barest and allowing nothing for contingencies. But the higher standard takes these reasonable amenities of civilisation into account.

9172. *Mr. Layton*: I think I am expressing your view in saying that you interpret it to be your duty to fix rates for all grades of workers in a less restricted manner?—I am now speaking of what I conceive to be the moral duty of the thing; that is,

of course, so far as the conditions of the trade allow. When we are convinced by the employers that it would only cause unemployment, we cannot help ourselves. You must not think that I have had these figures, which I have set out here, in a pedantic way, before me for years. I have not. I only set them out for your benefit.

9173. *Chairman*: You deal with the question of underpayment. That is I gather the payment of wages less than are sufficient to fulfil the bare physical necessities of the worker?—I explain that under two sentences later on. There is the relative and the absolute underpayment.

9174. Is that the same as the two rates you have mentioned?—No. By relative underpayment I mean a thing that may occur in any rank of life whatever. Even a man with £1,000 a year might be underpaid if the kind of function that he is doing usually brings £1,500 or £2,000 in the market. I certainly think that some professional men are underpaid.

9175. What is the purpose of your distinction?—I want to show there is a distinction between absolute and relative underpayment. What I go on to show is that relative underpayment is a technical trade matter. The object of my distinction is to show how it is that the settlement of the higher rates is left really to the two sides, and that the appointed members are virtually *désintéressés* in the matter.

9176. *Mr. MacCallum Scott*: The point is in your last sentence—it must be determined by those engaged in the trade itself?—That is so.

9177. *Chairman*: That is absolute underpayment really for the lowest grade. Relative underpayment applies more closely to the skilled grade?—That is so.

9178. *Lord Weir*: Do you think that it is expedient that these higher rates should be compulsory rates?—I think there is a great deal to be said for it. I do not know how far you carry it, but I think there you come to your Joint Industrial Council idea. There is a relative underpayment—a certain kind of sweating. You hear people using the term, and not without a certain amount of truth, about what are relatively highly-paid people. There are plenty of people who have great capacity in the professional world, and certainly even in the business world, as far as I have seen it, who are doing very good service and who are not getting the pay commensurate at all to their service. They do not know how to fight for their own hand, and there is a great deal to be said for the desirability of an acknowledged rate. Nearly all professions and trade unions concern themselves with such rates.

9179. *Mr. Pugh*: If you were simply applying compulsion to the rates of the lower workers, and you were not applying that to the other rates settled by the Board, the tendency would be that while the best employers would pay the rates agreed upon, the remainder would tend to the minimum rates or the rates that were compulsory?—I do not know whether they could quite do that, because they would have to leave their best men. To that extent, the skilled men can always take care of themselves. But I think that the fair employer requires protection just as much as the worker requires protection.

9180. The point I want to get is that the work of the Boards in fixing rates above the point of compulsion would be nullified by the inability of those constituting the Board to enforce their decisions. That, of course, would not apply in well organised trades, but you are dealing with disorganised trades, and in those circumstances do you not think that would be the principle?—Of course, it would have nothing but a moral effect if you merely had a resolution of the two sides.

9181. *Lord Weir*: How would you agree with this: Taking it broadly, there might be three classes of workers, namely, those who are unorganised and have little bargaining power, who are generally the lowest grades; then come the higher grade who have bargaining power because they are organised, and finally you come to the unorganised individuals who have a bargaining power because of their ability and skill. But, broadly, I take it the Trade Board is to protect the lowest class?—That is certainly its most

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important function, but I would suggest that the Trade Board is fulfilling a useful function when it defines rates for any large class of worker, as long as that is done by agreement of the two representative bodies.

9182. Would you say that such rates should be compulsory?—Yes.

9183. *Mr. MacCallum Scott*: You say as long as it was done by agreement, apart from the appointed members?—Yes. My difficulty really about that is to say the point at which agreement should take the place of enforcement by the appointed members. The thing I am most clear about is that that point cannot be the absolute lowest.

9184. *Dame Adelaide Anderson*: You would perhaps also say that the nearer you get to dealing with relative underpayment, the nearer you get to its being undesirable to enforce it?—Yes. It is less important obviously to enforce it, and you come to the point at which it would be undesirable. I think, for an outside authority to intervene. I would draw a distinction between the intervention of an outside authority and the principle of enforcement.

9185. *Mr. Pugh*: You are not speaking about outside arbitration, are you?—No, I am speaking about the appointed members being the outside authority. But the point as to its being a matter of difficulty is correct.

9186. *Dame Adelaide Anderson*: You agree that compulsion becomes less desirable the nearer you get to the relatively proper payment?—It certainly becomes less necessary, but I still think, myself, there is a good deal to be said for it.

9187. But originally both the Acts were rather directed against actual underpayment than against relative underpayment?—Of course that applies on your setting up a wage for any class of worker.

9188. *Lord Weir*: Who are not able to bargain for themselves?—I do not think it occurs in the case where the class is mentioned. I think we must set up a general minimum time rate for all workers.

9189. But it is all governed by the words: "Where no adequate machinery exists for the effective regulation of wages"?—That governs the setting up of the Board.

9190. "And that accordingly, having regard to the rates of wages prevailing in the trade or in any part of the trade, it is expedient that the principal Act shall apply to that trade"?—That governs the setting up of the Board, does it not?

9191. It governs the setting up of the Board, but does it not lay down the object?—The spirit of the thing, you mean?

Lord Weir: Yes.

9192. *Chairman*: Then you deal with the subsistence wage and you say that the standard must be sufficient to provide not only for workers, but for their dependents, and I think in your calculations you assume for a man a family of five?—Yes.

9193. That is to say, he must be able to provide for himself, his wife and three children?—Yes.

9194. Of course there must be many cases where such a standard would give the man more than a bare subsistence?—Yes. I think it is desirable that they should all have more than bare subsistence, myself. But take the standard at what you may for a family of five, as I mention in a note which you will see a little later on, the margin is small if there are two children, and it is not very great if there is one child. Where there are no children there is a fair margin. Then the single man is not so well off as you might think. A wife's unpaid services are very valuable, and if you have to allow for the unmarried man that he has to pay a housekeeper and rent and so forth, that adds to his expense; but there is a margin in his case.

9195. I think you say a single man ought to have enough to enable him to contemplate marriage?—I think that is attributed to me somewhere. I think I was being badgered about a vote upon men of 21 and over, and I said that we had in mind that the man, if not married, would be contemplating marriage. But in that particular case we were not

bringing men of 21 up to the maximum. Our maximum was for men of 25, I think.

9196. *Dame Adelaide Anderson*: Up to that point the rate required by the man and woman would be equal. The woman would need a housekeeper if she was out all the day and was working, as well as the man?—Yes.

9197. So that it is really the family which is the extra charge?—That is so.

9198. *Lord Weir*: You agree that even in time of good trade, to secure for all workers the standard calculated on the basis of the statistical family, is still, unfortunately, an abstraction?—It is very difficult to get. I go into detail about that later, and I say that if you take the Rowntree standard, we have generally succeeded in getting what may be called the bare subsistence wage, which I do not think is adequate. But I do not think we have tried to get Mr. Rowntree's more liberal estimate, and we have only very partially succeeded in getting an intermediate figure which I have evolved really for the purpose of comparison now.

9199. *Chairman*: The Rowntree standard is that in the "Human Needs of Labour," is it not?—The one is, and the other is brought out in his poverty line.

9200. In the "Human Needs of Labour" he fixes the wage at 35s. 3d. for a man, and for the very lowest figure, 26s.?—That is so.

9201. And on those figures you say it would work out at 71s. 5d. for a man for the first figure, and 54s. 1d. for the second?—Those are the figures his secretary has supplied me with.

9202. And taking those together you arrive at a scale of 65s. as a minimum?—As a figure it is worth comparing these results with, may I put it.

9203. To-day that 65s., I suppose, would be reduced, having regard to the fall in the cost of living?—Yes.

9204. That 65s. was suggested as a figure to be compared with during the time when the "Labour Gazette" figures were varying from about 120 to 130 or 140 or 150.

9204. What would be the equivalent of the figure to-day?—It is impossible to say with any accuracy, because the Rowntree figures do not vary in mathematical proportion with the variations in the "Labour Gazette" figures. Professor Bowley's figures arrived on a different method, and I do not know how they vary at all. Therefore, you can only say in a rough way that there would be a further decline.

9205. And for women you arrive in the same way at a figure of 35s.?—The figures supplied to me by Mr. Rowntree's secretary were, 20s. for July, 1914, 40s. for February, 1920, which is rather a conjectural figure, 43s. for December, 1920, and 38s. for December, 1921. Those are the top figures—the "Human Need" figures. I have got no subsistence figures at all for them, but I suggest very conjecturally knocking off anything from 4s. or 5s. to 7s. or 8s. from those figures.

9206. *Lord Weir*: Would it be accurate also to indicate that those are York figures? They are based on the town of York, are they not?—I do not think that is quite so. I think they were only partially based on York.

9207. I thought the female figures were definitely based on York in the "Human Needs"?—Is that so?

9208. *Chairman*: Then you have given us a table of rates, which is very instructive. Those are rates fixed by the Trade Boards only?—Yes, I thought it worth while to get together for my own interest the rates generally, and particularly the high rates.

9209. You give in the first column, the general minimum fixed by the Trade Boards, and in the second column the lowest rates fixed by the Trade Boards?—Yes.

9210. What is exactly the distinction there?—I have explained that as well as I can. I am not using the term "general minimum" there in the sense used in the Act. I meant by "general minimum" a minimum which is applicable as a minimum to all workers of the sex in question.

9211. Not to all workers, is it?—There may be higher minima applicable to them, but those higher minima would include these lower minima.

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9212. But then there would also be lower minima?—
N. I have not put any general minimum where there is also a lowest rate. In some cases there is a general minimum fixed for the sex, and that goes down in column 1. In some cases there is a whole list of rates—quite a number of classes—and there will be a bottom to those class figures. It is in such a case as that that I was not sure it would be fair to say that the Board had fixed this rate as a general minimum—it might apply to just a few—and that is what I have called the lowest rate.

9213. The figures in the first column, then, are also the lowest rates fixed by the particular Board?—
Yes; a lowest rate does not appear as well.

9214. I see in the case of the boot and shoe repairing there is a general minimum of 65s. and a lowest rate of 45s. given for females?—The 65s. for females exactly corresponds to the 65s. for males. That Board insisted upon fixing identical rates for the same operation; but patching work, which is done mainly, if not exclusively, by women, had a different rate for women—45s., I think.

9215. You have given another instance in the pin, hook and eye trade, where two rates are shown?—
I think we ought to have omitted the general minimum rates in those columns and only put the lowest rates.

9216. There is another case also in the wholesale mantle?—In the case of the wholesale mantle I think it was very difficult, because there is a very long list of rates. I think the reason of that is that the 65s. which is put down is for "Other Workers." Generally speaking, "Other Workers" are the lowest rates, but in this particular Board the "Other Workers" are not the lowest rates. There was a rate below the "Other Workers" for some special class.

9217. There are many similar cases. In the ready-made tailoring there is another case; there are two rates there?—They would all have explanations of that kind.

9218. Coffin furniture is another. I want to understand exactly what it means?—I could not say exactly why we put that in there without referring back to the data. I think I see what it is. That 60s. is for persons of five years' experience, as you see by a note there, and it is regarded as being a general minimum rate, in accordance with my explanation at the beginning, because it is a rate to which all grades of workers will attain if they continue in the trade after 21. But in the meantime those who have not got that experience, I presume, get 47s. and later 56s. 6d.

9219. Mr. LAYTON: Most of those cases refer to column 1 of your figures, do they not?—That is so. The real thing is I did not wish to suggest some of the lowest rates were general minimum rates, which would be rather unfair. Column 1 and column 3 are really substantially the minimum rates.

9220. CHAIRMAN: Then the points which you have made in your statement as to that table are three, I think: First, you say that only six of the general minimum rates applicable to adult males exceed 65s.?—Yes.

9221. Cotton waste, which was 66s., has now been reduced to 60s.?—Yes.

9222. Ready-made tailoring is 76s. and the stamped metal trade has a minimum of 66s. For women the dominant rates, you say, are from 32s. to 36s.?—Yes.

9223. Have you read Messrs. Rowntree and Stuart's pamphlet about dependants in the case of women?—I do not think I have read it. I read one book of Mr. Rowntree's about it, but not that one, I think.

9224. They arrive at the conclusion that, speaking generally, women do not have dependants?—I was aware of that conclusion. I think that is so in the majority of cases.

9225. Then you have worked out the ratio of female to male minimum averages, and it seems to be about 55 per cent.?—57 per cent.

9226. Lord WEIR: In connection with that, is it not rather necessary to consider whether the rates laid down for women tend rather more to be the rates paid to women than the rates laid down for men are paid to men, so that the ratio you have calculated simply on the rate might be a little inaccurate?—
I have no information on that; I could not say.

9227. Have you no information that shows that the rates laid down by the Trade Board for women as a rule are the rates paid to women?—I should think it is probable they are nearer to it; but we are constantly told by employers on the Trade Board that the minimum we are considering is not one that will be paid. They are constantly telling us that the minimum will be exceeded, and those statements are made in general as to the two sexes.

9228. CHAIRMAN: Then the third point that you make is that the majority of the Boards have fixed higher rates for special grades of workers?—Yes.

9229. And you point out that they range in the case of men from 68s. to 84s., and that in some Boards there are one or two grades running up to 96s., and even in one case to 107s.?—Yes.

9230. I understand you find nine cases in all of one rate or another, at one time or another, in excess or 90s.; and you add: "In such cases we may take it that the Boards are not concerned with the consideration of the minimum living wage in its ordinary sense, but rather with what they conceive to be a fair return for skilled work"?—Yes, that is so.

9231. With regard to women, you give similar figures. Then come those investigations, which I have read, and which we need not go through, as to the voting?—Yes. I thought it would interest you to see how far the appointed members had voted for any of the higher skilled rates.

9232. And your general conclusion is that they do not vote on those higher rates?—I do not think they use any influence at all except when there have been negotiations, and they think that the two sides have agreed, and then they think there is some backing down, when they try to keep the agreement going and to get it through. But substantially they have not determined the rates with regard to those higher figures.

9233. There is a passage on page 17 which struck me. You say: "So far, therefore, as higher rates have been fixed without injury to a trade, good has been done. On the other hand, appointed members cannot pretend to judge of degrees of skill or measure their relative value. Hence, though in the course of the discussion they may form a view, they are chary of enforcing it, and the more so the higher the rate contended for. I fully admit that the record of votes does not tell the whole story, since pressure is brought to bear in negotiation. The pressure is applied to both sides"?—Yes. Of course, that is made in quite general terms. I did not wish to suggest that because I had produced a record of no voting, that in itself was a proof of no pressure.

9234. Mr. PUGH: There is just one point on the words in the second, third and fourth lines of the second paragraph on page 17. You say: "It must be borne in mind that the experts who have suggested the minima considered above have never put them forward as standard wages." Does that mean they have always been put forward as minima which might be varied if circumstances made variation necessary?—It is rather in this way: They put them forward as the lowest which they think it is desirable that people should be earning, not as suggesting that people should not earn more if they are able to.

9235. The point I want to get at is this: The Boards have never proceeded on the lines that the rates they have fixed were permanent minima about which there could be no discussion as to their going lower?—No.

9236. So that every fixing of a rate has been the fixing of a minimum which only operated so long as the parties agreed that the circumstances justified the continuance of the rate?—Yes.

9237. Mr. LAYTON: In putting forward this exposition of your idea of how you would calculate the minimum, you do rather suggest that the governing

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consideration is that the minimum should be calculated on the cost of living?—Yes; but that in itself is an elastic figure.

9238. Yes, it is an elastic figure statistically; but there is obviously the difficulty that if you had a very large proportion of the wage earners of the country having their wages fixed on such a basis, you would thereby make much more difficult any alteration in the cost of living itself, because these wages obviously must enter into the cost of living to a considerable extent?—Yes.

9239. Is not that a very special difficulty of the present situation?—Yes. One moves in a kind of circle undoubtedly.

9240. I mean is it not the case that if you establish this as your basis you tend to make the wages very rigid?—Well, the people have got to live in the meantime. We are taking a pretty low estimate, as I have shown, of what people can live upon; and as soon as the value of money is more than will have an effect upon that. But you know better than I do that the circumstances governing the value of the coinage are very intricate indeed.

9241. Have you ever considered the fluctuations in other wage rates outside the Trade Boards?—I think they probably affect the minds of all parties concerned in coming to an agreement.

9242. I am looking at it from the point of view of the appointed members for the moment. Have you never had before you figures showing you the variations in the big standard trades?—They have been present to our mind, and they have sometimes been brought up by one side or the other. Sometimes there are trade agreements in which trades are involved, or are on the edge of.

9243. But if the Trade Board figures had moved during the last few months more rapidly, do you think that would have had a substantial influence on the cost of living?—I should rather doubt it. I should think the cost of living, so far as it was governed by wages, was governed much more by the large productive unions, such as the miners' unions and the railway unions and so on, than by our comparatively low paid industries.

9244. That might be the case if the whole of the distributive trades were brought in?—The whole of the distributive trades would have some effect on the cost of living. Of course, in the distributive trades the cost of wages to turnover is very much lower than it is in the productive trades. Mr. Cahill has given a figure, I think, of 5 per cent. in the retail, and perhaps 3 to 5 per cent. in the wholesale. I think he gave that more conjecturally. In the manufacturing Boards, if you ask for estimates, you get anything up to 60 or 70 per cent.

9245. *Dame Adelaide Anderson*: On page 13 of your statement you say that on the whole the increase in women's wages was materially greater than the increase in men's wages; that is women not skilled?—Yes.

9246. It does not apply to those who are skilled?—I do not know much about the women. We have only a comparatively few classes of skilled female workers, but I should say that the unskilled women have decidedly got a larger increase than the unskilled men, from the way in which their wages were fought for, and the information we got as to what difference our rate would make in practice. The impression on my mind is that proportionately larger increments were given to women than to men.

9247. It is a fact, is it not, that before the Trade Board Regulations came in, for a long time the women's wages had tended to be stationary?—Are you asking me that?

9248. Yes, I am asking you that. They did not advance in the same proportion as men's wages prior to 1909?—I do not really know about that, but I should suppose it was so.

9249. In any case, the need was very much greater in the case of the women?—Yes.

9250. *Mr. Layton*: Are you referring here to the increase as between the wages in 1919 and the wages now?—I am not sure that I have the actual passage.

9251. *Dame Adelaide Anderson*: It is page 13 of your statement. You say: "It must be added that to secure this standard the increase in women's wages was in general materially greater than the increase in men's wages."—By that I meant as far as I can judge the increase actually made when we set up the rate at the time.

Chairman: I see that Mr. Wolfe in his evidence confirms what you say. He says: "So far as the women are concerned, there is no doubt that the women in the Trade Board trades have had a higher increase than the women outside. Their percentage increases are higher than the men, and they are higher than women in other industries."

9252. *Dame Adelaide Anderson*: Showing where the great need was for protection against falling below the minimum scale?—Yes.

9253. *Chairman*: He also adds this: "There is this much to be said, that where the rate was unduly low it is not unnatural, or, indeed, improper, that there should be at least that increase."—I may say that in some cases we should have been inclined to put the women's rate rather higher but for the degree of disturbance we were assured that the rate we were introducing would make. You cannot make up all your leeway at once.

9254. *Dame Adelaide Anderson*: But this does not apply to the more skilled women. This is the general average?—Yes, I should say so.

9255. *Chairman*: Then we come to your statement on page 21 with regard to difficulties and drawbacks. You first mention the inspectors. I suppose you would agree that there are not enough of them to enforce the present system of Trade Board rates?—I believe they have been considerably increased, but that was certainly the case up to a comparatively recent time.

9256. You point out that a Trade Board cannot order inspection and can only appeal to the Ministry. What do you suggest as to that?—I make some suggestions a little later on which all depend upon a certain inter-relation or organisation of the Boards, which I think would enable the Boards in contact with a principal officer of Trade Boards substantially to obtain what inspection was required competently with the number that could be detailed for those services.

9257. *Mr. Pugh*: Is there any report made to the Board now with regard to failure on the part of the employers to carry out the decisions of the Board?—Yes; when an inspection has been held a report is sent of the result to the Board.

9258. But you have no arrangement whereby a workmen's representative on the Board can lodge a complaint to the Board that a certain employer is not carrying out its decisions?—We get things of that sort from employers sometimes, as well as from workers, and when we hear anything of that kind we communicate with the Ministry, and they co-ordinate their best to help us. They will send down inspectors to the particular place or district if they can—if they have got one available.

9259. Can you suggest in what way the Board itself can exercise power more effectively than is done at the present time?—I think the Board, acting through the Central Board that I have suggested, could fashion for themselves an arrangement with the inspector.

9260. *Chairman*: You suggest the formation of a Central Trade Board?—Yes.

9261. And I think I am right in saying you would give them some pretty wide administrative powers?—I think the administration must ultimately be in the hands of an official of the Ministry, but I think he should be in contact with the leading members of this Board. I conceive this Board as having its chairman and the chairmen of the employers and workers, and perhaps one other member from each side as a committee which would be constantly available.

9262. It would be a small body which would be in the main advisory?—Yes; you can say that its powers would really be advisory. But I think the

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principal officer of the Board should consider, along with such a committee of my central Board, the disposition of the resources of the Boards placed in their hands by the Minister.

9263. *Mr. Pugh*: But that Central Advisory Board would hardly cover the cases where the employer was evading the law. You could not very well refer a matter like that to your Central Board. If it is a question as to what he is entitled to do under the Act or the decision of the Board, then it would be a dispute which could be so dealt with. But you could hardly refer a case there where the employer was evading his legal obligation?—I think in that case the Board affected should be able to call upon the principal officer of the Trade Board office to institute the necessary steps for enforcement.

9264. *Chairman*: Is that ever done?—Of course, under the Act they can enforce, but they have no machinery and no finance. They can correspond with the Minister about it.

9265. *Lord Weir*: Would there not be a tendency for that Central Board to be whole time?—I am suggesting that a committee of it would have to be permanently available. I do not think that the individual Boards could act quite in the same way as the body I am suggesting, because one Board might be a little too clamant; it would always be demanding attention and trying to get all the inspectors to itself.

9266. *Dame Adelaide Anderson*: The main purpose of the Central Board would be to co-ordinate rates, would it not?—Yes, and to act as an appeal body.

9267. Not to administer the Act at all?—No, it would not directly administer.

9268. *Mr. Pugh*: Would it act as an appeal court between the parties in the case of disputes?—In the case of an appeal against the decision of a Board, it should go to it.

9269. From either side?—Yes, either side.

9270. *Mr. Layton*: Would you allow either side to appeal always?—I think probably not; you would get too many appeals. I think it would be better for the Minister to act as a referee. That is not the right expression. I think it would be better for the discontented party to apply to the Minister, and the Minister, instead of deciding whether he would confirm or quash the rate, should refer the matter to the Central Board.

9271. At his discretion?—Yes.

9272. *Mr. Pugh*: And you would not give the same discretion to parties on Trade Boards with regard to arbitrating on disputed points as would apply to similar bodies in other industries?—Do you mean in case they had not come to an agreement?

9273. It has been suggested here that it is desirable to have some outside Court—the Industrial Court, or something of that kind—to which the parties could refer disputed points, and that that would prevent the present delay and would be more advantageous?—I think it is quite necessary to have an appeal. It might be to the Industrial Court, or to some such Court. That I think would largely have the effect that the Boards would become Boards of First Instance, and that no very crucial question would be decided by them, but that all crucial points would be taken to this Court of Appeal.

9274. *Mr. Layton*: In that event it would hardly be necessary for the Chairman or appointed members to have the right to vote?—Although their right to vote would be withdrawn, you could not dispense with your appointed members. The Chairman would be the Chairman without a vote. The Board itself would become a Board of First Instance, and any disputed point would go to this Appeal Court.

9275. *Chairman*: I suppose that would involve delay?—Yes, because the Appeal Court would get congested.

9276. If there was an absolute right of appeal against every rate or variation of a rate, you might get a very large number of cases?—It might be used in a pettifogging way, of course.

9277. Suppose you had your Central Board and every rate were referred, perhaps automatically, to that Committee, they could then co-ordinate. You

might still give the Minister the right to refer any rate to the Industrial Court if he thought fit. That Board, of course, would be used in all cases where there was serious controversy?—I do not see that the Industrial Court would be a better tribunal than my Central Board. The object of the Central Board is to get the workers in in the final decision.

9278. *Mr. Pugh*: You are rather proposing something which is both an Arbitration Court and a co-ordinating body, specially applying itself to Trade Board matters?—That is so.

9279. And you think that would be better than the ordinary Arbitration Court?—I rather think it would. On your Appeal Board you would have employers and workers, and I rather suggest appointed members, or at all events, a Chairman who has had experience of Trade Board work. You would have people from the same atmosphere, and they would judge pretty conclusively the arguments urged pro and con with regard to a particular rate. It would be less external than an Arbitration Court. The independent element is reduced to a minimum, as it is in a Trade Board.

9280. *Chairman*: Of course, the question of scope should be referred to it?—Certainly. I think you could give that body a statutory right, could you not, to say that its decision is final. But the Minister has never claimed that right. His decision is at present final only in the sense that it decides administration.

9281. But would it not be desirable to make it final subject to his consulting the Trade Board concerned and the Central Board?—I think there is a great deal to be said for that.

9282. *Mr. Pugh*: I suppose one may attribute a great deal of delay to the fact that no one has been able to bring about finality except on continual reference back?—That is so. Also, I think if you had two or three Boards with this semi-conciliatory and semi-arbitrary body between them, you would get questions of scope dovetailed into one another quite neatly and without trouble. If you have two or three Boards, they have conferences about scope, and they will not agree because they want to extend their territory, and also probably they have got different rates, and the question whether you are to be under Board A or Board B may decide whether you are to have 7½d. or 8½d. per hour.

9283. *Chairman*: After all, it is the Minister who defines the scope?—Yes.

9284. And there is some reason for saying that he, subject to consulting the Boards as well, should have the right to say what he meant, or, at all events, what he ought to have meant?—Yes. The employers on a Board very often say he ought not to have meant that.

9285. Somebody must decide?—Yes. I think the Minister could do so, but I think he would be wise if he put it to the Board.

9286. *Mr. Layton*: You would not object that there should be some modification of the power of the Minister?—I have dealt with that in some detail, and I would only retain it in a modified form. I give him a certain ultimate power, but I should think it very undesirable that he should really function as a court of appeal behind this suggested Central Board.

9287. *Mr. Pugh*: That Board would be able to deal with such questions as the amalgamation of different Boards?—Yes; I presume that is a power which could only be exercised by the Minister ultimately.

9288. I do not know if you have dealt with amalgamation?—Yes.

9289. *Chairman*: On the point Mr. Layton put to you, is it not desirable that the actual confirmation should be by the Minister, although no doubt he would make it after reference to the central body?—What I have said about that is what I should be inclined to stick to. May I repeat it? "If a suitable appeal body can be agreed upon, the question arises whether the Minister should merely register its decision, or should retain an ultimate power of reversal." What I am saying now is irrelevant to the question of what your appeal body is. It supposes that some appeal body has been agreed upon. My statement continues: "On the one side it may be

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urged that if the final decision is the Minister's, the main purpose of an appeal body fails, the door is opened to political pressure, and the Minister, if only to secure his own position, must have his own independent inquiry—an appeal behind the appeal. On the other side it will be maintained that Parliament will refuse to part with ultimate control, and that there must be for the executive some loophole of escape from the consequences of a mistaken judgment. Upon the whole two things would seem to be essential to any system of appeal. The first is that under all normal circumstances it should be final and the confirmation of the Minister given without awaiting further criticism. The second is that on appeal, as in the first instance, all objections should be openly discussed and the two sides confronted. Hence if fresh objections reach the Minister he should communicate them to the Central Board. If the Minister should form a definite view from which the Central Board diverge, the natural resort would be a conference between the Board and officials of the Ministry. Should this fail there might remain"—I do not wish to say more than "might"—"a reserve power of decision to the Minister in a case where he remained personally convinced on definite grounds formally adduced before the Central Board that there would be danger of grave industrial consequences from the confirmation of the proposal."

9290. *Mr. Pugh*: That would hardly be likely to arise, would it?—I do not think it would arise under the circumstances.

9291. *Chairman*: Of course, it would be a great convenience to have a body of this kind behind him?—I might mention that it would be possible for the Minister to establish an advisory body without renouncing any of his ordinary powers.

9292. Then you speak about amending proposals—that means amending proposals without re-publication?—Yes.

9293. And you think that might be done where the amendment is not very substantial?—Yes. I think it ought to be done in the case of anything that can be called a fair amendment. If you had a proper appeal body you could go to them and say: "Is this a fair amendment?" A fair amendment is one, I think, which arises out of the original proposal and in particular it arises out of objections which have been received to the particular proposal. We have had the very greatest difficulty arising from that.

9294. *Mr. Pugh*: There is a point on page 22 of your statement. You say there that the Boards cannot order an inspection in any specific case or in any particular locality where they have reason to believe that it is required. Do you advocate that the Board should have that power?—I would not like to say "order," but I think that the Board should be able to go, through its secretary, straight to the principal officer of the Trade Boards, who could give the order.

Chairman: I have passed over that because I think the proposals in that connection are found later on.

9295. *Mr. Layton*: I am not really clear as to what you mean by a fair amendment. It seems to me that a proposal for a radically different rate might be open to objection?—Yes. If a radically different rate passes the Chairman—which is unlikely—then I think it would be a fair ground of appeal.

9296. *Chairman*: It should not extend to trivial amendments, should it?—No. May I give a case which arose out of our area rates on the Grocery Board? The first areas we put in our proposal were the towns up to 5,000 inhabitants. We had a very large number of objections from the little towns of rather more than that, and we came to the conclusion that we could not sustain the higher rate for these little towns, and we wished to amend that and put 10,000 instead of 5,000.

9297. *Mr. Layton*: The difference being rather big—bigger than between those towns and London?—Yes, it was rather big on the amount. But it is essentially an amendment. I think any Parliamentarian would say that, and yet you have to go through the whole thing again.

9298. *Chairman*: It is true you might have a fresh batch of objections if you advertised that alteration?—Yes; that is perfectly true, and then the thing is never ending.

9299. It is a matter of degree?—Yes.

9300. Someone says: "This is a fair amendment"?—That is so. I want someone who can say that the thing is a fair amendment, as I suppose the Speaker of the House of Commons could do.

9301. Then you have dealt with confirmation. There, again, the argument comes first and the proposals come later. Then as to inter-relation of Boards, that deals with scope?—Yes, largely, but not only that.

9302. And co-ordination?—Yes. Employers complain very greatly of the fact that there are comparatively trivial differences in rates which compel them to have two scales, which compels them to have accountants and inspection of their methods to see whether they are paying each person exactly what is due to him; and, of course, there is jealousy between the people working near together. That ought to be stopped and it is easy to do it.

9303. An employer should be able to apply to some body to tell him which rate is applicable to his establishment?—Yes, I think the Central Board could tell him that.

9304. He could state that most of his business came under a certain category, and he could come under that?—Yes; or some department of his business.

9305. *Mr. Pugh*: That might carry amalgamation?—Yes. In other cases it is a question of rates. I mean a question whether a junior should go up 2s. at 17 years of age and 1s. at 18, or 1s. at 17 and 2s. at 18, is almost a chance, according to the course of the negotiations.

9306. *Lord Weir*: What amalgamation is possible?—I have not gone into great detail here as to that, but I think a considerable amount. I do not see why the Clothing Boards should not really be one. I think that you want probably a rather different constitution than you have now. I do not think you can do it without legislation. You would have to give some sort of autonomy to the present Boards or the divisions of trade represented by those Boards; but it would be a strictly subordinated autonomy. You would have to give them more power than district committees, which are really futile under the present Act, possess, but yet not absolute power. A committee might have a right of initiation, but I think you would have to reserve the decision to the Board as a whole.

9307. Do you think the question of amalgamation would be a matter which the Central Board you propose might regard specifically as one it should initiate and deal with?—Yes. All these Boards now to some extent have got their individuality, and they would be very particular about the terms under which they came into the amalgamation, and you want to be very particular how you have it threshed out. It should be done by employers and employees.

9308. It is advocated amongst the Boards themselves?—Yes, it is thought about.

9309. *Chairman*: Why are district committees so futile?—Because they have no powers. Of course, some powers might be confided to them, and in the case of large Boards might be confided to them with advantage, but their principal function is that of criticising a rate which has been proposed, and they must sit and pass this rate before the proposal can come up for fixing.

9310. Why cannot the suggestion for a rate be put to them before it becomes a proposal?—They are bound by statute to sit upon it after it has been proposed, I think.

9311. Only after it has been proposed?—Yes.

9312. I am not sure that you are right about that. It is Section 12 of the Act of 1909. Perhaps it has been altered?—"No variation or cancellation of such a rate shall have effect within that area unless either the rate or the variation or cancellation thereof, as the case may be, has been recommended by the district trade committee."

9313. Why should not that report be made before the proposal?—I suppose it might be, but then you

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would be bound to the rate which the district committees had recommended. If you get a dozen district committees you might have a dozen different recommendations. That course has never been followed.

9314. *Mr. Layton*: If you got a dozen recommendations, it does not follow that the district committees' recommendation must be followed?—It must be followed, or else the committee must meet again. If the district committee has recommended a rate, and the Board had adopted another rate, then that rate must be submitted to a further meeting of the district committee.

9315. The Board need not accept it?—No, but it must be accepted if it is to avoid that procedure of throwing the thing back to the Committee.

9316. *Chairman*: Suppose the Board said: "We are considering the fixing of a rate of 6d. and we will ask our Committees to report." They all report in their different ways—some for and some against; might not the Board then fix the 6d.—It might fix the 6d. but not anything else.

9317. If they said: "We think it should be 6½d." then they would have to refer it back?—Yes.

9318. *Mr. Layton*: If in any case the Board has made up its mind, and the appointed members have come to their decision, they are very unlikely to alter it?—That is so. I will not say the District Committees have not been of value. In one case they were of guidance to us, the reason being that the rate was contested when it came up to be fixed. In the interval, the District Committees had reported, and in several cases employers on those District Committees had been very much less unfavourable to the rate than the employers on the Board. Another thing is that these District Committees being endowed by statute with no real power, the proceedings are lifeless, and unless the whole matter is one of general agreement in the trade, the upshot of the District Committee meeting is that the workers resolve that the increase of rates is desirable, while the employers resolve that the increase of rates would be most prejudicial to the trade under present circumstances; that is all.

9319. But still there are cases where the District Committees receive consideration, like at Dundee in the case of jute, and at Bridport?—That was done by the Board.

9320. But it might be done by the District Committee?—Yes. At Bridport it was done very effectively without the District Committee. Please do not think I am against the District Committees at all. I have been several times accused of having ruled that we could not discuss District Committees. That is quite a mistake; but what I have constantly said is that I do not think that District Committees, as at present constituted, and with the powers at present given to them, are of very great value.

9321. Arising out of that, perhaps you could tell me this. Suppose you are going to differentiate between one place and another, is it better to do so by some scale of population, or by reference to the different cost of living, or by naming the dividing districts?—It is really very difficult to say. The line introduced originally by the Milk Distributive Board, followed by the Grocery Board, and now by the Dressmaking Board, is a population line, and that is based, I think, more on the cost of living than anything else. It is supposed, and I imagine that it is broadly true, that there are some elements in the cost of living which are less in rural districts than in towns—rent and tram fares are two definite things. When you get to a town these expenses go up, and when you get to London they are very materially higher. That is about as much as you can say. There is another consideration which might come up on some Boards—though I do not think it really has done so; it has not taken tangible shape—that is the consideration that in some manufacturing cases the outlying districts have heavier expenses. In some cases it is the urban districts which have the heavier expenses. On the Tobacco Board we got complaints that in the case of a small man in the outlying districts the cost of carriage pressed very heavily on him. That has produced this three-area division. It is not scientific

at all. The areas, as you know, freely inter-penetrated and go into one another, and what may be called a rural area may be the well-to-do fringe of an urban area. It is quite impossible, I find, to keep the run of these districts and know how their boundaries will coincide. Then there is another division. The south-west of England from the protests we get on the Boards appears to be behind the rest of England in its general wage standards. To a less extent I think some of the more rural areas—not in the strict sense of rural areas but in the sense of rural population preponderating—are behind the urban districts. This position has been accentuated in the south-western area by the peculiar and unfortunate situation of my own native county of Cornwall at the present time, with which I have great sympathy. Those are two possible lines of differentiation you could make.

9322. *Chairman*: There was a third which we had yesterday, namely, differentiation according to the cost of living in the Board of Trade return?—I do not think there is really any systematic account of the difference in the cost of living of any recent date. You might make a sort of map.

9323. I was thinking of 1912.—I have made inquiries here and there, and I have not been able to get at any really satisfactory account of the variations in the cost of living later than that, beyond the fact that we know of the enormous rents in London. I am assuming that the village rents are cheap. I do not know how far the present shortage of houses has affected them; but we must suppose that the rents are very much less there.

9324. *Mr. Layton*: Is there not a further consideration beyond the difference in rent, namely, that the economic advance in different areas of the country has reached quite different stages?—That affects what I said about the south-western district.

9325. And that the ability of different areas to pay wages varies?—That is so.

9326. And that unless you take account of those things you are going to affect the population and bring about a shifting of population?—I think that is so to some extent, but I do not know how to make my map on that basis, except that particular corner that I have mentioned.

9327. If you take the wages in other industries and see the variation between the different districts, is not that much bigger than anything the Trade Boards have introduced?—I do not know; I have not worked that out.

9328. Take the agricultural wages before the war and at present. There is a greater difference between the agricultural rates in Lancashire and Yorkshire and Cornwall and Norfolk than between the highest and lowest rates fixed by any Trade Board?—Is that so? The Cornwall Agricultural Committee refused to lower its rates the other day.

9329. Then there are variations in the wages paid by local authorities. They vary in a ratio of more than two to one—some are more than double?—In manufacturing industries where people compete with one another, the Trade Boards are a little bit reluctant in any way to accentuate those differences.

9330. Is that not likely to be the case if the interests of say London or one or two big centres predominate on the Board?—It may be so.

9331. Would it be applicable in the case of the distributive trades where there is no substantial competition?—The case of the distributive trades is rather different from the case of the productive trades. That point has been made by other people, and no doubt it will be borne in mind by this Committee. I quite understand the case for national uniformity where you are dealing with minima. You would still expect that in the better-off areas there would be some improvement on those minima, as you get actually advertised, and even arranged with a Trade Board in some cases. A particular industry or a portion of an industry may agree there and then to pay a higher rate.

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9332. Do you not think that when a certain Board fixes a rate it may affect other rates?—I think that the general rate has a sort of attractive power, or is itself subject to various attractions. It is dragged down towards the position of the lowest areas, but it is also dragged up by the desire to get a decent minimum, and the consequence is it does not exactly fit. Of course, the more general your thing is, the less it would fit every case.

9333. Would you not accept that as an argument for considerably more differentiation than now exists?—Yes, I think that differentiation would probably be a good thing if you could get it really practically adjusted, and if you could get over the difficulty of competition.

9334. Have you not really ruled out differentiation by refusing power?—I am not refusing power.

9335. I mean the Government?—No, I do not think you have that. I think the Boards could do the thing, only it would be a very complicated thing to do, and very difficult to get the proper information.

9336. Suppose you had amalgamation in one sense between different trades so as to cater for the whole of the trades, but, on the other hand, divided your Board up into large areas, leaving the central Board which you yourself propose, do you think you might get better adjustment to the existing economic conditions?—I think that might be a good thing in the distributive trades; certainly it is quite an arguable thing. In the case of the clothing trade I suppose there is more competition because the ready-made processes have come in so much, and I think that objection would be entertained largely on that ground. But, as against your whole contention, I think there is a consideration which I should lay more stress on than you do—that, in so far as you are accepting the standard of a district, you are stereotyping it. The reason why one district has lower wages than another is very largely a matter of tradition, and the thing moves in a circle.

(Adjourned for a short time.)

9341. *Chairman*: I think we reached your paragraph headed: "The Problem of Autonomy"?—Yes.

9342. And it is there that you give your suggestions with regard to administration?—Yes. I have got written down here my ideas on that point rather more constructively. Perhaps you would like to hear them?

9343. *Chairman*: If you please.—"There should be a Central Trade Board to which rates should, if he deems it necessary, be referred by the Minister for confirmation, and to which all questions involving controversy and requiring adjustment between Boards, should be referred. This Board should have a Standing Committee, consisting of the Chairman and two members on each side, available for consultation with the officials of the Department. The Trade Board division should form a separate Department of the Ministry of Labour. There should be a General Secretary of Trade Boards, and a deputy for Scottish Trade Boards, with an office in Edinburgh. Assistant Secretaries should serve as Secretaries of each Board, but the General Secretary would be officially the Secretary of each Board. The General and Assistant Secretaries should be officers of the Boards. They are, however, appointed by and for disciplinary purposes subordinate to the Ministry, and they must furnish reports as required to the appropriate officer of the Ministry, namely, the Principal Officer of Trade Boards. A legal adviser to Trade Boards should be available for consultation by the Secretary or by the Boards themselves at any time. He should also make the necessary arrangements for any legal proceedings. He is not, however, an officer of the Boards," I suppose the legal officer does report in that way. I make that remark with trepidation, because I am not quite sure of the proper hierarchy within the Civil Service on that point. But if he is not an officer of the Trade Board he is available for their help. "The Chief Inspector and his staff are

9337. But if you refuse to recognise it, are you not creating unemployment?—If you go too far in refusing to recognise it, that is so.

9338. It looks as though that had in fact happened in the case of certain localities—in the rural districts?—Well, it is suggested. I am bound to say that the evidence we had brought before us on the Board about the causation of unemployment by our rates was not very strong. A few sporadic instances were gathered together. They were not merely from rural districts; if I remember aright, the most cogent was from Hartlepool. These cases seem to be very few.

9339. *Mr. Pugh*: I take it that trades connected with Trade Boards cannot, any more than any other trades, escape the effect of the present industrial depression?—That is so. Another trouble was at Portsmouth, which, of course, is not rural, though it may be a rather poor district, and Plymouth, I think, complained a good deal. I rather doubt whether it is correct that it is very strong in the rural areas, because I do not think it is the smallest persons that our rates have particularly inconvenienced—particularly the skilled rate which was so much controverted. I have no responsibility for that skilled rate, as I say in my evidence, and I speak about it in a detached way. But I was concerned about it, and I have known questions raised on the Board about the small dressmaker. The representatives of the small dressmaker said: "This is not going to touch the small dressmaker. She does not employ fully skilled assistants; she is her own fully skilled assistant, so to speak. She does her skilled work herself. She will employ a young girl possibly up to 16 or 17 years of age, and then that girl either goes back to her home or to something else."

9340. *Mr. Leyton*: Had you, in fact, some of the small dressmakers on your Board?—We had not got anyone who was actually a dressmaker of the smallest kind, but we had people who had been small dressmakers and knew the case from their own knowledge.

at the disposal of the Boards, but subject to general regulations laid down by the Ministry and supervised by the Principal Officer. The Principal Officer should have the rank of Assistant Secretary, or preferably (if he also controls the establishment of Trade Boards) of Principal Assistant Secretary. He should report directly to the Minister. Questions of scope should be decided by the Boards with the help of the legal adviser. If, however, there is any incompatibility between the views of two Boards, or if a Board rejects the definite opinion of the legal adviser, the question should be referred to the Central Board. Its decision should be final as the basis of administration, whether it should be made binding on the Courts by statute is a question left open here. The Ministry appoints inspectors and lays down general regulations as to method and expenditure. Any Board may require a special inspection, but if the demand is thought excessive, the chief inspector may refer the question to the principal officer who, after consultation with the Committee of the Central Board, shall decide whether it is to be carried out. The same principle applies to enforcement, 'legal adviser' being substituted for 'chief inspector.' The principal officer is then directly responsible for inspection and enforcement, though he will not override the recommendation of any Board without giving his reasons to that Board and also to the Central Board."

9344. Whom do you call the principal officer?—He is a person who is an official of the Ministry of the rank of Principal Assistant, or Assistant Secretary. He is in contact with the Trade Board, and the committee of the Central Board as a consultative committee could deal with him.

9345. You have not made a very clear distinction, have you, between the administrative duties and the wage-fixing duties of the Boards? In that memorandum you have assigned to the Trade Board a considerable number of administrative duties?—I have suggested that they should be able to call upon

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the inspectorate, but subject to the view of the principal officer and subject to the regulations which the Ministry lays down for the inspectorate.

9346. *Lord Weir*: That makes the principal officer the administrative head?—Yes, and he is an official of the Ministry.

9347. Would there not be two heads? There is the chairman of the Central Board?—I have not suggested that the Chairman should have more than advisory powers, but advisory powers with a certain element of compulsion in them. The principal officer should refer certain questions to him and hear his view before deciding.

9348. *Mr. Pugh*: But is the Board itself to be advisory also?—Not on the question of appeal. I dealt this morning with the question of appeal, you will remember.

9349. *Chairman*: *A fortiori* the Trade Boards in these matters of administration would be also advisory?—Yes, in matters of administration they would be advisory in this way, that they would have a direct claim upon the services of the inspector unless reason was shown to the contrary, as, for instance, if the inspector was wanted more urgently somewhere else.

9350. But the inspector would have to get his directions from the principal officer?—Yes, in the first instance.

9351. Because you cannot have two masters?—I do not think you can. But the secretary I would make the servant of the Board. At present he is between two masters, and he is often in a difficult position.

9352. *Lord Weir*: One of the points of advantage over the present system would be that the principal officer of Trade Boards would be your link between the Trade Board and the Minister?—That is so.

9353. And he would have nothing else but Trade Boards to deal with?—That is so.

9354. Whereas you are linked just now to officials who have got other duties as well as Trade Boards?—Yes. As a matter of fact, some slight step has been made in this direction in consequence of the report of the committee on administration, and we do get some contact with the Assistant Secretary.

9355. *Chairman*: But under your system the principal officer would be an Assistant Secretary or Principal Assistant Secretary?—Yes, that is so.

9356. So he would have a double aspect?—Yes, he is bound to have it. I have thought about it in many ways, and I do not think you can avoid this contact coming somewhere.

9357. It was so in the old days?—Yes; that is a return to the old days except that it varies the chairmen of the Boards. Mr. Aves was Chairman of all the Boards, and he was an official of the Board of Trade.

9358. *Lord Weir*: Which for a small Department was probably the best thing?—Yes.

9359. *Dame Adelaide Anderson*: The chief inspector in your scheme would be directly under the Principal Assistant Secretary at the Department?—Yes.

9360. And the Board would apply to the Principal Assistant Secretary?—They would apply first to the inspector, who would carry out their desires unless he had reason to the contrary.

9361. And to the chief inspector instructions would come that the Board required the services of someone or other?—Yes, for a special place for a special time.

9362. Then would a duplicate copy of the report of the inspector go to the Board?—Yes, I think that is very important.

9363. At the time that it goes to the chief inspector?—Yes. There has been an improved contact between the Boards and the inspector, and I think it still wants further improvement.

9364. *Chairman*: This would necessitate more frequent meetings of the Boards, would it not?—I do not think so; at any rate, I think it could be done by administrative committees.

9365. *Mr. Pugh*: Have not the Boards got standing committees?—Yes; they have administrative committees.

9366. *Chairman*: Each meeting of the Board costs them something?—Yes.

9367. *Dame Adelaide Anderson*: But there is a standing secretary, is there not, of each Board?—Yes.

9368. So that the Secretary of the Board could carry on any arrangement about inspection, and so on, and wait for the next meeting of the Board?—That is so, and he could also consult the Chairman, as he habitually does, on any question that arose between meetings.

9369. *Chairman*: There is one secretary to all the Boards, is there not?—Yes, but he would have an assistant secretary. Matters of routine and detail would go to the assistant secretary. If he saw that a thing required attention, he would refer the matter at once to the general secretary. He probably would have had an instruction from the Board or the administrative committee, and if there was a matter of doubt he would refer it to the chairman, as he does at present. Then if the Chairman thought it was something he could not decide, they would summon a meeting of the administrative committee.

9370. In order to avoid frequent meetings the Boards would have to devolve on their secretary considerable powers which would have to be exercised after consultation with their chairman?—I think that would have to be so.

9371. *Mr. Pugh*: I have in mind Boards that operate in other industries where a standing committee does all the administrative work of the Board, and the Board itself is not called together unless on very important matters affecting the whole trade?—Yes. That could be done very largely. It is done a good deal.

9372. *Chairman*: How large are they?—The Committees are, as a rule, six a side and the Appointed Members. Some are seven or eight a side.

9373. That is rather a large Committee?—That is rather a large Committee. I think it is probable that if more business devolved upon the Board on the lines I have suggested, small Committees or, perhaps, Sub-Committees of the Administrative Committee would be appointed and told to exercise these powers. As a matter of fact, the leading men of the two sides of the Board and the Board Chairman would probably be sufficient.

Chairman: How large are the Committees you are speaking of, Mr. Pugh?

Mr. Pugh: They run about six a side.

9374. *Lord Weir*: Naturally, the total amount of business to be dealt with by the whole Department would very largely depend on the powers it was decided to give to the Board?—That is so.

9375. *Chairman*: Have you considered at all the question of exemptions?—Yes. I can talk to you for a long time about that.

9376. I do not want you to do that, but I think they are dealt with by the Administrative Committee, are they not?—Yes. I think they are really dealt with rather satisfactorily, if I may say so, considering all things. The question of principle involved really is whether there should be an exemption for slow workers. About that I may say quite frankly that the objection to it, of course, was the fear that the whole rate would be undermined; that you cannot define a slow worker in quantitative terms, and therefore you get back on the rate like that. I have had a lot of experience in this, and I do not believe you would. I think the Administrative Committees would be perfectly competent to do that if you gave them perfect freedom. They take a lot of trouble. The two sides agree; they really have substantially the same interests. They think they have not. They begin by opposing one another, but that disappears at the end of the first discussion, and they discover that they all want the rate to be maintained unless there is good reason to the contrary. Now there is a certain form of slow working which I daresay it is quite impossible to define in abstract terms, but which you will know if you see it; and they will take pains that they do see it if they have a case of that kind. They probably would not give an exemption unless one of the Committee took the trouble to go down and see, as they constantly do, or else they get information from the trade union secretary or anyone in the trade they can trust, and they see whether the man is normal. The report is that you cannot say

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that this man has got any physical defect, but really he is not worth more than one-third or one-half of the normal worker.

9377. Can you utilise the Labour Exchanges in that connection?—If you had sufficiently expert people. We have not done so for inquiries. What we have done is to make inquiries among ourselves on the Committee, and the two sides, as a rule, trusted one another extremely well. It generally comes to this: I say: "Who would deal with this district," and one of the workers says: "I think I can." The employers never raise any objection to taking the workers' estimate. In the same way, an employer will deal with the question. We say: "This rate is very low," and an employer will say: "I will undertake to see that the employer does give more if it seems fair," and he will make a very good bargain.

9378. *Lord Weir*: If you extended exemptions outside physical disabilities, surely that would make a very great call on employers?—It might make a call. There would be an element of experiment, I admit. But I do not think it would fail, because we get a good many applications which are really borderline cases. The physical or mental disability is small but when we have inquired into the case, we have found there is really substantial ground for it, and then we give exemption.

9379. It would help you very much if you had someone locally who could do it?—If we knew someone locally we could build that up. By correlating your Boards you get local men whom you can trust.

9380. *Mr. Pugh*: Do you adopt the practice of sending employers in your locality to investigate?—It has generally been people near by who can make it convenient to go. Sometimes we do it by correspondence, chiefly with the trade union secretary, whose verdict is generally quite sound. The trade union is in favour of exemption sometimes.

9381. *Chairman*: Does the question of enforcement come up much before the Boards?—Yes, it does a good deal, and they are always unhappy about it. They think there is not enough enforcement. My plan would get them all nearer to the business of enforcement, and they would be able to express their views to the principal officer, which would have a good effect—on them, I mean, as well as on him.

9382. Does that always come up in consequence of the report of the inspectors?—No, it more often comes up in the course of what somebody has said. It has come up in connection with the failure of a prosecution.

9383. What does the individual worker do in such a case? If he is a unionist, I suppose he goes to his union?—Yes. If he is not, I do not know what he does. I doubt if he does anything.

9384. I suppose he could complain to the Labour Exchange, or it might be arranged that he should have the right to complain there?—That would be a possibility. It is an idea which is worth thinking of, certainly. I do not think he ever complains to the Board. I cannot at this moment recall ever having received a letter or anything from a worker saying, "I am not being paid."

9385. The Board is too far off?—Yes.

9386. *Lord Weir*: If an employer feels he wants to complain against another employer, for example, what mechanism does he use?—I think he very likely approaches the Ministry. We hear of it on the Board. Those are the things we do hear of on the Board. I think you had better ask an employer that question as I should not like to say.

9387. *Mr. Pugh*: Would not the better and proper course be to complain to the Board itself?—In the case of an employer do you mean?

9388. In the case of either, as a matter of fact?—It might be perhaps that an employer might shrink from putting it into writing. He would be more likely to get up at the Board and say: "There are a lot of people in my neighbourhood who are not paying the rates." He might shrink from putting a

charge into writing; but I presume that has been done.

9389. I suppose complaints usually come from the workmen's side, where there is trade union organisation?—Where there is trade union organisation, no doubt; but that is just where the difference lies.

9390. *Lord Weir*: It is the unorganised man who wants to make a complaint whom you want to strengthen, is it not?—Yes.

9391. *Dame Adelaide Anderson*: You know that under the Factory Act the name and address of the inspector is posted up in every workplace. Is there any posting of the name and address of the Trade Board inspector?—I have never heard of that.

9392. Would you think it a good plan to follow that precedent?—Yes, I should think that is worth considering.

9393. *Lord Weir*: The real essence of it is that the Ministry of Labour is represented in each district?—Yes.

9394. And that seems to indicate the course which should be taken by the unorganised workers?—Yes. Of course you have to establish confidence on their part that the Labour Exchange will serve them in that way. That might be done. The Ministry of Labour has endeavoured to supplement its deficiencies in inspection—which it has always regretted—by means of the Labour Exchange. That is in regard to unemployment inspectors. I am afraid that is rather irrelevant. I was going to say that I think the supplementary inspection has not been very gratifying in its results.

9395. Which would make the factory inspector rather more suitable, having more or less the right training?—Yes.

9396. *Chairman*: I think we have finished with that subject. You have said what you want to say about the question of confirmation, have you not?—Yes.

9397. Then you have a paragraph on the proposed national minimum. I gather you find difficulties in a national minimum for all trades?—Yes; it is so difficult to say what the rate should be. We have so much difficulty in a single trade. If you have got a definite figure, or a definite system of establishing your figures, well and good.

9398. Of course the difficulties we have been discussing about statistics come out very strongly, and also differences in the history of one trade from another?—Yes.

9399. Therefore if you are to fix a national minimum for all trades either you must fix it so low that in nine cases out of ten it would have no operation at all, or if you take into account the higher-paid trades it may be fixed so high as to do injury to other trades?—That is my feeling of the danger and the difficulty. I should like to see Trade Board rates extended and perhaps at some time or other interstices and gaps filled up when we knew more about rates and what they ought to be; but I do not think we are at present ripe for a national minimum.

9400. The system of co-ordination which we have been discussing might lead towards that?—Yes.

9401. *Dame Adelaide Anderson*: I understood you to say this morning that one minimum for an industry, or a particular branch of an industry, would not be sufficient?—I do not think it would.

9402. Therefore so much the more would it be impossible to have a national minimum?—*A fortiori*.

9403. *Chairman*: Of course, piece rates would be impossible?—That is also another great difficulty. Of course, every rate has got its objections. The absolutely individual bargain which theoretically pays the man according to his worth is, from one point of view, ideal. It fails of the ideal because of economic circumstances which make people so unequal in their bargaining and so on. You substitute a rate. As soon as you substitute the rate you are going to have some irregularities and some difficulties about the adjustment of the individual. The individual never quite fits the rate. He is either a little better than

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the rate or a little worse than the rate. The wider the rate is the greater are those difficulties.

9404. *Lord Weir*: The safest thing would seem to be to protect those people who really require protection?—Yes; then to be safe you have got to get down too low to be of use. I think of myself as the Chairman of a great National Board and how I should ever have the courage to adopt a rate without thinking that it might throw a million people out of employment.

9405. In essence surely for a particular trade you do that?—Yes; and that has caused me sleepless nights already. The trade thing can be undone and revoked. The national thing would probably require an Act of Parliament and a General Election, and I do not know what.

9406. *Chairman*: In Australia there was a Commission set up which investigated and provisionally fixed a rate of so much a week?—Yes.

9407. Even there they had some of your troubles. You also have a point that there might be a constant agitation to raise or reduce the rate?—There would be.

9408. Then you deal with occupational and skilled rates with a suggestion that the Trade Board should be confined to fixing a minimum for each trade?—That, I take it, is one of the most important questions before you.

9409. The first point you make is that no one can desire that the majority of workers should be left with the bare minimum, which is all that is likely to be secured for the least skilled grades. You say that the minimum itself cannot be made a precise figure and we must be guided in determining it largely by what we find will work well in practice, and that there is therefore a serious need for something a little more generous for workers above the lowest grades. Would not that something be supplied by bargaining, either individual or collective?—No, because you have not got the help of these workers. They are not organised, even though they may be a little bit above the lowest level.

9410. You say they are not organised; but a great many are organised, are they not, and possibly the proportion would increase?—Of course, that is leaving it to trade organisations. The lowest grade may be quite a minority, you know, and the people just above the lowest grade may be the majority.

9411. *Mr. Pugh*: That would be rather assuming that something existed of which the absence necessitates the application of the Act, would it not?—Yes.

9412. *Chairman*: Would you prefer the highest rates to be fixed by the Board or by the organisations?—I think myself the Board is a very good rate-fixing authority. On a Board less depends on the possibly momentary strength—I do not care whether it is momentary or permanent—on the existing strength of the organisation. Sometimes the organisation would be stronger than the employers, and the Board would turn out to be the moderating influence.

9413. On the other hand, trade union leaders have a large experience behind them?—Yes.

9414. And they have also well in their minds that if they make a mistake the consequences may fall upon a large body of members?—Yes.

9415. Therefore that tends to make them exceedingly careful to go up to their rates and not beyond them?—The Board could never go beyond them. The Board could never think of putting down more than they asked for.

9416. I am not sure. It is a fact that many of the union rates to-day are lower than the Board rates?—Not more than the unions would ask for on the Board.

9417. But possibly more than the unions would feel it wise to insist upon in the event of the matter being left in their hands?—Rather than have a fight, you mean? I can imagine that to be so, but I should have thought they would have great difficulty in getting it. I am surprised at what you have said, and I think the unions must be very weak in those cases.

Suppose the unions came forward, and the employers said: "This is more than you have asked for as a union, and you are a strong union," I do not think the union would have much of a case.

9418. But you pointed out yourself, did you not, that the appointed members, who sometimes have the last voice, have not really the knowledge or the skill to deal with these higher rates?—No; but the two most likely things to happen are these. The most likely thing is that the appointed members would wash their hands of it; but if the appointed members thought it was a case in which they should intervene, it is very unlikely they would support the workers in a demand which exceeded what the workers had agreed to as a trade union rate, that rate being of a high character. That might happen, of course, where the trade union is very weak and had had to agree to a very low rate. As a remedy against mistakes of that kind, I have got my appeal board in my mind.

9419. What I had in my mind was not the case of a Board fixing a rate higher than that which had been accepted by a trade union in that trade, but higher than the rates accepted by the unions in the great industries of the country. Mind, I am only putting to you what is suggested—not your opinion at all—but I want to elicit your help?—My view is that along those lines you could suggest anomalies, and you could even pick out one or two of our rates which might seem rather extravagant, anyway to be enforced by law; but I should not myself ever apprehend any practical evil coming that way, provided you had got a proper court of appeal. On a single Board you might have one or two eccentric appointed members, of course.

9420. There is this tremendous difference which enjoins one to be very careful, that whereas the union rate is enforceable only by economic methods, the Trade Board rate is enforceable by law?—That undoubtedly gives you ground for pausing; but I find it difficult, on the other hand, to draw any particular line. If you are going to drive me back from this and say, because you cannot accept this you are going to force me back on to one rate, then I will presently indicate to you how I think a line might be drawn. But it would not be in the region we are discussing now; it would be lower down. I see difficulties in drawing any such line, and, on the whole, there is such a slight danger of serious trouble arising in this particular connection that I myself would rather leave things as they are.

9421. Cannot a line be drawn at a living wage?—If you are going to put that into figures you have to make up your mind what figures you are going to take. There is a very considerable range of difference. If you will take my higher figures I do not so much mind; but you would have to supply also machinery for the adjustment of this figure in the case of alteration of prices.

9422. Why should not the Trade Board be confined to fixing a living wage—a wage which is a fair and proper minimum wage, having regard to all the facts of the case? They know far better than you or I or anybody else.—When they come to deal with it they will find, according to my suggestion, very likely that the lowest class they come to is one for which they can perhaps secure just the bare subsistence wage, but not what I should call a living wage. That is where I will draw the distinction.

9423. I follow that, and I am impressed by it. It was put to us yesterday. But some trade unionist with great experience said to us: "Give us the bottom and then we will see that everybody above that grade gets paid a higher wage."—Of course, that may be so. I should not trust it in all cases.

9424. *Mr. Pugh*: That would be possible where you had a good organisation?—Yes.

9425. *Lord Weir*: That would depend in each trade on what was the character of the lowest grade?—Yes. If you will take the Grocery Board, for instance, if I may take that, or what are called the Distributive Boards, much the same would probably apply if they ever came into existence. I do not think there is any doubt that the bulk of the workers for whom we

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were originally intended to cater were the shop assistants. Below that there is a class of porters. There is common ground that there is a class or a grade not so skilled as the shop assistants—a grade to which the employers cannot afford to pay so much as they can to the assistants, and the workers agreed that they should have a lower remuneration. They are a minority, but a Trade Board for grocery which does not deal with assistants would, it seems to me, be Hamlet without the Prince of Denmark.

9426. *Lord Weir*: As I gather, your principle is to try and support protection for the majority grade in any particular trade?—It is a matter of descending importance as rates increase. I am most keen about protecting the lowest grade—the poorest worker. I am next keen about the next grade, and I remain exceedingly keen as long as you are in the region of that 20s. difference that I spoke about. I want to get the best terms I can so far as the trade allows, and I do not think anybody disputes that, employers or employed. When I get above that grade I say I am getting outside my sphere of competence. I wish anybody well who is trying to do better for himself; I wish him well, but I do not know how much he can get.

It depends on economic circumstances, and on his skill and so on, and I feel it is getting beyond me. But within that range I do want to be able to operate. I see great difficulty in defining that range, either by figures or by definition, such as, for instance, "Subsistence Wage" and "Living Wage." One must think of some other device if it is insisted that the Board's powers should be limited. As a suggestion, if it is very strongly insisted that the Board's powers with regard to higher rates should be limited, I would say, first of all, with regard to the higher rates generally, there are two alternatives: One is to cut them out of the Board altogether; the other is to cut out the powers of the appointed members and to leave it to the two sides to fix them. But, secondly, I would say this: The most important rates are those which affect what we call the living wage. With regard to those I have a suggestion which may be worth considering; that is, whether the Order constituting the Board might not assign the classes of workers for whom the minimum rates should be fixed. The Minister in making up the constitution of the Board gets a very intimate account given to him of the structure of the trade, and from that he gets as good a general idea as anybody can get at that stage of who are the classes that are upon this sort of level. That leaves it a matter of judgment as to what sort of classes should be operated on. Take my grocery case again. I have no doubt that the Minister's Order would have specified assistants and porters, and it might have specified clerks, some of whom are very ill-paid in the industry. As practice and experience developed, he could specify the classes in accordance with these general ideas of the Act, on which stress has been laid. I do not know how far that will meet your point, but it is the only thing I can put forward for consideration.

9427. *Dame Adelaide Anderson*: Would you add that the Board, on finding another pocket which had not revealed itself, of underpaid workers, should have power to add them?—I think that would be quite easy. They could recommend the Minister to do that; they would have to get his consent. You might find some unsuspected set of workers who were worse off than anybody.

9428. You say on a previous page: "The object of the Trade Board system is to discover a rate of wages which will provide a reasonable livelihood for the worker without causing dislocation in the industry." That is, there is a standard in your mind. Just as under the Factory Act it is a question of protecting the safety of limb and life and health, and establishing standard hours and so on, you want the protection of a sufficiency for the workers?—Yes.

9429. Something that will maintain them in working the machine?—Yes.

9430. *Chairman*: Does it cost more to maintain the shop assistants than porters?—I do not make a point of that. Perhaps it does cost the shop assistant a little more. He has got to make a little more outlay. In this particular case he has to be rather

better dressed, and so on; but in addition to that I do not think I am going to get the porter enough. If you could guarantee me that I was going to get the porter high up in the scale, and that on my Board I was going to do that, I would make my bow to the question; but I do not think I am going to do that. I do not think I am going to get my porter more than something rather low down in the sliding scale or intermediate scale.

9431. In your grocery scale there is only a difference of 3s. for men and 1s. 6d. for women?—Quite; but that 3s. is very valuable there.

9432. *Mr. Pugh*: On the two suggestions you have made, the first suggests the ruling out of the appointed members?—Yes.

9433. Assuming that the wages above that were negotiated by the Board independently of the appointed members, and there was a dispute, would you refer that to your central advisory body?—Yes, I think so.

9434. Taking your second suggestion, if you are going to attempt to define the classes of workers that would come under the operations of the Board, would that not rather tend to increase your difficulties so far as scope is concerned?—I do not think so. Why?

9435. Because there you have only regard to the scope?—Yes.

9436. But here you are taking certain of the workers, and I suppose you would have to define them in occupations and so on?—Yes.

9437. Would you not always have difficulties arising as to whether this or that person should be brought within the scope of your decision?—I do not think that would be a greater difficulty than we have already, because we have to make gradings on a good many Boards, and there is always a certain amount of difficulty as to what grade a person belongs to.

9438. But it seems to me, knowing fairly well where you stand with regard to the trade, you have not got to decide what workers come within the scope?—Everybody is in, you mean?

9439. Everybody is in?—I see what you mean. Well, I have not thought over that carefully, but at first blush I do not think it would make an impracticable difficulty at all.

9440. Would not you have complications on your Board as to whether this or that person was within?—"A person who is wholly or mainly employed"—that is the sort of formula. Suppose there were legal questions which arose about rates and, whether a man is a porter or an assistant, we have to determine which rate he should have. It is an arguable question, and in one or two cases we have failed to establish the grading, although the grading is there, because we have not the definition. It was admitted there was at one end a warehouseman and at the other end a porter, and that there was a distinction between them; but the gradation between them was so delicate that you could not get a definition.

9441. What kind of definition would you suggest? Would it be an occupational difference or classes?—I should think occupational. What do you mean by classes?

9442. You suggest that the class of workers should be specified. If you take in a class of worker, do you mean by occupation?—That is so. I think it would have to be by occupation. An occupational designation it would be. I think the Minister would have to worry that out.

9443. At any rate, that would not simplify matters?—No, it would not simplify matters. I am not putting this forward as an ideal, but I am putting it forward to rescue the classes that I particularly want to rescue, and which I feel would be left out if you reduced us to one minimum rate.

9444. *Chairman*: I have heard one suggestion which is not unlike yours, namely, that the Board should have power to fix two rates, one for the main body of ordinary workers and the other below that for some form of junior or ancillary workers. That would tend in the same direction, would it not?—Yes, but it would not satisfy me quite as well, because

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I might feel that even in my main body there would still be considerable numbers who would not get satisfactory remuneration.

9445. Above your main body?—Yes.

9446. There we may be getting into the region where you cannot judge?—No; if we could get into that region I should not mind. I would rather have it my way. It leaves it to judgment, and, I trust, to judgment and experience more than anything else.

9447. *Lord Weir*: Coming back to the question of the influence of the Trade Board rate, how would a Trade Board to-day, under your principles, deal with the mining industry, for example, which is to-day almost a sweated industry?—The position of the mining industry is tragic.

9448. I think the same thing applies to some of the iron and steel men. In the iron and steel business there are some low-paid men who get very low wages—wages equivalent to the miners' wages. I give you those two cases—mining and iron and steel?—There is a tremendous economic difficulty. Under such circumstances, all I can say in general terms is that I should endeavour to exert such pressure as economic circumstances admitted, to help people who were really utterly underpaid according to your account, if it were true.

9449. The position is that the law is standing in the way of the re-adjustment, for example, of Trade Board conditions to economic conditions. In the organised trades it is not so. That seems to be a dangerous position for industry as a whole?—You mean it is slowing us down in the Trade Board conditions?

9450. Yes.—But do you think that the two million or three million people who are still very low-paid people and for whom we are catering are seriously obstructed?

9451. The serious thing is that there are two or three million highly-paid people who are affected?—They are the sufferers.

9452. And you appreciate that in the distributing trades, which are really domestic trades, they have under Trade Board conditions a very much higher level than people in the exporting trades?—That, of course, gives the worker his chance of a better ground of selection.

9453. You may replace underpayment by unemployment?—There is always that danger. There, I think, the Trade Board has some advantage over anything rigid. The Trade Board keeps this question of unemployment before it constantly. It never meets in these days without having this question put forward by employers very fully. There is nothing which burdens the conscience of an Appointed Member more than the fear that he may be causing unemployment by one of his decisions. The chief difficulty we have in this matter turns on the point of information. Supposing it is said to me: "Here is your rate of 8d. per hour, and there are lots of women unemployed." I say, "Suppose we agree to 7d., how many should we get into employment?" and no one can answer. If we went to 3d. or 4d., or even to 1d., employment would leap up, but the people would starve, or have to live on something else. If you talk about a reduction which would keep them without some sort of subsistence limit, no one can say what the result would be.

9454. *Chairman*: But still it is true that if the wages are so high that they cannot be passed on to the consumer without stopping the demand, then unemployment must result?—In a general way that is true, but you do not know the quantitative relations; that is the difficulty.

9455. *Lord Weir*: When one speaks of the operation of the economic system, one does not really mean the economic system of this country, but of the world?—That is so.

9456. *Chairman*: There is one point I have not put to you about the time for objections. It occurs to me you say that the time might be reduced to a month?—I think it might be reduced.

9457. In the case of changing rates?—Yes, in the case of changing rates. I should like to see smaller changes allowed with even less procedure, but I am not prepared with any definite scheme. The further you can go in that direction the more glad I shall be. I think to some extent all that has been said here about the effect of our rates on unemployment is largely affected by the speed of our procedure. If we had a really speedy procedure, we could adapt ourselves with more certainty. It would cut both ways. In good times we could raise wages with more confidence if we knew we could undo it again, if we felt we had gone too far. It has also been to some extent true as the curve was going down, because you felt you were committing yourself and you did not like to take off too much at one go. It is really very awkward with a descending curve. At one time you feel you ought to make provisions for further drops of a generous kind and then you cannot undo them; you cannot amend.

9458. *Lord Weir*: As a matter of fact, taking the theoretical time, if that theoretical time was not exceeded by hitches of one kind and another you could vary practically as quickly as variations take place in other trades?—Probably about two months.

9459. *Mr. Pugh*: If you have got automatic adjustments with a sliding scale it takes two or three months.—You see we have got to get out the notices; then we have got the two months for objections; then we have to arrange a meeting of the Board at the expiry of the two months, and that cannot always be done to the day or to the week; and then we have got the Minister's time to consider, which he now puts down at a month, so that it runs to four months.

9460. There is one difficulty. After the Board has come to a decision in regard to an alteration in the rate time has to be given for objections. If those objections go back again you may keep on almost indefinitely and you might not get a settlement at all?—That is so.

9461. Is it not possible that the Board, being a properly representative body, should come to a decision on alterations and that a great saving might be made by doing away with the necessity of subsequent objections?—The question of objections is rather a difficult one. One does not like to remove them altogether at any stage, because after all, though we call the Board a representative body, it is not strictly representative. It is not elective, and it seems to me impossible to devise an elective system because of the divergent interests. The workers whose interests are affected have not got control over the Board and there must be some provision allowing them to have a say. On the other hand, the objection system does not work particularly well if you are going to have very big Boards. If you were to contemplate, for instance, a single Distributive Board, you could imagine a malevolent person getting up an organised objection to a rate, when you would get objections by hundreds of thousands. The thing becomes very cumbersome. You are supposed to consider all these objections, but some of them are utterly monotonous. Some are useful, but you cannot make any use of them because you cannot amend. Others are mere diatribes about the Trade Boards, sometimes from workers and sometimes from employers.

9462. Would it not be possible to notify the trade of any intended revision and to get all their views in the first place before you settle what the revision should be?—You mean before the proposal stage?

9463. Yes. Or you might have representations made from a substantial body of the trade, either on the employers' or the workmen's side, and you could notify that the Board were going to consider a proposal of that kind and give an opportunity for the trade to express its views. When the Board had come to a decision, could not that be applied without further opportunity for objections?—That is worth considering, but I think perhaps the trade might feel that a certain protection was taken away from them

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The objections have been a safety valve. After all, they think the Trade Board is a thing up in London and part of the Government.

9464. On the other hand, the grievance comes from the trade itself as to the delay. They cannot have it both ways.—That is so. On the whole, I do not see my way to recommending an alteration in the objection system at present; but I think what you say is well worth considering. Whether you could get your district committees as the channel for objections, and only perhaps in the end receive objections through them is, I think, also a question which might well be worth considering.

9465. *Chairman*: I suppose a public inquiry would not be suitable?—No, I think not. It would also be very long, especially for variations. You might have a public inquiry for the initiation of some rates, perhaps.

9466. And certainly before the initiation of the Board?—Yes. There are small things to be decided, and I do not know whether it is worth the while of your Committee to go into whether small amendments might not be decided on at these proceedings by permission of the Minister. Take what happened the other day with regard to the grading about which Mr. Buckpitt complained. There was a mistake in that, and one of the unfortunate parties got into the wrong grade at some stage of the proceedings. That was only discovered by one of the representatives of the workers when we came to fix, and we could not alter it—at least we thought we could not. It is possible that the Secretary approached the Ministry and succeeded in making the alteration. But that is a simple thing, and it undoubtedly would be against the rules as they have laid it down.

9467. That was discovered after the rate was fixed?—At the meeting when we came to fix it.

9468. And that was dealt with by your suggestions this morning?—Yes; but let me suggest that that was not discovered then but later. It was a very small thing to amend. You do not want to send out a whole set of notices to deal with objections like that. You might have points rather larger, but still points which are very simple, and I cannot help thinking again that if you had my appeal machinery and your principal officer at the Board with whom you would come into contact—there is nothing like an official with whom you can come into contact—then you might have a special permission for a minor variation without procedure.

9469. *Lord Weir*: Do you deal with home-workers on any of your Boards?—Yes.

9470. I take it that with regard to the protection of home-workers that is essentially a question of protecting piece-workers?—It is.

9471. You know of no others?—I do not know of any other possibility, and it is one which involves a certain amount of goodwill. Take the rope, twine and net trade. Mr. Buckpitt threw himself most energetically into the work of getting out the guarantee to home-workers, and I think it is largely due to him that that work succeeded.

9472. *Chairman*: He was not satisfied about the beatsters?—No; we have never heard the last of the beatsters.

9473. *Lord Weir*: The same with regard to fixing piece prices for factory work. Do you consider that a suitable function for the Board: that is, the creation of absolute piece prices?—I do not think I can draw a line of distinction between indoor and outdoor work. Piece prices are much more easy to administer than a piecework basis rate.

9474. What I had in view was that the question of facilities did not arise to any great extent in the case of home-workers. At a factory you might have a better method at one place than at another. To stereotype a piece price nationally would be very difficult?—You mean that the employer does not get the full advantage.

9475. Does not the employer require to go to the Board and get special piece-work prices?—He could get them, I think.

9476. With a good deal of trouble, and it involves the disclosure of a change in process?—Yes. I should welcome any further elasticity on that point, but I should be sorry to give up the determination of these rates. I think it would knock some Boards all flat, so to say. I am quite sure that the success of the Boot and Shoe Board, which I think has been considerable, has depended solely on piece rates. There are, as I have learned, very considerable variations in what a man can earn on piece rates, depending not primarily on him but on his employer. Nevertheless, the employer does get the benefit also.

9477. *Chairman*: Are those home-workers?—No, these are workers in the shop.

9478. *Lord Weir*: You do not think that would be sufficiently well looked after by the fixing merely of a piece rate time basis?—No. I think the piecework basis time rate is a very difficult thing to judge. When you have got the piece rate it is one of the easiest things to determine.

9479. *Dame Adelaide Anderson*: Have there been many cases where application has been made by a particular employer for special piece rates?—I have not heard of them. I think in the Paper Box Board we have a special rate.

9480. For one or two employers?—I do not know whether there are more than one or two.

9481. They have some very special kind of work?—Yes.

9482. Is it not the case that the chief difficulty has arisen with special rates being fixed above the general minimum rate, as, for instance, in the dressmaking industry?—Of course that particular rate has been very much in controversy undoubtedly.

9483. Does not that arise in a trade that has not arrived at standardising its work? I mean the dressmaking industry is not very much developed?—That is so.

9484. And that kind of difficulty does not arise in an industry that is fairly developed?—No, it would not, because the rate would be so easily fixed; it would be intelligible to everybody. I think that is so.

9485. In those more developed industries, do you think there should be something more than a general minimum rate for the general worker?—Yes, I think so. I feel very strongly that there should be something more than a single rate.

9486. I meant probably something more than the lowest and the general rate?—I think more than that. I do not like that particular way of distinguishing them myself; but that is better than only one.

9487. But all the other question of efficiency and skill required must bear upon the question of what is a suitable minimum?—Yes, it must all bear upon that.

9488. *Mr. Pugh*: Has the Dressmaking Board had any definite complaints with regard to the effect of its decision on the small dressmakers, in the country districts, for instance?—We have not had any definite complaints from them. We have had officials of the Ministry who have put before us a certain number of complaints, sometimes emanating from the employers and sometimes from the unemployment committees the juvenile advisory committees, and so on—official organisations.

9489. I suppose it is open to anyone coming within the trade represented by the Board to lodge complaints with the Board, and that in that event they would receive proper consideration?—Certainly. I do not think they would do it very much, you know; they do not know the machinery well enough, especially the small people.

9490. Still, they have means of making any grievances known?—Yes.

Chairman: We are very glad to hear your views on these matters.

(The Witness withdrew.)

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Mr. L. C. HANSEN.

[Continued.]

Mr. L. C. HANSEN, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

SUMMARY OF EVIDENCE of Mr. L. C. HANSEN,
General Workers' Group Secretary, Transport and General Workers' Union; Member of the Workers' Side of the General Waste Materials Reclamation Trade Board (Great Britain).

History of the General Waste Board.

In the evidence given before the Trade Board Enquiry Committee with reference to the Waste Trade emphasis was laid largely upon two points; firstly, the undue length to which the proceedings of the Board had been protracted, and, secondly, the action of the appointed members. It might be useful to give evidence on this.

With regard to the first point, it is true the proceedings of the Board have been exceptionally long, but this has been due in great measure to the employers' side, as can be shown from the continued motions for postponement on that Board.

With regard to the second point, it will be seen that the definite action taken by the appointed members was taken after a deadlock had been reached. The appointed members then voted, not for the workers' demands, but for 1d. per hour above those proposed by the employers. It is hardly possible to understand these two points without some detailed resumé of the proceedings of the Board, which I now propose to give.

The first meeting of the Waste Trade Board was held on September 28th, 1920.

The workers put forward detailed proposals as under:—

General minimum time rate for women, 9d. per hour, with 1d. extra for skilled workers.

Piecework basis time rate 33½ per cent. above the general minimum time rate.

Guaranteed time rates for pieceworkers equivalent to the general minimum time rate.

Male workers 1s., 4d. for the first three months, to be then raised to 1s. 5d. Skilled workers to receive 1d. per hour extra.

Piecework basis times rates 33½ above general minimum time rates.

Guaranteed time rates for pieceworkers equivalent to the general minimum time rates.

The normal number of hours to be 48. Any day other than Saturday, 8½ hours. Saturday, 4½ hours.

Overtime rates for the first two hours to be time and a quarter. After first two hours, time and a half. Sundays and Statutory Holidays, double time.

The employers put forward no proposals, but stated that it would be necessary to consult the employers. The Board was, in consequence, adjourned till November 4th.

It will be seen, therefore, that at the first meeting of the Board the workers were willing to put forward proposals, but the employers were not prepared to put forward proposals.

Three sub-committees were then set up—on woollen rags, scrap iron and paper stock.

The woollen rag and paper stock committees came to no agreement, the employers proposing 9d., and the workers 10d., for women's wages on woollen rags, and the employers proposing 8d. for women and 1s. 3d. for men on paper stock. On the scrap iron committee, however, a minimum wage of 70s. (for 40 hours) was agreed for men.

At the second meeting of the Trade Board the rate of 70s. for scrap iron was agreed, but the consideration of the other men's rates was postponed.

On women's rates Mr. Hyman (employer) proposed the following rates on behalf of his side:—

Woollen rags:

(a) West Riding	9½d.
(b) Outside West Riding ...	9d.
Paper stock	8½d.
Main store	8d.

These were agreed (after protest by the workers), and were issued as a proposal.

At the third meeting, February 5th, Mr. Hyman moved that the consideration of the men's rates be adjourned for two months. The Board was adjourned till March 10th.

He also moved that the fixing of women's rates be deferred for six months. (It will be remembered that these rates had been proposed by the employers.)

The Board, however, proceeded to fix these rates. The rates were not, however, confirmed by the Minister.

A further meeting was held on April 28th. The employers then moved that the work of the Board be deferred for three months. They further stated that they objected now to the agreed rates for scrap iron. The Board was adjourned till May 26th.

On that date the women's rates were sent again to the Minister for confirmation.

The Board met again on August 9th. A letter was received at this date from the Minister refusing to confirm the rates. (It will be noted that this was 11 months after the first meeting of the Board, and that the Board had made no progress towards fulfilling its statutory duty.)

At that meeting the employers proposed the following rates:—

Woollen rag	8d.
Paper stock	7½d.
All other sections	6½d.

The workers proposed:—

Woollen waste	8½d.
Paper stock	8d.
Other sections	7½d.

The Appointed Members then moved rates at 1d. per hour above the rates proposed by the employers. The workers' side finally agreed with the motion of the Appointed Members, and these rates were fixed.

It will be noted that the Appointed Members took action after one year's negotiations, and that their action was not to vote for the rates proposed by the workers, but merely to give 1d. more than the employers were demanding.

On the men's rates the employers proposed 52s. for scrap iron and 47s. for other sections.

The workers proposed 53s. for scrap iron and 48s. for other sections. On this, the Appointed Members voted for the workers.

At the fixing meeting of the Board on November 24th the employers again moved an adjournment for three months. This was defeated, and the rates have now been fixed.

It will be noticed:—

- (1) That throughout this long history of the Trade Board there has been what can only be described as a determined attempt on the part of the employers to prevent the Trade Board fulfilling its statutory duty.
- (2) That the rates finally in dispute were not rates differing very greatly in money value.
- (3) That the workers' side reconsidered to a very great extent their original proposals.
- (4) That the Appointed Members did not accede to the final reduced demands of the workers except with regard to male workers; and with regard to the women, who form by far the largest section of the waste trade, the Appointed Members merely made a very slight addition to the wages proposed by the employers.

Scrap Metal Section of the Trade.

I now desire to deal in some detail with the scrap metal section of the trade and with the evidence submitted thereon by Mr. Ashley Ward. That evidence contained a number of statements which are at total variance with facts. He stated, for instance, that the Waste Material Reclamation Board, of which he had a good deal of experience, had met for

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12 months at enormous expense to the taxpayer, and that he had put something like 24 to 27 full days, sometimes up to 7 or 8 or 9 o'clock at night, in an endeavour to come to a settlement.

As a matter of fact, Mr. Ward was present for the first time at the deliberations of the Board at their fourth meeting, namely, 6th and 7th January, 1921, and then only for the first day. Hereafter he attended at three meetings, namely, the 8th April, 28th and 29th April, and 9th and 10th August, in all six days out of 19 in which the Board has sat.

I should not call the Committee's attention to this, but for more important misstatements made at a later stage in Mr. Ward's evidence, namely, when he was discussing the rate fixed for adult male workers in the scrap metal and iron section.

The rate fixed, and recommended to the Minister to confirm, for the Iron and Metal Section of adult workers of the Waste Trade Board is 53s. for 48 hours.

Mr. Ashley Ward stated that the employers proposed 48s. per week in August, 1921, and that this proposal was forwarded to the Minister for confirmation, and brought forth, in view of falling wages, a storm of protest from the country, and the Ministry sent it back, in consequence of that protest, for consideration by the Board; that they had had a meeting on that day and the result has been that with the vote of the Appointed Members the Minister had been requested to confirm those rates.

The only correct statements in the whole of this passage are, that the rate fixed and recommended for confirmation is 53s. for a 48-hour week, and that this rate was proposed in last August.

The employers proposed 52s., and not 48s. as stated. The rate of 53s. was issued as a proposal on 10th August. Objections were considered on 24th November, following the day on which Mr. Ward was giving evidence. Neither this, nor any other male rate, had been submitted to the Minister for confirmation prior to 24th November, and up to the present no male rate has been sent up to the Board for consideration. The history of the proposed rate for the scrap metal section shows that every consideration was given the employers.

At the first meeting of the Board, held on 28th and 29th September, 1920, it was claimed that the scrap metal section was insufficiently represented, and that, although eight of the employees' associations having representatives on the Board contain the words "scrap metal," or similar words, in their titles, only three had sent representatives actually in that section of the trade, and it was agreed that the Minister of Labour be asked to appoint two representatives, one for T. W. Ward, Ltd., Sheffield, and one for G. J. Cohen, Ltd., London.

On the same date the Board set up a sub-committee to consider and report to the Board on the appropriate rates which should be fixed for workers employed in that section of the trade. The following gentlemen were selected from the employers' side:—

Mr. T. Cashmore, the Midland Iron and Machinery Merchants' Association, Birmingham.

Mr. W. Hall, the Metal Traders' Association, London.

Mr. C. H. Marchant, the Federated Association of Scrap Iron, Steel, Metal and Machinery Merchants' Association, Manchester.

Moreover, in order to ensure adequate representation, it was agreed that representatives of the firms of Messrs. T. W. Ward, Ltd., Sheffield, and G. J. Cohen, Ltd., London, be invited to attend meetings of this Committee. This invitation was accepted by G. J. Cohen & Co., London, Mr. L. Levy attending on their behalf at a meeting of the Committee held on 21st October, 1920.

The Committee agreed to a rate of 70s. for male workers of 21 years and over, and to recommend that rate to the Board.

This recommendation was reported to the Board on 4th and 5th November, 1920, at which meeting Mr.

Levy was present, and at which meeting it was announced that Mr. Ashley Ward had been appointed to the Board, and it was moved by employers, seconded by workers, and agreed, that the general minimum time rate for male workers of 21 years of age and over, of the lowest grade which is employed in that branch of the trade, etc., shall be 70s. per week of 48 hours. (Mr. Hyman moved, Mr. Hansen seconded.)

Nothing further was done as regards this rate, nor was it issued in any proposal, the understanding being that it would be issued with the proposed male rates for other sections when such rates were agreed. This rate was referred to from time to time, but the Board took no further action until 29th April, 1921, when the workers moved that it be issued as a proposal, the employers moving an amendment that the resolution of the Board be rescinded.

On the 27th July the Administrative Committee of the Board reconsidered the rates, but no agreement was reached, the employers recommending a rate of 58s. and the workers one of 62s. 6d.

On the 9th and 10th August the rate again came under consideration. It was then moved by Mr. J. M. Watson, and seconded by Mr. Hall on behalf of the employers, that the G.M.T.R. for male workers of 21 years of age and over should be as follows:—

Scrap iron and scrap metal section of the trade, 52s. per week of 48 hours.

For the same reasons, it was moved by Mr. Batey and seconded by Miss Lawrence, as an amendment to Mr. Watson's motion, that the general minimum time rate for these classes of workers should be:—

Scrap iron and scrap metal, 53s. per week of 48 hours.

The amendment of Mr. Batey was then put to the meeting, when, equality between the sides having been obtained, eleven votes were cast for the amendment and nine against.

It will thus be seen that special efforts were made to ensure proper representation of the employers; that the rates were under consideration a full year; that the final rate is only $\frac{1}{2}$ d. per hour more than that suggested by the employers. The main reason for delay being the persistent obstructionist tactics adopted by the employers. The key to position may be found in Mr. Ward's suggestion that nothing would have been more futile than the refusal of the Chairman and the Minister to consider 12 months ago the postponement of the operations of the Board for 6 to 12 months to allow conditions to stabilise.

He stated also that the deliberations of one month, at an adjourned meeting the next month, had appeared perfectly absurd to both sides.

This is not borne out by fact, and reference to the minutes will show that the workers' side, at least, did their utmost to get the proposals ratified. The employers, however, constantly declined to confirm their own proposals from one meeting to another.

Composition of the Board.

Again, Mr. Ward devoted some time to the composition of the Board, and I should like to deal with his statements on this subject.

He stated that the whole of the employers' representatives spoke sometimes; the employers' side wished they would not. It was probably in the interests of truth and justice that they should do so, but it was a bit trying sometimes, while on the workers' side, in his experience and the experience of two other men who were on Trade Boards, no practical workman, if he were on the Board, ever spoke. The case was always presented in political oratory by union people in connection with labour leaders, and instead of the Trade Board being a reasonable group of practical men to solve a difficulty, the whole procedure of the Board was sacrificed to tactics.

Further, that the speakers who spoke on his Board were not practical. They were people who had always made a speciality of trade union politics and, as such,

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they spoke every time. At any rate, to his knowledge, they had not been in practical manual work for the last ten years; they never had a practical workman on the Committee.

From all of which 'one rather gathers the impression that the poor employers are unorganised and at the mercy of organised trade union mercenaries. But this again is not borne out if one examines the composition of the Board.

On the workers' side six unions are represented by 22 persons, of whom eight are officials and 14 actual workers, and four unorganised workers, a total of 18 actual workers and 8 officials.

On the employers' side no less than 16 different federations and associations are represented by 22 persons, and there are four unorganised employers.

One rather wishes that Mr. Ward had graced the Board earlier with his presence, as, had he done so, I do not think he would have made the assertion that only officials speak. I am inclined to think that at one time or another nearly all the members have taken part in discussions.

Again, Mr. Ward's statement that no one who has been engaged during the last 10 years on manual work ever speaks is certainly incorrect as far as I am concerned—I cannot speak for my colleagues—since up to 1917 I was earning my living as a casual dock labourer, loading, among other things, freights of scrap iron and waste paper.

The whole argument that only a man engaged in manual labour in the trade can speak with authority is rather absurd, as, if true, one must ask what of the employers and, above all, what of the Appointed Members.

Again, Mr. Ward's assertion that no practical workman ever sits on Committee is untrue. On all three of the sub-committees set up by this Board workers have been elected.

Comparison of Rates in Scrap Metal and Steel Industries.

Again, Mr. Ward's comparison between the rates fixed by the Board for the scrap metal industry and the rates of wages prevailing in the steel industry deserves some attention. There is no analogy between the two trades.

In steel works only about 10 per cent. of the employees are on the base rate, and there is ample opportunity for steel works labourers to rise to well paid positions. In the scrap metal industry quite 60 per cent. of the men are on the base rate, and it is practically a *cul-de-sac*.

The steel agreement is based on the selling price of the steel bars, over which the men have no control, and which moves up and down with that price.

The pre-war wages of labourers was approximately 27s., the highest point touched during the war being £4 6s. The rates in scrap metal yards were very much lower than this pre-war, and as late as the middle of 1920, men were being paid as low as £2 3s. and £2 10s. in some of the larger unorganised firms, whilst the smaller firms were paying even worse rates than these.

In Messrs. Ward's own firm the highest point reached was, I understand, £3 18s.

It is worth noting that Messrs. Cohen's at Swansea are at present paying 56s. per week, namely 3s. more than the rate proposed by the Trade Board and 6s. more than Messrs. Ward's are paying in the same district.

Trade Position and Foreign Competition.

I would also direct the Committee's attention to the following extracts made from a report appearing in the "Waste Trade World" on 8th October, 1921:—

"At the 18th ordinary general meeting of the shareholders of Messrs. Thos. W. Ward, Ltd., the well-known shipbreakers, &c., held at the Royal Victoria Hotel, Sheffield, Mr. Joseph Ward presided.

"The chairman in proposing the adoption of the directors' report, alluded to the difficulties arising out of the coal strike, which had affected the operation of the company, and said that,

notwithstanding those difficulties, their turnover for the first six months of the year was nearly three million pounds, and their total turnover for the year was over four million pounds.

"The chairman stated that as a settlement of matters affecting the excess profits duty had not yet been arrived at with the taxation authorities, the directors were unable to present a balance sheet. They, however, recommended a final dividend on the ordinary shares of 5 per cent., making, with the interim dividend paid in March last, 10 per cent. for the year ending June last. They also recommended a further dividend on the employees' share of 5 per cent. Both dividends are to be paid free of tax."

I also observe that Mr. Ward more than once in his evidence suggests that the difficulties in the steel trade have arisen through high wages being paid, and that the ability of this trade to compete with foreign countries was due to the reduction in wages. I cannot agree with this suggestion. It appears to me that there are other factors, such as the price of coal and the organisation of the industry, which are much more important from a competitive standpoint. I observe, for instance, that in a paragraph published in the "Waste Trade World," 9th July, 1921, Messrs. Samuel Montagu & Co., London, referring to the competition of Belgium in the metal market, state:—"Another factor which assists Belgium to compete successfully in the metal industry is that large supplies of battlefield scrap are collected and mixed together with a small proportion of pig-iron and made into steel at low cost."

Again, the "Waste Trade World" on 10th September, 1921, points out that Mr. Ambrose Calighan, the agent of the National Federation of Blast Furnaces for the north-west coast, declares: "No country in Europe has a better geographical position for the economical manufacture of iron or steel than Great Britain, for while Northern France, Lorraine and Luxemburg have the iron ore close to the works, the coalfields are hundreds of miles away, and with Germany the reverse is the case. If the iron and steel manufacturers on the Continent can assemble the raw materials at the works cheaper than the British manufacturer can, the fault lies at the door of British railways. We have been much impressed with the organisation of the various works. They waste no heat or power that is generated at the furnaces, and if they have any surplus they use it in other branches of industry. They do not apply hand labour where labour-saving machinery can be got. Our general conclusion is that any economic advantage the Continental maker of iron and steel may have over his British competitors is due to his superior works organisation and the rate of exchange"; and the same journal on 26th November, 1921, publishing a report of an address given before the Staffordshire Iron and Steel Institute by Mr. L. G. Harris, indicates that Mr. Harris emphasised the importance of the superior organisation of the Belgian works, and attributes the ability of Belgium to produce steel at a lower rate than England, not to wages, but to the price of the type of coal which Belgium employs and the superior method adopted in the works.

SCHEDULE.

History of General Minimum Time-rate for Male Workers of 21 years of age and over of Lowest Grade employed in Scrap Iron and Metal Section of Trade.

Date.	C. of L. Figure.	Rates.
Nov. 5th, 1920	164	70s. agreed by employers.
July 27th, 1921	119	58s. proposed by employers. 62s. 6d. proposed by Workers' Administrative Committee meeting.
Aug. 9th and 10th, 1921.	119	52s. proposed by employers. 53s. proposed by workers. 53s. carried by Board.
Nov. 24th, 1921	103	53s. fixed.

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9491. *Chairman:* Mr. Hansen, you are the Secretary of the General Workers' Group of the Transport and General Workers' Union, are you not?

—Yes.

9492. And you are also a member of the General Waste Materials Reclamation Trade Board on the workers' side?—Yes.

9493. It has been called to your notice that evidence has been given with reference to the waste trade, and that emphasis was laid largely upon certain points, one of which was the undue length to which the proceedings of the Board had been protracted?—That is so.

9494. And I think you say that is due in a great measure to the employers' side. And I gather you have taken extracts from the different motions that were made?—They were extracts from the official minutes.

9495. I will take this as written?—The only point there that I should like to add is that the length of time that is taken to come to any decision on this Board has not been only caused by the action of the employers, although the employers' action had a very material bearing on it. We also had our first set of rates returned to us by the Minister. After a very considerable delay the Minister took what was perhaps an unusual course in sending our rates back to us with a letter, not asking us to reconsider the rates, but asking us to give a definite date at which they should become operative. I am not quite sure of this, but I fancy that was the first time it has ever been done on any Board. It is quite a new sort of procedure. The Minister in effect said: "I am quite willing to confirm the rates you have sent me if you, as a Board, are willing to give me a particular date on which they shall become operative."

9496. Do you mean he should have fixed the date himself and referred it to the Board? Is there some complaint as to that?—Obviously when you send proposals forward to the Minister you do indicate in the formal resolution that they shall become operative as soon as possible, or you give a particular period within which they shall become operative. That was done in this case; but in spite of that the Minister sent them back to us and asked us to fix a particular date. He added something more, which is still more peculiar. He said: "upon which the trade as a whole should be capable of bearing them." That opened up, as far as we were concerned on the Board, a rather wide question, because the Board felt that if they were to state definitely a date upon which the rates could be borne by the trade as a whole, they could only do that by having access to the employers' books and seeing exactly what the financial position of the trade was at the particular time. We sent them back to the Minister again and he returned them and asked us to reconsider them. I wanted to call the attention of this Committee to the action of the Minister there.

9497. *Mr. Pugh:* How would that be affected by the date? Was the date suggested a retrospective date?—No. When we sent forward our rates we asked that they should be fixed as soon as possible. The Minister sent the rates back to us. I have the actual letter here if the Committee would care to hear it: "I am directed by the Minister of Labour to refer to your letter of the 14th March, forwarding for confirmation the minimum rates fixed by the General Waste Materials Reclamation Board at a meeting held on Friday, 11th March. I am to state that the Minister has received representations from the representatives of the employers in the trade, that since these rates were proposed the position of the trade has changed seriously for the worse, and that it would be expedient to bring them into obligatory operation at the present juncture. The Minister understands that the stagnation of the trade at the moment is not disputed, and in the circumstances he feels some hesitation in bringing these rates into operation on the 18th April without giving the Trade Board further opportunity of considering the date. The Minister much regrets that he feels bound to take this step in view of the fact

that, although the Trade Board has been in existence since August, 1920, no statutory rates are yet operative in the trade. In view of the statutory obligation placed upon the Boards by the Acts, he feels that they will agree that an early decision is desirable. It has been represented to him by the workers that an improvement in the position is anticipated within a short time, and, if the Board so recommended, he would be prepared when the matter has been reconsidered by the Board, to make an order forthwith by which the rates would become effective as from the date by which the Board consider that the position of the trade will be such as to enable the rates proposed to be paid throughout the trade." That is the Minister's letter, and that, of course, delayed the proceedings of the Board very considerably.

9498. *Chairman:* Are you complaining of that at all?—I am rather complaining of the position that the Minister took up in that instance.

9499. You had already, had you not, considered the rates, having regard to the depression in trade?—We had not at that juncture reconsidered the rates.

9500. But you had postponed fixing the rates for a time on account of the depression in the trade?—No; we had not postponed fixing rates. We had proposed rates and had fixed rates—rates that were agreed by the employers at the time. This letter followed on that fixing or going to the Minister.

9501. At all events, the Minister says there, since he fixed these rates there has been a great depression in the trade, and he would like your opinion as to whether they should still hold. Do you make that a matter of complaint?—I make it a matter of complaint that, having returned them to the Minister, they were sent back for further consideration. Further, the last sentence in the letter is rather important, where he speaks about the date by which the rates proposed should be paid throughout the trade. That would obviously involve the trade in an inquiry as to the ability of the trade to pay; that is to say, it would mean asking for the employers' books.

9502. *Mr. Pugh:* There was an improvement in trade conditions?—Yes, at that juncture.

9503. *Chairman:* Then you want to deal with the scrap metal section of the trade?—Yes.

9504. First you quote a statement by Mr. Ashley Ward to the effect that the Waste Materials Reclamation Board had met for twelve months at enormous expense to the taxpayer, and he goes on to say: "For myself I have put something like 24 to 27 full days, and, as Mr. Poulton says, sometimes up to 7 or 8 or 9 o'clock at night, in an endeavour to come to a settlement." I understand you question that?—Yes. Considering that Mr. Ward was only present six days out of 19 on which the Board actually sat, I question the number of days he mentions. I am not calling attention to that. I quite believe that Mr. Ward, away from the Board, no doubt devoted more than 27 days to considering the problem.

9505. Then the next point you referred to occurs at Question 2950. At Question 2955 he was asked: "These proposals were made some time ago," and he replied: "In August, and they were forwarded to the Minister for confirmation, and they brought forth, in view of falling wages, a storm of protest from the country, and the Ministry have sent them back to-day in consequence of that protest, for consideration by the Board. They have had a meeting to-day, and the result has been that with the vote of the Appointed Members, the Minister has been requested to confirm those rates." You say the only correct statement in the whole passage is that the rate fixed and recommended for confirmation is 53s. for a 48-hour week, and that this rate was proposed in last August, and then you give the history of the matter?—Yes. I imagine Mr. Ashley Ward has become mixed there between the scrap metal rate and the rate for female workers in the trade.

9506. Then, on page 6 of your statement, you quote again: "The deliberations of one month, at an adjourned meeting the next month, have appeared perfectly absurd to both sides." You say that "is not borne out by fact, and reference to the Minutes

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will show that the workers' side at least do their utmost to get the proposals ratified. The employers, however, constantly decline to confirm their own proposals from one meeting to another"?—That is so.

9507. Then you point out that Mr. Ward devoted some time to the composition of the Board, and then you quote him as saying: "The whole of the employers"—?—That should be "employees"; that is a typing error.

9508. "The whole of the employees' representatives speak; sometimes we wish they would not. It is probably in the interests of truth and justice that they should do so, but it is a bit trying sometimes." You do not accept that?—No.

9509. "On the workers' side during my experience and the experience of the two other men who were on Trade Boards, there is this—that no practical workman, if he is on the Board, ever speaks. The case is always presented in other words, in political oratory by union people in connection with labour leaders, and instead of the Trade Board being a reasonable group of practical men to solve a difficulty, the whole procedure of the Board is sacrificed to tactics." Then he says: "The speakers who speak on my Board are not practical. They are people who have always made a speciality of trade union politics, and as such they speak every time. At any rate, to my knowledge they have not been in practical work—I am speaking now of manual labour."

9510. Mr. Pugh: Who takes the case for the workers' side?—Alderman Turner is the chairman of the Board. It is not all the officials who speak on the Board. We try to reduce the number who shall state the case, otherwise you have constant repetition of the same thing over and over again.

9511. You follow the usual practice of Boards and have definite speakers who state the case, do you?—Yes, within limits. The workers are there, and it is not unusual for a practical man, if we are dealing with some subject with which we are not fully acquainted, to get up and say: "This is what actually happens."

9512. Chairman: You say in your statement that among 22 workers there are eight who are officials, and you say you wish Mr. Ward graced the Board oftener with his presence, and that if he had done so you do not think he would have made the assertion that only officials speak?—I think he may have been misled by someone who drafted his evidence.

9513. Then the workers who are not officials do speak when they think fit, I suppose?—Quite.

9514. You say there are practical workmen on the Committees?—We have practical workmen on the Sub-Committees, but we have not on the Administrative Committee. I think that was an oversight at the time when the Committee was appointed.

9515. Mr. Pugh: What do you mean? One who is actually working in the trade or one who has had practical working experience but is not actually working?—We are speaking here of one who is actually working at the trade. I am not quite positive on this, because I have not been able actually to get the information, but I believe, at any rate, one of the officials has passed through the trade.

9516. Chairman: Then you refer to Mr. Ward's comparison between the rates fixed by the Board for the scrap metal industry and the rates of wages prevailing in the steel industry, and you say that there is no analogy between the two trades?—That is so. You have quite a different position in the two trades. You have quite a different position as far as the fixing of the rates is concerned.

9517. Mr. Pugh: What do you mean by the scrap metal industry? Is that "scrap-breakers"?—In the scrap metal industry you have rather a wide range. You have at the one end of the scale the men who buy battleships and break them, and you come down from that through quite a number of different grades until you get to the small man who pushes a barrow round the streets and collects old scraps and occasional bedsteads or whatever he can get hold of in the

ordinary course. You pass through quite a number of grades between the two ends of the industry.

9518. Chairman: I suppose scrap metal is dealt with in steel works?—Yes; part of the steel works uses scrap metal.

9519. Lord Weir: I take it it is the same material which is being used outside as inside the steel works?—That is not quite so. I think at the present moment you have scrap metal reaching the steel works from two different sources. First you have the scrap metal which they produce themselves in the works.

9520. Mr. Pugh: Would the point here be that there is no fair analogy between the man who deals with the scrap and the man who hauls the scrap when it gets into the steel works? Mr. Ward attempts to make an analogy between the two and you say there is no analogy?—I say they are different industries.

9521. Dame Adelaide Anderson: You say there is a large proportion of the men engaged on this work outside the steel works and on this base rate?—Yes—a large proportion.

9522. As much as 60 per cent., you say?—I think, if anything, I have put the percentage too low.

9523. Is the position of these scrap metal reclaimers at all like the waste reclaimers who bring materials for shoddy into the woollen mills?—Yes; it is something on the same lines.

9524. Rag collectors and rag sorters?—Yes. At one end of the trade you have that. At the other end of the trade you have, of course, something quite different. At the one end of the trade you have quite a large number of men who are simply collecting any sort of waste that they can get hold of that is at all saleable. They make a sort of rough grading of the metal in the first instance; they sell it to the merchant, who is something rather more than they are and who is dealing with metal only; he does not deal with all sorts of other waste products. Possibly, it may pass through three or four hands before it reaches him.

9525. One sees small dumps in some parts of cities of metal in a very rusty condition?—That would be the dumps of one of the metal merchants who ultimately sells to a larger merchant in scrap metal, who again grades it and gets rid of it to a steel works.

9526. And it is the same as rag-sorting and paper-sorting?—It is the same system. I do not think paper goes through so many hands as happens in the case of metal.

9527. And in the metal it is the men who are chiefly employed, whereas in rag-sorting it is practically all women?—In the rag-sorting it is practically all women, and in the metal it is practically all men.

9528. Chairman: Then you quote from a report of the general meeting of the shareholders of Messrs. Thomas W. Ward, Ltd. I suppose you do that to show they are making a good profit?—I do that to show that they are not absolutely bankrupt. If a firm can make 10 per cent. in spite of a coal strike, they cannot be in a very bad way of business.

9529. Lord Weir: Were these profits earned during the year of the coal strike?—The coal strike interfered during that year. The chairman referred to it.

9530. Chairman: I think Mr. Ward said that scrap metal only related to a very small part of his business?—If I recollect the evidence rightly, I understood him to say it was the main part of his business, and that the ship-breaking was the minor part. I may be wrong; I am speaking from recollection.

9531. I think he said the ship-breaking was not the principal part, but I understood some other business took the greater part of his time?—That may be so.

9532. Then you say that it is not the high wages which have been a detriment to this business, but that there are other factors, such as the price of coal and the organisation of the industry, which are more important, and you give us a quotation from the "Waste Trade World"?—Yes.

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[Continued.]

9533. I see, on referring to his evidence, that I said to Mr. Ward: "I understand you are interested in ship-breaking." He said: "No, that is not my chief interest. We are interested very largely in ship-breaking, but that is not our principal business." I am not sure whether he told us what his principal business was?—I rather imagine that it would have been scrap metal, because he has very large scrap

metal works. I rather assumed that from a reply—possibly quite wrongly.

9534. *Mr. Pugh:* I think Messrs. Ward's business is mainly dealing with iron and steel scrap metal.—Mainly.

Lord Weir: Their main business, as a matter of fact, is the sale of second-hand machinery.

Chairman: Thank you, Mr. Hansen.

(*The Witness withdrew.*)

(*Adjourned till Wednesday, the 18th instant, at 11 a.m.*)

TWENTY-FIRST DAY.

Wednesday, January 18th, 1922.

PRESENT:

SIR ARTHUR F. PEASE, BART. (*in the Chair*).

THE RIGHT HON. LORD WEIR OF EASTWOOD.

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTELTON, D.B.E.

MR. J. BELL, M.P.

MR. A. PUGH.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (*Secretary*).

Mr. H. CRABB, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

SUMMARY OF THE EVIDENCE to be submitted by
Mr. H. CRABB.

I am one of the employers' representatives on the Boot and Shoe Repairing Trade Board (Great Britain), and have been authorised to give evidence on their behalf to this Committee. I also occupy the position of President of the National Federation of Boot Trades Associations.

The Boot and Shoe Repairing Trade Board (Great Britain) was established on the 18th April, 1919, and was one of the first of the Trade Boards set up under the Trade Boards Act, 1918. In addition to repairing, the Trade Board also includes within its scope the making of bespoke hand-sewn boots.

In the evidence I have to submit I deal almost entirely with the repairing side of the trade. The hand-sewn making forms only a very small part of the industry and is confined to the better class parts of large towns.

Trade Conditions prior to the Establishment of the Trade Board.

Before the Trade Board was set up, the boot repairing trade was in a condition that left much to be desired. It was regarded as a dumping ground for the crippled and the mentally deficient. When a boy was physically unfit for any other occupation, the practice was to pitchfork him into the boot repairing trade, irrespective of whether there was a fair prospect of his being able to earn his living at the trade on reaching manhood. The system of apprenticeship had fallen into disuse and youths entering the trade too often grew up to be indifferent workmen. This trade, which at one time was regarded as one of the skilled crafts of the country, had, immediately prior to the establishment of the Trade Board, come to be looked upon as almost an unskilled occupation.

Wages Prior to Establishment of the Trade Board.

Prior to the establishment of the Trade Board the average wages of the workers in the repairing trade were from 25s. to 26s. per week, and the number of hours worked averaged over 60 per week. During the war the rates of wages rose in common with those of other industries, but that was attributable to the great shortage of labour at that time.

Improved Conditions To-day.

I have great pleasure in testifying to the improved conditions in the industry during the short time the Trade Board has been in existence. The boot repairing trade has been raised from the position of a sweated industry to the level of other skilled trades, and credit for the improved status of the industry must undoubtedly be given in great measure to the operation of the Trade Board.

As President of the National Federation of Boot Trades Associations, I can claim to know the opinions of the majority of those concerned on the employers' side, and can say that, out of 200 branches covering the whole of England, only one branch has passed a motion in favour of the abolition of the Trade Board.

At the present time, there is a large amount of unemployment in the boot trade, as in other industries, but there is no evidence whatever to prove that the Trade Board has been the cause of such unemployment. From my experience as a member of the Trade Board, I am convinced that it is the only possible system to prevent the boot trade and other badly organised trades from reverting to pre-war conditions.

Permits of Exemption.

The consideration of applications for permits of exemption from the operation of the minimum rates for infirm or disabled workers has occupied a great deal of the time and attention of the Administrative Committee of the Trade Board, to whom the Trade Board delegated its powers of dealing with

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these applications. We have been very generous in the use of our powers to grant permits of exemption. Each case is carefully investigated by a member of the Committee. The usual practice is for a member to visit the workshop and see the worker at work and assess his value to his employer accordingly.

Over 630 permits at rates lower than those given by the Trade Board have been issued to sub-ordinary workers. This is a larger number than that issued by any other Trade Board, with the exception of the Laundry Trade Board, but the proportion of permits to the number of workers in the trade is higher in the boot repairing trade than that of the laundry trade.

The Position of Disabled Ex-Service Men in the Trade.

The Administrative Committee of the Trade Board has acted as a National Trade Advisory Committee in connection with the Ministry of Labour's scheme for the training of disabled ex-service men. The total number of disabled ex-service men who have been accepted for training is 4,442. Of this number, 1,250 were trained by the Ministry of Pensions. The total number, therefore, who have been dealt with by the Administrative Committee of the Trade Board is 3,192. Of these 3,192, 2,375 have completed their training and we have been able to trace 2,100 of these. 1,432 of them are to-day in employment or in one-man businesses, and of the remaining 668, 375 are known to be out of employment and 293 have gone to other trades.

No other industry in the country has taken on such a large number of disabled ex-service men for training.

Apprenticeship.

One of the earliest matters to which the Trade Board gave its attention was the revival of the apprenticeship system. We think that, in the interests of the boys themselves and of the trade, it is desirable that the system of indentured apprenticeships should again become a permanent feature of the trade. Under the provisions of the Trade Boards Acts which permit a Trade Board to attach conditions to the payment of learners' rates, we have drawn up systems of apprenticeship applicable to the various branches of the repairing and hand-sewn making sections of the trade. We have prepared a model form of indenture of apprenticeship for the use of employers in the trade. We have made the rates for apprentices lower than those for junior workers who are not apprenticed, so as to induce employers to adopt the apprenticeship system.

Institutions.

One of the great difficulties the Trade Board has had to contend with has been the case of lads who are partly trained in charity schools and other institutions, and who are put out into the trade after a preliminary training in these institutions under a bootmaker instructor. These youths are thrown into the trade regardless of the question whether or not there is likely to be an opening for them, or, in the case of crippled boys, whether they have any fair prospect of being able to earn their own living in the trade on reaching manhood. We have discussed this question with deputations from some of these institutions. We have also reason to believe that many institutions such as boards of guardians and asylums utilise the labour in the institutions for the purpose of doing repairs, not only for the inmates of the institutions, but for the outside public, thus competing with legitimate traders.

Under the present Trade Boards Acts, it has been held by the legal advisers of the Ministry of Labour that workers in such institutions, whose work is not utilised by way of trade or for the purposes of gain, do not come within the scope of the Trade Board. It is the unanimous opinion of the Trade Board that all such institutions, where trades are taught and where the work is done either for the use of the institution or the outside public, should be brought under the control of the Trade Board.

One-Man Businesses.

Another great difficulty in the boot-repairing trade is the larger number of repairers who employ no labour, and are known in the trade as "one-man" businesses. These men can sell their labour at any price and work as many hours as they feel disposed without coming under the Trade Board Regulations. A considerable number of these men take in work from retail shops. The retailer giving out such work is subject to the Orders of the Trade Board, but under the existing machinery it is extremely difficult to trace such men. The Trade Board, therefore, have suggested to the Government that all boot repairers trading with the public should be registered either with the Trade Board or with the Home Office.

General Minimum Piece Rates.

I wish specially to direct the attention of the committee to the fact that the boot-repairing trade is essentially a piecework trade. The great majority of the workers, about 85 per cent., are employed on piecework, and the Trade Board has drawn up a very exhaustive list of general minimum piece rates for the trade. These rates are the actual piece rates at which the workers are paid. In some parts of the country higher piece rates are paid than those fixed by the Trade Board, but generally speaking it may be said that the Trade Board general minimum piece rates are the basis or standard rates throughout the trade.

We regard it as very important that the Trade Board should have the power to fix the actual piece rates payable to the workers. Any proposal to take away from the Trade Board the power to fix piece rates would seriously diminish the effectiveness of the Boot and Shoe Repairing Trade Board.

District Trade Committees.

The Trade Board has established 14 district trade committees, covering the whole of England, Scotland and Wales. These district trade committees have, since their establishment, been consulted, as required by the Trade Boards Acts, on every occasion on which any variation of the rates has been proposed. On some occasions, before issuing a formal notice of proposal to vary the existing rates or to fix new rates for special classes of workers, the Trade Board have asked the district trade committees in the first place to give their opinions upon the Trade Board's suggestions.

I am in favour of continuing the policy of consulting these committees to the fullest extent in regard to proposals for fixing or varying rates of wages, but I am strongly of opinion that it would be impracticable to give these district trade committees power to fix rates independently of the Trade Board. The Trade Board have power to fix differential district rates, and, if at any time it should decide to do so, it would, of course, consult the committee; but it is essential that there should be a co-ordinating authority in the trade with regard to wages throughout the country. I think this co-ordination of wages can best be exercised through a National Board.

With regard to the method by which wages are fixed by a Trade Board, I would strongly advocate that the two sides of the Board get together as much as possible, and so arrive at settlements by mutual agreement.

RECOMMENDATIONS.

(a) Any proposals for the variation of wages or the normal number of hours of work in the trade have, under the present procedure, to go before the country for two months to give an opportunity for objections being lodged, and it takes from four to six months to bring about either an increase or a reduction in wages. I suggest that this procedure should be speeded up, so as to make it possible for Trade Boards to accomplish their object in six weeks. I would suggest that 14 days be allowed for lodging objections, and I think 7 days sufficient time to give the Minister of Labour to consider the question of confirming the rates after being fixed by the Trade Board.

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(b) Under the present Acts, if the Trade Board desires to give effect to any objections received within the two months or to any recommendations from the District Trade Committee, the Trade Board find themselves in the position that, if the proposed amendments are substantial alterations of the rates stated in the Notice of Proposal, they have to issue a further formal Notice of Proposal and to go through the same elaborate procedure again. The same difficulty arises when the Minister of Labour refers back to a Trade Board rates approved of by the Board. I suggest that a Trade Board should be given wide discretion to deal with amendments to proposals issued by them. They should be empowered to make such amendments as they consider desirable in view of objections made either by employers or workers, District Trade Committees or the Minister of Labour without being obliged to submit fresh proposals to the country.

(c) The Trade Board should have power to grant Permits of Exemption to workers who are not only suffering from some form of actual physical infirmity, but to those who are constitutionally slow and proved to be incapable of earning the minimum time rates. Permits in these cases would only be granted, of course, after careful investigation by a member of the Board or an inspector.

(d) Every boot maker and repairer working for profit should be brought under the Trade Board Regulations by some form of compulsory registration, thus enabling inspectors to trace those who collect repairs from shops and do the work in their private rooms.

(e) All workers employed by boards of guardians, asylums and similar institutions, whose work is utilised in the ordinary course for the purposes of the institution or for sale to the public, should be brought within the scope of the Trade Board.

(f) Stronger measures should be taken to enforce Trade Board regulations after the rates have become operative. The employer who (without a permit) pays less than the Trade Board rates and the worker who works for less than the rate should both be prosecuted.

(g) The chief inspector under the Trade Boards Act should be at the Trade Board Offices instead of at the Ministry of Labour, and should control the whole staff of inspectors at the offices of the Trade Board. The chief inspector could thus be brought into direct contact with the Trade Board and the Administrative Committee.

(h) Some of the legal advisers of the Ministry of Labour should be actually attached to the Trade Board Offices. This procedure would have the advantage of enabling the legal advisers to be in contact with men possessing technical knowledge, and members of the Board would have the legal difficulties explained to them when proceedings against a particular person for infringement of the Trade Board Regulations have not been instituted.

9535. *Sir Arthur Pease*: You are a member of the Boot and Shoe Repairing Trade Board?—Yes.

9536. What is your position; are you a member or an official of a union?—I am the President of the National Federation of Boot Trades Associations, an organisation representing the employers' side which covers the whole of England. Mr. Buckle represents the workers' side. I have been a member of the Trade Board from its inception.

9537. When was it first set up?—July, 1919.

9538. You say that before the Trade Board was established the conditions were unsatisfactory in the industry?—Yes; the boot making and repairing industry—of course, you will understand I am speaking for what is known as the bespoke trade, not the manufacturing side, because the manufacturing side of the trade does not come under the Trade Board; we cover what is known as the bespoke boot making and repairing. Before the setting up of the Trade Board there is no doubt that our trade came under the heading of what we speak of as "sweated industries." It was generally recognised, I believe, before the Central Profiteering Committee, that our

trade was about 25 per cent. below what is known as the "subsistence level" prior to 1914.

9539. *Lord Weir*: It had improved considerably in 1919?—Oh, yes; of course, during 1919-20 especially; before that really it had begun; directly there became a shortage of labour in the trade, naturally wages began to rise in other industries, and wages began to rise rather rapidly in our trade.

9540. That is to say, the conditions immediately prior to the formation of the Trade Board were fairly satisfactory?—They began to improve considerably before the Trade Board was set up; in certain districts it was not general.

9541. *Sir Arthur Pease*: You say that the system of apprenticeship had fallen into disuse?—Yes. The system of apprenticeship had become almost extinct, with the exception that, in some of the rural districts, I believe now and again lads were apprenticed, but then it was very seldom they were really indentured apprentices; they were simply taken on to be taught the trade for a certain number of years under verbal agreement, without any indenture and without any obligation on the part of the employer as to what he should really teach the lad; consequently, a number of lads, who were supposed to be apprentices in a way, never received a proper training.

9542. You also say that a number of boys who were physically unfit were dumped into this trade?—Yes; It has been a well-known fact for many years that the boot repairing and boot making trade has been what we have always termed a "dumping ground" for the physically unfit and mentally deficient—especially cripples. Of course, we are prepared to admit that, so far as the hand-sewn boot making is concerned, it is a very suitable trade for cripples and men who may be, perhaps, delicate in certain respects; but it is certainly not a trade which every lad who may be physically unfit for other industries should be dumped into; but that has been the case, unfortunately, without any regard to whether the lad would be likely to make a competent workman or not when he had completed his training.

9543. *Mr. Pugh*: That would be largely because you had no proper means to regulate the remuneration to be paid to the lad?—That is it.

9543a. Therefore they could be paid anything that could be arranged, I suppose?—Yes, that is right.

9544. *Sir Arthur Pease*: You rather mean, do you not, too, that there are certain physical infirmities which did not prevent a lad carrying out the trade as well as a fit man?—Yes, the loss of a leg, or being crippled in a leg, or the hip, is something in that way; so long as he had the full use of his hands and the full use of his brain, the trade would be suitable for him.

9545. *Dame Adelaide Anderson*: That would apply particularly to the hand work, not to the great heavy machine work at which standing at a complicated machine is necessary?—Quite so.

9546. A very heavy machine would not be suitable work?—Not to a defective lad, where he would have to stand a great deal.

9547. Is not the great bulk of the industry a factory industry?—Oh, no; not of boot repairing. There are certain, what we term, modern boot repairing factories, but it is only a minority of the trade that that covers.

9548. *Mr. Bell*: In the boot repairing trade, did the employers prefer to engage what we might call these cripples?—I do not know whether they preferred to engage them; they engaged them, I am afraid, in many cases under the idea that they were getting cheap labour. Personally, I am not of that opinion. I am not of the opinion that low-paid labour is cheap labour, but there is no doubt that is what influenced a large number of employers who used to take these boys in that way.

9549. While not agreeing with them, you are of opinion that the real reason why they were engaged was because it was cheap labour?—Yes, I think so.

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9550. *Sir Arthur Pease*: Wages prior to the establishment of the Trade Board, you say, were 25s. or 26s. a week?—Yes, that was about the average, I think.

9551. At what date is that: in 1919?—That would be right up to 1914; it was in 1915 that wages began to rise a little first; they gradually rose, and then they rose more rapidly as labour became more scarce.

9552. You say, "Prior to the establishment of the Trade Board": the Trade Board was established in 1919?—Yes.

9553. These figures refer to 1914, do they?—Yes, these figures refer strictly to 1914; but, as I say, they had gradually improved a bit before.

9554. What were the wages immediately prior to the setting up of the Trade Board?—I should say, though I have no exact figures to go on, immediately before they might have risen to an average of about 30s.

9555. Not more?—Not more I think, but possibly more; they had not risen to the extent they rose when the Trade Board came into existence and settled the minimum rate.

9556. *Lord Weir*: How much did the first Trade Board raise the wages?—The first minimum rate fixed by the Trade Board was fixed at 65s., which is still in existence, for time work, a 48-hour week.

9557. What percentage of rise did that represent?—I think that is obvious from the remarks which I previously made.

9558. You have told us that in 1914 the wages were 25s. or 26s., and you have told us that the Trade Board fixed the minimum of 65s. What did that represent as an increase over the pre-Trade Board wages?—Of course, you have to take into consideration the fact that whilst there was a big increase, we will say as compared with 1914, as you are well aware there was a big increase in the cost of living.

9559. I simply want to get the approximate figures. You have given a figure for 1914 and said that was prior to the Trade Board; that is rather too far back; I want it immediately prior to the Trade Board. Did you say 30s.?—I am just giving my opinion of 30s. I want it to be perfectly clear that there had been an improvement from 1914 up to the setting up of the Trade Board, although that improvement was not general; in the rural districts especially things were very little improved from what they were in 1914 right up to the setting up of the Trade Board.

9560. It really comes to this, that in certain cases perhaps a very small number of cases, the increase in rate would be 100 per cent.?—Yes, when the Trade Board was set up probably. I should say it would be about 100 per cent. when the Trade Board was set up and fixed its first rates.

9561. *Mr. Bell*: You tell us up to the time of the Trade Board being set up wages had increased. Now supposing you had had no Trade Board, would those increases, in your opinion, have been permanent, or would they have slipped back again to the old position?—I have no doubt, in my mind, that they would have slipped back again to the old position, or even worse.

9562. *Mr. Pugh*: Where do you get your 65s. in the Statutory Rules and Orders?—The first Order that was made, in November, 1919, was for time workers, 65s. for a 48-hours' week. I think it was confirmed in November.

9563. *Lord Weir*: You recognise that the 65s. is the highest minimum rate set by any Trade Board for any trade?—I am not prepared to say yes or no, because I do not know; there may be others higher, so far as I know, but, of course, as a member of the Boot Repairing Trade Board, I have confined most of my labours to that Board. If you want my opinion, I do not consider that 65s. was an excessive rate, if that is what you want me to say.

9564. That was not my point; I simply wanted to ask if you understood that your minimum rate is the highest rate of all the Trade Board rates.

9565. *Sir Arthur Pease*: Is 65s. still the rate?—

65s. is still the minimum time rate; but, of course, as you will see in another part of my evidence, the bulk of the work in the trade is done on piece-work lines.

9566. *Lord Weir*: That rate fixed in 1919 has not been changed?—No. I may say that there has been notice given for the next meeting of the Board for a reduction of the piece-work rates, but there has been no notice given yet for a reduction of the time rates—not yet.

9567. *Sir Arthur Pease*: Then you say that of all the members of the National Federation of Boot Trades Associations, only one Association has suggested that the Trade Board should be abolished?—That is true. As I said a few minutes ago, our Federation covers the whole of the Kingdom, about 200 Associations, scattered all over the various towns, and only one out of the 200 has passed a resolution against the continuation of the Trade Board. Our organization has been practically unanimous throughout the country that the Trade Board has been the means of raising the trade very largely to something like the same status as other skilled industries. We are also practically unanimous (I am speaking now of employers) that if the Trade Board should be abolished, the trade would slip back to the conditions we were in before the War—or probably worse.

9568. Is the Association which so passed this resolution an important one?—The Association that passed the adverse resolution is not a very big one, it is one of our smallest Associations, as a matter of fact, in a rural district.

9569. *Lord Weir*: Of the total number of workers who come under the operation of this Trade Board, what proportion does the Association which you represent employ?—The National Federation of Boot Trades Associations includes in its membership not only employers, because there are in our trade a very large number of tradesmen who employ no one; they do not come under the operation of the Trade Board, but a number of them are members of our organization. If they are in business for themselves they are eligible for membership of our organization.

9570. I want to get at who you are speaking for; what percentage of the workers come under the Board?—You will excuse me, I am not speaking for the workers; my friend, Mr. Buckle, is speaking for the workers. I am here as representing the Boot Repairing Trade Board; I am not here to speak for the organization of which I am president, although naturally I know their views.

9571. You are representing the employers; I want to know what percentage of the working boot repairers those employers employ?

9572. *Mr. Pugh*: The point is that the members of your Associations employ the workpeople who come under this Board?—Yes.

9573. Of the total number of workpeople coming under the Board, how many are employed by members of your association and the bodies you represent here to-day?—That is a question which I am not prepared to answer, but I should say the majority. Mr. Buckle may be able to answer that question better than I can, but I should say that the majority of the workers in the boot repairing industry are working for the firms which belong to our organization.

9574. Which you represent?—Yes. I do not think it will be denied that the bulk of what we term the best men in the trade are members of the National Federation, the organisation we represent.

9575. What percentage of workers will be outside the control of the associations you represent. Can you give any idea as to how many will be outside your associations?—You are asking me questions which I think should be better addressed to Mr. Buckle, as representing the workers.

9576. I think the point is that your associations employ a very large number of workers. We want to know how many of the workers are outside the purview of your associations; how many employers are outside your association, and how many workers do those that are outside employ?

9577. *Mr. Bell*: Do they employ a quarter of them?—Those outside the federation?

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9578. Outside your associations?—Yes, probably they do, but I think, as I said just now, the overwhelming majority of the workers are employed by employers who are members of the National Federation.

9579. *Sir Arthur Pease*: You go on to describe the system you have of exemptions under permits; you have found that work satisfactory?—Yes, but, as I have said in my *précis*, I believe it is acknowledged that, with the exception of the Laundry Trade Board, there have been more permits of exemption applied for, and granted, under the Boot Repairing Trade Board, than any other trade. Taking into consideration the number of employers and employees controlled by the Boot Repairing Trade Board and the Laundry Trade Board, the Boot Repairing Trade Board has granted more permits of exemption than any other Trade Board in existence. That has been brought about very largely in the circumstances which I stated in my previous reply, that there had been so many mentally deficient and cripples, and so on, brought into the trade. We have taken a very liberal view of what I may term the mental defects or physical defects as to which we have powers to grant permits, and we have taken a great deal of care to investigate the cases. Nearly all the cases have been investigated personally by a member of the administrative committee of our Board, either from one side or the other. In some cases where they have been extremely difficult cases they have been investigated and reported on by members from both sides, both from the workers' and the employers' side; but we have worked together very amicably in all these cases. I want to say that for the workers' side, as well as for the employers' side; that we have worked together amicably, I believe, each side trying to do the best they can, both for the employees as well as the employers in these cases.

9580. Do you mean to say a member of the Board has interviewed each man?—Yes, in most of the cases; I do not say in every case. There are some cases which require no investigation; they speak for themselves. For instance, if a man applies for a permit and he is nearly 70 years of age, and has some physical defect, and the employer (which it has been in many cases) is offering a reasonable wage for a man of that age, we do not make any investigation then.

9581. How many are on your Administrative Committee?—Ten, I think; five from each side of the Board.

9582. Do you have the men come to see you, or do you go and see the men?—We go and see the men.

9583. Anywhere in England?—It is generally done in the district. My friend, Mr. Buckle, lives in Leeds; if there were an application for a permit somewhere in the radius of that district, Mr. Buckle would take it; another member might be living in Manchester, he would investigate the cases in that particular area. There might be some somewhere in London, or near London, in the Home Counties round London, and I might be asked to take them. They ask the man nearest to them to take them.

9584. *Lord Weir*: Is the distribution satisfactory, that is to say, that the representatives on the Board come from all the different districts in the country, so that the country cases can be handled?—Yes, quite; in any case, since the setting up of the District Board Committees. In our trade there have been District Trade Board Committees set up: nine in England, three in Scotland, two in Wales, I think; 14 altogether. Since the setting up of the District Trade Committees, in some of the rural districts, a long way away from London, we get the investigation made by a member of the local Trade Board Committee, and they send in a written report.

9585. *Dame Adelaide Anderson*: Does the word "sub-ordinary" cover those with some marked physical defect or deformity, or does it in any way cover a sub-normal worker in the sense of speed?

—Under the existing Trade Board Acts, I believe we are not allowed to issue a permit to a man unless there is some physical defect, although, as I say, we take a very liberal view of that when a man is advanced in age. That is the opinion of our side of the Board. I do not know whether my friend, Mr. Buckle, is of the same opinion, but it is the opinion of our side of the Board that the Trade Board should be given power to issue permits of exemption to men who are naturally slow, and proved to be unable to earn the minimum rates.

9586. *Mr. Pugh*: What would that arise from: age?—Not necessarily age. Sometimes you might have three men working in the same shop of the same age, or about the same age, but one man is naturally slow, and he knows he is naturally slow.

9587. If you run a piece-work system, surely that adjusts itself?—It is quite true; but in some districts, specially in the rural districts where the work is so rough and heavy, and so on, an employer may not have sufficient work to keep a man fully employed at boot repairing; you will find, in many rural districts, a man who is the village boot repairer has got some other business as well, and he will keep a man who will do his boot repairing and do odd jobs; it is much more convenient to a man like that to pay a fixed weekly wage, which will cover his boot repairing, and anything else he does, than to pay piece-work for doing the work, while he is doing boot repairing, and something more for something else, which he may not be doing; that is where the difficulty comes in.

9588. That, of course, would be an arrangement to meet purely local conditions, and not one to deal with the case of a slow worker, would it?—No; well, we get slow workers in our own shops, even in London. I might give you a case in point, in my own shop, where I have three men; I should say the oldest of them would be about 40; they range from 25 to 40. They were all on piece-work, one man would earn, on the average, £5 a week in a 48-hour week; he was an exceptionally good man. The next man would earn, on the average, about £4; the third man, the youngest of the three, could never earn above the minimum of 65s. As a matter of fact, to take an average, in a 48-hour week, his earnings would average about 60s.

9589. *Sir Arthur Pease*: Doing the same work?—Doing the same work and being paid at the same rates; but the man was naturally slow, and he knew he was naturally slow, and he would be quite willing to take a permanent job at a time rate of 60s. a week; but, of course, that could not be done.

9590. Could that man get exemption, in your opinion?—No, he could not, because he was suffering from no physical disability; he was simply naturally slow.

9591. I rather gathered that, with a liberal interpretation, you really brought them in?—No, but we think we should be able to bring them in; we think that is one of the points that this Committee should recommend to the Ministry: that the Boards should be given discretionary power to grant permits in all cases.

9592. *Mr. Pugh*: It is because you are asking for power that I am rather pressing the point. Surely those three persons, being on a piece rate, the thing adjusts itself: you pay no more per piece to get the work done, the only thing is that one man earned much less than the others. Is your point that he did not earn, as a result of his slowness, what the Board rates say he must earn. Is that the point?—No, my point is this, that we come across a large number of cases where men of that type would rather work for a fixed weekly wage, and in many cases the employer himself would rather pay them a fixed weekly wage, than for him to be on piecework; because you can see, as well as I do, that when a man is on piecework, and work gets a bit slow, he may be told to stand off for a day or two, whereas if he is on a fixed weekly wage it is very improbable he would be.

9593. Your point is that you cannot put him on a fixed weekly wage?—You cannot put him on a fixed

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weekly wage because the employer naturally would not put him on for 65s. if the man could not earn that at piece-work rates.

9594. *Lord Weir*: To take Mr. Pugh's point a little further with regard to this man who could only earn 60s. on piecework, under the Trade Board piece-work rates, assuming that the inspector came, has the employer got to make up the rate?—Oh, no.

9595. What is the man paid: 60s.—what he earns?—The 65s. is the minimum rate for men who are on time rate for a 48-hour week, but if a man is working at the piece-work rates, if he was unfortunate enough to be so slow that he could not earn more than 40s., that is all he is entitled to; and, of course, neither the inspector, nor the Board, has any control over the employer or the employee in that case.

9596. In this case you have no special piece-work time rates?—Oh, no, we have no guaranteed time rate for pieceworkers.

9597. In boot repairing, you do not have that?—No.

9598. *Mr. Bell*: Then what is the point in asking for exemption for men who may be slow workers if all they get is what they earn at piece rates?—Simply, as I said just now, that I know (I am speaking from my experience now which I have gained during the last 12 months in practically covering nearly the whole of England at different times) that there is a general demand now by the workers and employers, in the case especially of the rural districts, as I was saying just now, where men like that feel themselves that they would be much better off to be paid at a time rate, a reasonable time rate, which they know they can earn, rather than have to depend on the piece rates and be put off now and again, when they might get work otherwise.

9599. Suppose a man is working at piece rates and the minimum has been fixed at 65s., but being on piece work he only earns 40s., he is already exempt from the operation of the minimum because the minimum is 65s. and he is only getting 40s.?—Quite so.

9600. Is it likely that the employers will pay more than the 40s. even if they put him on a standard wage if when he is working on piece work he only gets 40s.?—I do not think it is likely.

9601. Is it likely they will pay him less?—Yes, quite likely they would pay him less if they could, perhaps—some of them.

9602. *Mr. Pugh*: It is a matter of greater elasticity in your arrangements that you want?—That is what we want.

9603. *Sir Arthur Pease*: If you broaden the scope of it as you suggest, do you think it is possible for the Administrative Committee to deal with the increased number of cases that would come before it?—Yes, as a matter of fact, we frequently get applications for permits of exemption in such cases as this. Of course, we do not get so many of them now because they are getting to know there must be a physical disability. We used to get a number of applications which we had to refuse on the ground that there was no physical disability. I have no doubt, in my own mind, the cases could be dealt with for the simple reason that they could be dealt with by the administrative members of the Committee from either side of the Board. I believe I am correct in saying that the employers have never disputed the report made by the workers' side of the Committee, neither have the workers' side disputed any report made by the employers' side in these investigations. We have always taken it that we are practical men, and if a man goes into a shop and sees a man work for a time, besides making a number of inquiries, he is able to assess that man's value.

9604. You seem to be a very happy family on this Board?—I am very proud to say we are; we work very amicably together, because I believe the majority of us, at any rate, realise that there are rights on both the workers' and the employers' side.

9605. *Lord Weir*: What happens just now to a man who is not worth 65s. a week?—Of course, he is

almost invariably put on piece work now, or in some cases where, as I have said, there is a mixed employment, they put the man on the hourly time rate, that is, 1s. 4½d. an hour for the time he is actually working at boot repairing.

9606. Surely we are not to take it that your Board believes that that minimum rate applies to people partially employed in boot repairing?—Most decidedly. If they are working at boot repairing they are under the control of the Trade Board.

9607. For a period of a week, surely?—For the time that they are working at boot repairing, they are certainly under the control of the Trade Board.

9608. For the hourly time?—Yes. I want to be perfectly clear: if I understand you rightly, if a man is working for three days in the week boot repairing, and the other three days farming, during the days he is boot repairing he is undoubtedly under the control of the Trade Board.

9609. On an hour's rate based on the 65s.?—Yes, or on piecework, whichever his employer and he agree on in that respect.

9610. *Mr. Bell*: May I take you to another point as an illustration: in addition to the operatives that you employ at boot repairing, you employ a large number of clerical workers?—They do not come under the control of the Trade Board.

9611. This is the point I want to bring out; some clerical workers write much more quickly than others?—Oh yes, of course.

9612. But the invariable custom, I think, is that at a certain age they all get the same wage, although one may be able to do far more work than the other. Is there any reason why the same system should not apply to operatives as applies to clerical workers?—Yes, I think there is reason. A person working at clerical work, as time goes on, naturally gains considerable experience in connection, we will say, with clerical work and bookkeeping, and so on, which they did not have in their younger days, and whilst they may be slower they are certainly worth more than, we will say, one who might be more rapid but had not had the same experience. But I do not think that applies to much extent to the worker in boot repairing.

9613. In the case of the slow worker on the clerical side, do I take it that sometimes the slowness is due to more care?—Yes, I should say so.

9614. Does not that also apply to operatives?—In some cases I think it does.

9615. *Sir Arthur Pease*: Is it a fact that your clerical grades are all paid exactly according to age?—I really do not know what operates generally with regard to clerical work. In our trade, the boot-repairing trade, there is not a large number of employees employed on clerical work—in fact, a very small number.

9616. They have a scale according to age?—I do not think so. So far as I know, I should say that their wages would be regulated very much by the agreement between the employer and the employee: in cases where the employee is a member of the union there may be some negotiations in that way perhaps, but I am not in the happy position of being able to employ clerical labour myself.

9617. *Mr. Pugh*: The average boot repairer is his own clerk, is he not?—That is right, and some of them very bad ones.

9618. *Mrs. Lyttelton*: In effect what you want is two minima; you want a minimum for the ordinary worker and a minimum for the slow worker?—No, I am not asking for that; I am speaking of what I term the general minimum for the trade. I think the minimum rate fixed for the workers in the trade generally should be such a rate as to enable a man to live and keep his family in decency.

9619. Yes, I understand that.—But on the other hand, the trade has already a power of granting permits to a man who may be suffering from some physical disability: if he is lame that is a physical

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disability; but if a man has not got a physical disability, although he is naturally slow, we have no legal power to grant him a permit.

9619A. I know, but would not it tend, if you had more power, to the establishment of two minima?—Possibly, I admit that danger.

9620. Do you think that would be a good policy?—I am speaking from my experience on my own Board; I do not think we should suffer under our own Board, for the simple reason, as I say, that we work together so amicably.

9621. *Sir Arthur Pease*: Would you suggest, as has been suggested to us, that men over a certain age should be excluded automatically from the operation of the minimum?—No, I would not suggest that, because some men, even up to 70 years of age, are as good workers as they were at 50.

9622. You would leave it all to this Administrative Committee to decide whether they were fit or not?—Yes.

9623. *Lord Weir*: The fact that you have as a matter of fact a very high minimum rate makes the necessity for a little elasticity in permits rather more important to your Board than other Boards?—Well, of course, the cost of living has gone down considerably since that minimum rate was fixed, and it is quite possible there may be a demand put in for a reduction of that minimum. As I said just now, there has been no demand put in, but it is quite possible there will be.

9624. Of course, you have no foreign competition, for example, to cause you to ask for a reduction; so long as the Trade Board preserves the same level throughout the trade there is no particular reason why you should ask for a reduction, is there?—Well, if we got to feel that the minimum rate which we are paying is higher than what is being generally paid in other skilled trades, I think you may take it there would be a demand put in for a reduction. We recognise this on the employers' side of the Board as well as the workers' side: that there is no reason why a boot repairer working 48 hours, if he is a competent workman, should get any less wages than a man who may be a builder or an engineer, it is a skilled trade, and if he knows his trade, and does his 48 hours a week, there is no reason why he should be paid less.

9625. That is, you recognise although in your case there is no external competition, yet you must help others to get the cost down.

9626. *Mr. Bell*: Can you tell us what were the reasons which led your Board to fix 65s. as the minimum?—The reason 65s. was fixed as a minimum was certainly, if you want my personal opinion, that having regard to the cost of living at the time it was fixed, it was really a low minimum. I may say that the demand which had been put in by the workers' side was for a considerably bigger amount than that, and that minimum was fixed after a considerable amount of negotiation, which I believe lasted over three days, if I remember rightly, and which was really a compromise between the two sides.

9627. So that the 65s. then was fixed as being the least amount which, in the opinion of your Board, a man could maintain himself on?—Yes, at that time.

9628. That being so, if any exemption from that rate was given to slow workers, how were they going to live?—Oh, yes, of course, I expected to have that question put to me, but my reply to that would be, if that man was on piece work, as he would be if we had not the right to grant him a permit, and he only earned 20s. a week, I might retort by asking you the same question: how does he live? Unfortunately they have to live, or exist.

9629. The probability, if he could only earn 20s. in the boot trade, is that he would find some other occupation he was adapted for, where he could earn more. That is the probability, is not it?—I do not know I am sure. We have a lot of men in the boot repairing trade as to whom both sides of our Board

would be very glad if they did find some other occupation.

9630. *Dame Adelaide Anderson*: This remark applies to a comparatively small number of cases where power is used in the works?—Yes; but there are no piece work rates fixed for the finishing of repairs which is done by what we call the up-to-date factories, where they have power machinery running. The Trade Board have not fixed any piece work rates for that.

9631. Not yet?—No; we have had applications in, but we have not been able to fix that.

9632. How long ago did they begin to apply power to this work?—Twenty years ago in a small way.

9633. Has the use of power in boot repairing grown at all?—Yes, very considerably.

9634. What proportion is it now?—In the large provincial towns and London, I should say that the bulk of the work was done in shops where there is power machinery of a certain type. What I mean is, you will find many what we call small repairing shops, where there is perhaps only the employer and one man, or even a lad, where they have got a finishing machine run by power; but the bulk of the work throughout the country is done in shops of that type, or shops where there is no machinery at all. In London and some of the big provincial towns there are what we term up to date modern repairing factories. Perhaps you might find in the whole of London half a dozen, not more, I think.

9635. Employing, on the average, a larger number of persons?—Yes, some of them. For instance, I have in my mind now three, what I call the three principal ones in London, which certainly employ on the average from 20 to 30 men each of them, which, of course, is a large number of workers in a boot repairing shop—taken throughout the country.

9636. Would you still say then, that the great majority of the workers are hand workers?—Oh, yes, undoubtedly.

9637. It is not a growing movement to apply power to this work, as it is in some other industries?—Yes, I think it is a growing movement, but so far as the small country towns and the rural districts are concerned, they cannot apply machinery to it to a very great extent for the simple reason that it can only be applied to what we term mass production; where you can get an abundance of work.

9638. Owing to the cost to introduce it?—Yes: the most they would do would be a finishing machine.

9639. Is there any provision for sending out part of the work to a factory from a small hand place?—There is a very large portion of that work being done now, and that is one of the weaknesses which we feel we are labouring under. Very few foot retail shops, by which I mean a shop where they sell boots and shoes, actually do their own repairs, but they take in repairs from the public.

9640. And send them on?—And send them on. In many cases they will send them to the factories which I just referred to, but in a larger number of cases they have men who come into their shop every day and collect whether it is one or a dozen repairs and take them home to their own private houses, or in some cases a little shop, and do the repairs for the retailer.

9641. On lines similar to bespoke work?—Yes, but this is the weak point; of course, we know under the Trade Board Act that the retailer is responsible to see that that man who is doing his work is paid Trade Board rates of wages and works Trade Board hours; but the difficulty, you see, is that the man is working at home in his own house, he is not an employer, he does not come under our control, and it is absolutely impossible for us to know whether that retailer is paying him the minimum rates or not. You may say to me, why do you, an employer, worry your head about that? I say, for this reason: that in many cases he is competing with and undercutting an employer who has men in his shop and has to pay the Trade Board rate of wages.

9642. I want to clear up the point as to the use of power in the industry, when it began, to what extent it has grown, and whether it was exercising

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an influence on wages by lowering the wages of hand work before the Trade Board came into existence?—I believe it did have the effect of lowering the wages in some cases where they put in a finishing machine.

9643. If the Trade Board regulations ceased, that would be a factor, as well as the taking of so many of the cripples, and so on, in lowering the rates?—Yes, I think it would.

Sir Arthur Pease: You say, lowering the rates. Do you mean that the machines did part of the work, or do you mean that the man was actually paid less. Supposing a job cost 5s., and the machine took half-a-crown's worth of it, and the man took half-a-crown's worth of it, do you mean the man was actually paid less per hour, or the total amount of money received for wages was less?

Dame Adelaide Anderson: My question was simply directed to the competition.

9644. *Sir Arthur Pease:* I follow your question, but I am not clear as to the reply.—My reply to the lady on my left was to this effect: (If I understood her rightly, of course, she was asking me what tendency had been brought about: whether the introduction of machinery before the setting up of the Trade Board had had any effect on keeping wages down). I think it would very largely have that effect.

9645. The rate of wages?—Yes, in keeping the rate of wages down; but I am not going so far as to say that introducing more machinery under the modern factory system would be the means of bringing wages down, although I admit there is the danger of that under what we term the speeding-up system; but I want to reiterate that the bulk of the work is not done in those big repairing factories, nor can it possibly be done, because in the small towns there is not sufficient work to warrant a man going to the expense of putting all this plant and machinery in.

9646. *Dame Adelaide Anderson:* Except by sending out the work in part to a factory?—Even then, if you take a small town of anything under 20,000 inhabitants, there would not be sufficient work, if you put up a modern boot repairing factory, to keep a factory like that fully employed.

9647. *Mr. Bell:* Do I understand that what you mean is, that the factory system, whilst it may increase the earnings of those who are working in the factory, has a tendency to reduce the wages of those outside, because the cost of doing the work is so much higher?—That is right. To put it plainly, what I mean is this: if a man has got a modern up-to-date boot-repairing factory in a big town, and he is employing his men, we will say, at the minimum time-rates, by the speeding-up system on the finishing machines and stitching-up machines and sewing-on machines, and so on, he is able to turn out work cheaply, and naturally to cut prices of the man who has got to get the whole of his work done right through by hand, which they are bound to do, as I have said before, in some of the smaller districts.

9648. I think I understand that; it may be possible in the future, in the same time that it takes a man to do one pair, to do three pairs with the machine?—Quite so.

9649. *Lord Weir:* This piece-work schedule that you have here covers the method of doing one pair of boots, and also the different sub-divisions of work to enable the three pairs to be done which Mr. Bell has spoken to?—The piece-work rates cover the whole of the sub-divisions with regard to what we term the benching and the finishing and stitching, but it does not cover, because there is no piece-work rate for it, finishing done by machinery; and, of course, the bulk of the work which is done by machinery in any repairing factory is finishing. Of course, there could be no difficulty in fixing a piece-work rate for finishing by machinery in a small shop, where the whole of the finishing would be done by one man, but the difficulty which we are up against (and this is a matter which we have discussed several times) in a modern boot repairing factory is, that they try to run them very

much on the same lines as a manufactory, where a repairing job passes through the hands, we will say, of half-a-dozen different workers. The difficulty is, we get so many small jobs: we will say a pair of lady's boots heeled, or a gentleman's boot with just one toe-piece; if they passed that through a machine, it has to go through each process on the machine the same as a complete job of soleing and heeling, and in a small job like that, passing through the hands of a number of persons, it is difficult to divide it up so that each gets his proportion. We could handle it on a large scale, in grosses instead of small individual pairs or one boot.

9650. But this list really constitutes the stereotyping of the wage cost of all boot repairs all over Great Britain?—Yes, the schedule provides for the boot repairing done by hand throughout the whole of Great Britain. Of course, in certain districts they pay above the Trade Board rates considerably. Everyone, in Lancashire and Yorkshire especially, is paying at the present time, I believe I am correct in saying, 30 per cent. above Trade Board rates, and, of course, in the West End of London what is known as the West End bespoke trade, and again in Glasgow and some of the Scottish towns; for the best class work not only now since the setting up of the Trade Board, but even in pre-war days they paid considerably above the rates paid by the general repairer for bespoke work. It is a better class of work and the men are more highly skilled.

9651. Did this schedule exist before the Trade Board?—No.

9652. I do not mean the prices in it?—There were certain piecework rates; but every different part of the country had their own piecework rates; there was no uniform rate covering the country as there has been since the Trade Board was set up.

9653. *Mr. Pugh:* Has there ever been a demand for definite district rates to be made?—No.

9654. Different rates?—No; we have not had an application for a differential rate. That was one of the questions we had in view when we set up the District Trade Board Committees. I believe I am correct in saying that only one of the District Trade Board Committees since they have been set up has passed a resolution asking for a different rate—one district only.

9655. One district committee established for the purpose of dealing with those questions?—Yes, making recommendations.

9656. So if there had been any demand you would have expected to have had it expressed through the District Committee?—Yes.

9657. *Sir Arthur Pease:* Which district was that?—I am not quite sure, but if my memory serves me right, I think it was the West of England.

9658. *Mr. Bell:* Was that an application for preferential treatment, to be allowed to have a less minimum than the one you had fixed?—It was not a formal application, it was a resolution which I believe was passed at one of the meetings of the district committee suggesting that a lower minimum should be fixed for the area covered by that particular district than the general minimum rate for the country.

9659. The inference naturally being that they desired to pay a less minimum than the one you had fixed?—Quite so; that was what they had in their minds.

9660. But there are a number of districts which are paying considerably more than the minimum you think?—Quite true.

9661. *Sir Arthur Pease:* Except for the exceptions you have mentioned, these rates, which are called minimum rates, are really standard rates in the Trade?—They are.

9662. The people who are paid differently from that are quite a minority?—I should say so, covering the country generally. I believe it is principally in Yorkshire and Lancashire where the higher rates are paid, although Mr. Buckle would know better than I on that point, covering the whole of the country.

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9663. *Lord Weir*: Do you have applications from employers who have got a new method of doing the work, and new facilities, for a variation or a special minimum piece rate?—No, we have received no such applications.

9664. None whatever?—No.

9665. *Sir Arthur Pease*: The next question you refer to is the disabled ex-service men; you give an account of the provision which has been made?—Yes.

9666. *Mr. Pugh*: These arrangements with regard to the ex-service men have been made through the machinery of your Board largely, have they not?—Yes.

9667. Do you think you would have been able to have made the arrangements so successfully if you had not had your Board machinery in existence?—No, I do not think we could possibly.

9668. You think the Board machinery was necessary to give proper effect to the desire of the trade in regard to ex-service men?—Yes, I do. I may say before my Board was set up, the training of disabled men, which was then under the control of the Ministry of Pensions, was anything but satisfactory; in fact, we came across many cases where, to put it plainly, the conditions were scandalous. Ex-service men were being, what I may call, dumped into certain shops, where they were supposed to be trained in boot making and boot repairing, where the conditions were such that it would be absolutely impossible for the men ever to become competent workmen. When the Administrative Committee of the Trade Board was made the authority for dealing with the training of these men, we took particular care to see that these men were put into shops where they would receive a proper training, and especially during the last 12 months of the training we also take particular care to see that there is a promise of employment for that man when he has completed his training, or a suitable district in which he can start business for himself.

9669. *Sir Arthur Pease*: The number that has been dealt with by the Trade Board is 3,192, and of that number, 2,375 have completed their training?—Yes.

9670. Of those you know, 1,432 are now employed in the trade?—Yes.

9671. And of the balance, 375 you know are out of employment?—Yes, that is right.

9672. As to the others, you do not know?—There are about 668 remaining, and out of them we know there are 375 unemployed. As to the other 293 we do not know what has become of them; our assumption is that they have given up the boot-repairing trade and gone into some other industry.

9673. *Mr. Bell*: Does the 1,432 include those who may have started in business for themselves?—One thousand four hundred and thirty-two are in employment or in one-man businesses, and of the remaining 668, 375 are known to be out of employment; there are 293 we have not been able to account for.

9674. *Sir Arthur Pease*: You told us that the apprenticeship system was practically dead before the Trade Board?—Yes.

9675. Now you have made arrangements for the apprenticeship system to be revived?—Yes.

9676. By that system, are properly apprenticed boys paid at a lower rate than an ordinary learner?—Yes, he is paid at a lower rate than the ordinary learner.

9677. Do you find that work satisfactorily?—We have found that work very satisfactorily. We had two things in view in fixing the apprenticeship rates. First of all, we were very anxious to prevent, as I was saying just now, the dumping of boys into the trade irrespective of whether there was any prospect of their becoming competent workmen, and we were also anxious to stop what we have always termed the blind-alley occupation. Especially in workshops where there is a finishing machine it had become very general for boys to be taken in to do odd jobs about the shops and little jobs connected with the finishing machine, and then when they had been, say, a couple of years like that they were thrown on

the labour market, and in many cases these lads have considered themselves boot repairers; consequently boot repairing had become—well, anything but a skilled trade in a large number of cases. So we had two objects in view; we wanted, first of all, to see that boys coming into the trade did not waste their time and then be thrown on to the labour market with no trade at their finger tips, and we also wanted, at the same time, to try to bring the trade back to what it used to be in the old days, a skilled industry, and see that the boys coming in received a proper training. We prepared a form of indenture, and there again, before we register any apprentice, we take care to find out that the employer is in a position to be able to carry out the terms of that indenture and teach the lad what he undertakes to teach him.

9678. *Mr. Pugh*: Is your apprenticeship scheme in operation now?—Yes.

9679. You really will have no "learners" difficulty, such as they have in some other trades?—Of course, we have just recently adopted another scheme for learners, apart from the apprenticeship scheme, so that a lad can be registered as a learner without being an indentured apprentice; but there again he has to be registered with the Trade Board.

9680. Is the sole difference between the two, that of the indenture?—The wages are a bit higher for the learner than for the indentured apprentice. We prefer to get them indentured, because we feel there is more likelihood of the lad getting a trade if he is bound apprentice for four or five years than there would be if he came in as a learner liable to be discharged at the end of a short time at a week's or a month's notice.

9681. *Sir Arthur Pease*: The next point you take up is with regard to institutions; you say you have great difficulties to contend with on the Trade Board because of institutions which partially train people. Would you develop that?—We get a great number of applications for permits for lads, and this is how it comes in in most cases: they are lads suffering from physical disabilities, and in a very great number of cases mental defects, and they have had some, what we term rough and ready type, practical training in the institutions in which they have been brought up, industrial schools, schools under Boards of Guardians, and so on, and it has been the custom then to dump those boys out into the trade. We have had a great deal of difficulty in dealing with these cases, and partially to meet the difficulty there we have just recently fixed up a rate, because, to develop the point further, you know that in most of these cases, where lads are put out as apprentices from these institutions, there is a premium paid, and the employer undertakes to provide a boy with food, clothing, medicine and so on. Our difficulty has been to deal with these cases in regard to the employment wages which the employer would have to pay these boys. An Order has just recently been confirmed by the Ministry of Labour; apart from our ordinary efforts we have prepared a scheme fixing rates of wages for boys who are also provided with clothing and food, and other necessities during their term; but one of the difficulties we are up against, which applies not only to the apprentices but to the institutions generally, is that the instructors in those institutions, we are advised by the Legal Department of the Ministry of Labour, are not subject to Trade Board regulations. We think they ought to be subject to Trade Board regulations, for more than one reason.

9682. You mean the instructors should be?—Yes, for more than one reason. First of all, if they were subject to Trade Board regulations we think it would be more likely that those institutions would have more fully competent men as instructors, and therefore the lads would be likely to receive more competent training; and another reason is that we have reason to believe that, in some cases at any rate, those institutions not only do the work for the inmates of the institutions, but they do work for the

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public outside, thereby competing with the legitimate trader, and for that reason we think that at those institutions the instructors, and not only the instructors, but any others that are employed there, should come under the Trade Board; what I mean to say is, that there are cases where the Boards of Guardians, for instance, do their own boot repairing inside, and they have got an instructor, and perhaps they employ one or two other men as well doing the repairs and making for the inmates. We claim that in that case the instructors and the workers should be subject to Trade Board regulations, and should be entitled to the same rates of wages as the men working for an employer outside.

9683. *Dame Adelaide Anderson*: Even if they are only working for inmates?—Yes, even if they are only working for inmates, because, indirectly, they are competing with the general public.

9684. Where would you draw the line if you go beyond a contract of employment, because it might then become impossible for anybody to exercise a craft?—I do not see your point.

Mrs. Lyttelton: There are quantities of women in villages now who are learning boot repairing and repairing their own boots.

9685. *Dame Adelaide Anderson*: And possibly their neighbours' as well?—We know that is so, and if you want my personal opinion, I think it is a scandal that the Education Authority should spend money in teaching women to do boot repairing when there are so many boot repairers walking the streets looking for employment.

9686. *Mrs. Lyttelton*: I do not think that the educational authorities are responsible?—We have reason to believe it is so, in London, at any rate.

9687. *Dame Adelaide Anderson*: It is, really, the ordinary contract of employment which brings a worker under the Trade Board?—Yes, quite so; but a contract of employment, to use my illustration of, we will say, the Board of Guardians doing their repairing inside, instead of having it done by an outside contractor; I have known of certain cases where certain contractors have been doing the work for a particular Board of Guardians, and then suddenly that particular Board of Guardians has decided that they will have in a boot-repairing instructor and do their own work inside.

9688. *Sir Arthur Pease*: Because they can do it cheaper?—Quite so; but, not being under Trade Board control, it gives them the opportunity of employing men at less than Trade Board rates of wages, and, consequently, they are competing with the outside workers for the simple reason, as I said just now, that they can get their work done inside cheaper than they can get it done outside.

9689. *Dame Adelaide Anderson*: You would say that working for the outside public is on a totally different basis to working for an inmate?—I agree there is a difference. What I say is that those institutions ought not to be allowed to work for the outside public at all.

9690. *Mrs. Lyttelton*: You want them controlled, even for their inside work, I understand?—Yes, if they are wage earners.

9691. *Dame Adelaide Anderson*: If they are wage earners?—Yes. If they are wage earners; they are outside our control, so we are advised by the Legal Department; that is my point.

9692. *Mr. MacCallum Scott*: Supposing a tramway company were setting up a boot-repairing shop to supply its workers with boots, setting up a regular boot shop, employing labour, would they not come under the Board?—A tramway company would.

9693. Supposing a Board of Guardians set up a boot shop to supply the inmates with boots, and employ labour in the usual way, would they not come under it?—The Legal Department tell us, no. We think they should, but we are told by the Legal Department they do not.

9694. *Mrs. Lyttelton*: You did not make that point clear at first. We understood you that when the inmates were used to repair boots for other inmates,

you would like them to come under the Trade Board?

—No, I mean, when workers are brought in from outside to do the work.

Mrs. Lyttelton: That is a different point.

9695. *Sir Arthur Pease*: Are there not two conditions? Take a reformatory school, where the instructor is employed to teach the boys boot-making, and his chief business is teaching, and not repairing boots. The other is the instance you have given, say, of a board of guardians setting up a boot-repairing establishment, inside the workhouse, simply as a matter of economy?—Yes. Of course, there is a difference, but my reason for suggesting that the instructor at an industrial school should be brought under the Trade Board is that, as I said just now, I think it is highly desirable that men, filling the position of instructors in an industrial school, should be men who are fully competent to teach the lads what they are supposed to teach them; and, I think, you would be more likely to get men of that type, if they are under the control of the Trade Board, and subject to Trade Board Regulations. We have reason to believe that in many cases the men filling the position of instructors, in such institutions, are not competent to do the work that they are expected to do, and they are engaged largely because they accept a lower rate of wages than a fully competent man would accept.

9696. *Dame Adelaide Anderson*: Have you represented their defective powers of teaching to the Education Authority? Is it not a matter for the Education Authority?—I do not think it is a case for the Education Authority. Our point is, we say, they should be under the control of the Boot-Repairing Trade Board. If you want my opinion, candidly: we have not very much confidence in making representations to the Education Authority, so far as my experience goes; I have been before the London Education Authorities, on several occasions, in connection with teaching women boot repairing, and they very seldom carry out the promises which they give, as to what they intend doing. That is my experience.

9697. *Sir Arthur Pease*: I want this quite clear: you say that these instructors, not in isolated cases, but as a rule, are paid less than the Trade Board rates?—Yes, in many cases.

9698. Taking into account pensions and the fact that they are living in, and all those kind of things?—Yes.

9699. You state that?—Yes, I do state that; that is my opinion.

9700. *Mrs. Lyttelton*: As a rule do they live in or do they come in from outside?—They come in from outside in most cases. I believe, in the majority of Boards of Guardians cases, they live in. Of course, in rural districts I know the Boards of Guardians very often have a man who is what is termed the shoemaking instructor, and he also acts as porter or something of that sort in conjunction with it.

9701. *Lord Weir*: I take it the control you ask for would require that every individual should come under the Board?—Yes, every individual wage-earner.

9702. Because there would be such a variety of conditions?—Quite right.

9703. *Sir Arthur Pease*: If a worker is brought in from outside and repairs for people outside, then they come under the control of the Board at present, do they not?—Yes, if we know it, but our difficulty is to prove it. It is on all fours with my previous point as to proving that a retailer is sending out work to a man to do in his home. That is under the Board, but frequently neither our Committees nor the Inspectors can trace that man. We have reason to believe that certain institutions are doing it, but the difficulty is to produce satisfactory evidence that would convince you that it is so.

9704. Not us.—Well, the authorities,

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9705. *Mr. Bell*: After all, is there much work done by Boards of Guardians that enters into competition with you?—Well, yes; let me put it this way. Take a firm which I know in London, which for many years has made a speciality of tendering and doing work for Boards of Guardians. That firm employs a large number of workers on that particular class of work, and then certain Boards of Guardians, for reasons which I stated just now, start their own repairing departments inside. That particular firm, and other similar firms, lose that work; consequently men who were in their employ find themselves out of work. I know cases like that have happened in London recently, so that it does tell against the trade in that way.

9706. The same conditions under those Boards of Guardians will affect the well organised industries which have not a Trade Board in the same way, will they not?—Yes, I suppose they will.

9707. It is not an argument really against the Trade Board, because the same thing applies?—I am not arguing against the Trade Board. If you want my opinion on that, I am a very strong supporter of the Trade Board system, but I say I can see no reason why the whole of these men who are wage-earners, because they are employed by Boards of Guardians, should not be subject to Trade Board Regulations.

9708. *Mrs. Lyttelton*: You do see the point and it is excessively difficult to draw the line?—I do not see the difficulty.

9709. *Sir Arthur Pease*: I think we have that point in our minds now. You next come to one-man businesses. You say the difficulty in the boot repairing trade is the large number of repairers who employ no labour, and are known as one-man businesses, and those men under-cut the people who are working under the Trade Board Regulations?—That is so. A man who is not an employer can start work at what time he likes and leave off at what time he likes. He can keep his shop open to midnight if he feels so disposed, because, according to the ruling of the Home Office, a boot repairing shop is not a retail shop within the meaning of the Shop Hours Act. Consequently the man not only avoids the half-day closing, but he also avoids the closing regulations, and keeps open as many hours as he likes, takes in work for the public, and by working 60 or 70 hours a week (which we know they do) they are able to under-cut the man who is an employer and has to pay Trade Board rates of wages. Of course, we can realise that no Trade Board will ever be granted the power of saying to that man, "You shall not work in your own house more than 48 hours a week."

9710. *Mr. Pugh*: Do these individual men represent 60 per cent. of the boot repairing trade?—I should say they probably do. I should say at least 50 per cent., at any rate.

9711. And they are outside the jurisdiction of the Trade Board?—Yes.

9712. *Mr. MacCallum Scott*: Do you mean 50 per cent. of the number of businesses, or 50 per cent. of the amount of boots that are done?—I should say that 50 per cent. of the boot repairs in this country are being done by one-man businesses that are not under the control of the Trade Board. As I said some few minutes ago, it is a very general thing, in London and big towns, for a man to open a little shop, and he will go and make an arrangement with one or more retailers to do their work; so that he is doing the work for one or two retail shops and taking in at the same time what he can get from the public, and is thereby competing with an employer and under-cutting his prices.

9713. *Mrs. Lyttelton*: He is practically the employee then?—He is an employee for the shop he is working for; but we cannot trace the cases.

9714. *Sir Arthur Pease*: How do you suggest that should be dealt with?—We made representations to the Ministry nearly two years ago, first that there

should be a compulsory system of registration: every boot repairer, whether an employer or employee, should register with the Trade Board or with the Minister of Labour or the Home Office, whichever was considered necessary.

9715. Do you mean where they are working for another shop or where they are working for the public?—Whether they are working for another shop or whether they are working for the public, or even if they are employees they should register.

9716. *Dame Adelaide Anderson*: Are they not registered already, if they are working for other firms, as out-workers?—No, they are not registered as out-workers.

9717. *Mrs. Lyttelton*: Do you think it would be possible for an employer to place all his repair work out with these people and never come under the Trade Board rates?—Yes, undoubtedly, and it is done in hundreds of cases. I had a man in my own employ who, after he had done his 8 or 9 hours in my workshop, used to go home and work in his own private rooms (he only had two rooms, and a wife and three children) doing work for a retail shop which happened to be near where he was living. It was only by accident I found out he was doing it, but it is very largely done, and he was doing the work for that man at less than Trade Board rates of wages.

9718. I should think technically he would come under the Trade Board, would he not?—Yes, technically, but through the lack of registration we are not able to trace it; the inspectors cannot trace these cases. The inspectors, as a rule, go into a retail shop and ask if they are employing anyone there on boot repairs and they say, "No"; neither are they; and the inspectors go away.

9719. *Mr. Bell*: The bulk of this work would be piecework?—It would be paid at piecework, but paid at a lower rate than the Trade Board rate in these cases.

9720. The ordinary boot-repairing work will not be on a piecework system?—The ordinary boot-repairing work is ordinarily on a piecework system. I should say 85 per cent. of the boot-repairing trade of the country is on a piecework system.

9721. *Sir Arthur Pease*: You would only suggest registration where they were taking work from outside; you would not want registration where a man was repairing boots for his own family, would you?—No, not if he is confining it to repairing for his own family, but if he is doing it for the public; for instance, if a policeman or a postman or a railway man—and we have scores of cases like that—was doing repairs, not for his own family, but for the public, we say he should register as a boot repairer.

9722. *Lord Weir*: After he has registered what are you going to do with him?—If he registered the inspectors of the Department would know where to find him.

9723. You do not suggest the policeman who repairs his boots or his neighbour's boots for an odd half-crown. What are you going to do with him; are you going to penalise him for that?—I would suggest that a policeman or a postman, who are supposed to be paid a living rate of wage, whilst I do not blame them for repairing their own boots—I do blame them for repairing the boots of their neighbours or any of the general public when there are other workers walking the streets looking for work.

9724. Supposing you had these powers what would you do?—Do you mean you would make it penal for them to do it?—I do not say I should make it penal.

9725. You would fine them?—That is not for me to say, it is a matter for the authorities to say what shall be done. I say there should be some system by which we should be able to trace the men who are doing this work. As I say, 50 per cent. of the trade, in my opinion, is being done by one-man shops, and there should be some means of registration which would enable us to be able to trace them and get them under the Trade Board.

9726. *Mr. MacCallum Scott*: Is not the point that they should not be prosecuted or fined but that they

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should receive Trade Board rates?—We want to be able to trace them so that we can enforce the Trade Board rates on people whom we know are infringing them. We have been to the Department and we have been to the Home Office, and the Home Office have referred us back to the Department again.

9727. *Lord Weir*: There are two kinds of case; the one is where they are doing, in their own homes, work which has been given them by shops, and the other case is when a man sets up his own shop and deals with the public and does all the work himself; the true one-man business. You wish to register both of them?—We do.

9728. What are you going to do with him after you have registered the one-man business?—I do not know that we can do anything except this: that if he is registered with the Home Office and that man does begin to take work in from any retail shop, we know where to find him, and the Inspectors know where to find him, whereas at the present time they do not know where to find him half the time, for the simple reason that so many of them work in private houses, and not in shops even. That is my point.

9729. In their own homes very often?—Yes.

9370. *Mrs. Lytton*: Ought not it to be obligatory on the retail shops to provide a list of the people they are employing?—We do not mind which way it is put, so long as we could get the registration. We have been told by the Department it would be very difficult. As I said some little time ago, at the Home Office, when we were there on a deputation, it is only a matter of extending the present system which is in operation. For instance, a man may open a boot repairing shop, he has got no machinery and he is not subject to any regulations, either from the Home Office Inspector or the Ministry of Labour Inspector, unless he is employing young persons; but if he puts in a finishing machine, or any kind of machine driven by power; if it is only a half-horse power motor engine or gas engine, he has immediately got to register at the Home Office, and if he does not he is liable to a penalty. It is only a question of extending that to a man who is doing boot repairs for the public; that he should register with the Home Office or the Ministry of Labour. Personally I think it could be done at the Home Office by simply extending the Home Office system, because they have got to register directly they put in power or machinery.

9731. *Dame Adelaide Anderson*: With regard to a man who is working without power, and doing work which he takes in himself, he is in the same position as a laundress who takes in work and does it by herself?—I suppose so; they are not subject to any regulations.

9732. It could not be applied to one case without being considered for other cases?—Very likely; I am interested in my own trade, and it is for the laundries and other industries to speak for their own particular trade and industry.

9733. Practically hitherto it has been found that where a person is employed under the Factory Acts the need of regulations begins with the fact of the employment of one person by another?—Yes, that is so.

9734. *Mr. Bell*: If you do bring all these matters under the Trade Board, would there not be a great danger of overloading the ship?—No, I do not think so; our trade, probably, has more men of that type. I should imagine, than any other. I have heard they have the same difficulty at the Tailoring Trade Board, where work is given out in that way and done in their own homes, but I do not think to such an extent as we have got it in our trade. We know, as a matter of fact, that the Trade Board regulations are being ignored in hundreds of cases throughout the country by men who are taking work for retail shops, and we do not know the shops they are working for.

9735. *Sir Arthur Pease*: I think we understand your views on that now. Then you deal with the

question of a general minimum piece rate. You say 85 per cent. of the trade are employed on piece rates?—I should say so.

9736. You recommend that not only should they fix a minimum time rate, but fix the actual piece rates?—I do.

9737. Do you not really mean minimum piece rates?—Oh, yes, quite so.

9738. Not actual?—Not the actual, the standard. I look upon the fixing of the piece rate to be the same as fixing the time rate; that the Trade Board should have the power to fix the minimum piece rates, the same as they have power to fix the minimum time rate. I recognise the fact that a minimum piece rate should ensure the possibility of a man being able to earn, as a piece-worker, a higher rate than the minimum time rate, whatever it might be.

9739. I think the words "actual piece rates" rather misrepresent what you mean; would not you really have that, "the minimum piece rates"?—I am quite willing to alter that word if it is thought necessary. That is what I had in my mind, that the Trade Board should still retain the power which they already have of fixing piece rates, as well as time rates.

9740. If you have to vary your piece rates, either up or down, do you know at all how that would be done? Would it be done by percentages, or a flat rate?—Probably by percentages. I am not, of course, prepared to say how the Board would deal with it, but I may say that when an increase on the piece rates took place, it was done on a percentage, and I should say the probability would be that the reduction, when it comes about, would also be at so much per cent. As I said earlier, there is a motion now standing to come before the next meeting of the Board for a reduction of 10 per cent. on the piece rates, and it is quite likely, I should say, that any reduction which might take place, whether it be that amount of more, would be on the percentage basis.

9741. Do the piece workers, as a rule, earn substantially above the time rate?—Yes, I think they do at present rates.

9742. *Mr. Bell*: Is it not a fact that the piece rates, after all, are not minimum?—That is the fact.

9743. But the actual rate, that is, the piece rate, is a standard rate?—As to the piece-work rates at the present time, practically the whole of Lancashire, large parts of Yorkshire, and, I believe, certain districts in Wales and Scotland, and the whole of the West End of London, and the better-class trade generally, pay considerably above the present piece-work rates, so I think it goes to prove that even our piece-work rates now are the minimum, and they are not the standard rates; they are, generally speaking, in the rural districts taken as the standard rates, but even in London there are men to-day, a considerable number, getting considerably above the Trade Board rates.

9744. *Lord Weir*: Would you say there are more workers receiving higher piece-work rates than there are receiving the Trade Board rates, or do you adhere to your statement; generally speaking, the Trade Board rates are the standard rates?—Generally speaking, as I said a moment ago, in the rural districts the Trade Board rate is the standard rate; but it is not the standard rate throughout the country, as I explained just now.

9745. Over 50 per cent. are paid the actual Trade Board rate?—Yes, I should say so.

9746. *Sir Arthur Pease*: I think we come next to the question of District Trade Committees. You are in favour of the continuance of those?—I am in favour of them.

9747. Without power to fix a rate, but only to make recommendations?—That is right; having power, as at the present time, to make recommendations. They have not the power to fix a rate, and not only I, personally, but our Board are unanimously of opinion that it would be a retrograde step to give

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the local District Trade Board Committees the right of fixing rates of wages for their own particular districts.

9748. What advantage do you think the Committees are to the Board?—They enable us to focus the opinion of the particular districts which they cover, the Committee being composed of representatives which cover the whole of the particular district. Take the West of England, for instance, Devon, Cornwall, Somerset, Gloucester, and so on: the representatives covering those counties are able to bring before the Trade Board the opinion of the trade in that particular area, and if any of those particular Committees made certain recommendations to the Board for a differential rate, for instance, if it did come up and it was thought desirable, of course, the matter would receive the careful consideration of the Board.

9749. It simply means that it enables the representative or representatives of that district to ascertain the views of the trade generally?—That is right.

9750. In a different way to what it would be by correspondence, by meeting them, and so on?—Yes, it would be absolutely impossible for us to get the same amount of information from local districts without the existing system of the District Trade Board Committees.

9751. Are the District Committees well attended, having regard to their very limited powers?—They have got very limited powers, but they are well attended. I represent the Trade Board on two of the Committees, and there is generally a full attendance of the members of the Committee from both sides; there may be one or two absentees occasionally, but there is a very good attendance, and they take a great deal of pains to be able to collect the feelings of the district which they represent; and they have been of great assistance to the National Board; but I think the power of fixing the rates of wages and hours of labour should be in the National Board, and not in the District Committees. I think there must be some co-ordinating authority, and I think the National Board is the best authority for that.

9752. It really comes to this, that these District Boards keep employers and employed more in touch with each other. Is that not the real thing?—Yes, that is it.

9753. So that they can thrash out their grievances before they come to the National Board?—Yes.

9754. Mr. Pugh: Does that affect the size of the Trade Board?—No, it does not affect the size of the Board.

9755. You seem to be doing most of your work through your Standing Committee or Administrative Committee?—All the matter of exemptions and so on is done by the administrative Committee, but, of course, subject to the approval of the whole Board. We have no executive powers.

9756. How many are on your Board?—19 each side. When the Board was first set up, the Board consisted of 15 employers and 15 employees, and, of course, the three Government-Appointed Members.

9757. And the Committee would be about half-a-dozen a side?—The Committee are five or six a side.

9758. Does not the existence of the Committee do away with many meetings of the Board that would otherwise be necessary?—Yes, quite so. I mean, it is quite likely that the Administrative Committee may meet two or three, or even more, times before the full Board meeting, and get the various proposals ready for submitting to the Board for confirmation.

9759. Does the existence of your District Committees help you when you want to make a change, say in any of your rates. For instance, we find that, generally, if you want to make a change, time is allowed for objections and you get an enormous number of objections and you get a good deal of delay. Would you say that the existence of the District Committees does away with a great deal of that and removes the necessity for objections being raised after rates have been practically agreed to by the Board?—Yes, I should say that. If I may

touch on that point now, which I have already touched on in my evidence: the question of time taken up.

9760. I am going to take you through your recommendations and, I think, you had better take it then. Your statement will be put in the Minutes of the proceedings. You put it forward that the time ought to be reduced for dealing with this matter?—Yes.

9761. We have had a great deal of evidence on that and I think you need not develop it any further with regard to your recommendations (a) and (b). With regard to (c), which is that the Trade Board should have power to grant permits of exemption to workers, you have already dealt with that, you say they should be on broader lines than at present?—Yes.

9762. (d) is as to the compulsory registration which you have already explained very fully?—Yes.

9763. (e) is the question as to workers employed by boards of guardians, and so on, and (f) is "Stronger measures should be taken to enforce Trade Board Regulations, after the rates have become operative." Would you like to say anything about that?—We have been far from satisfied with the administrations of the Trade Board Act, since our Board has been in operation. Of course, we quite realise that, with the limited number of inspectors at the disposal of the Ministry, it is difficult for them to cover the whole of the country, and, what I may term, make a shop to shop inspection; but we do feel that when there have been cases reported (and there have been scores of cases reported) to the department, where there is reason to believe that Trade Board Regulations are not being complied with, we think that these cases ought to be dealt with, and reported on, much more speedily than has been done in the past. We think there is a great deal of room for improvement in that direction.

9764. What have you to say with regard to (g)?—That is with regard to the chief inspector. We are all of opinion that the chief inspector ought to be at the Trade Board office and not at Montagu House. We are continually, as a Board and as an Administrative Committee, coming up against cases where we feel it would be a very great service to us—and if I may say so, we feel we could be of great service to the chief inspector—if we could get into personal touch with him; and if he was on the premises of the Trade Board office, instead of here, from time to time. We think it would be very greatly to the advantage, both of the Board and of the Ministry itself, if that were done.

9765. The chief inspector could not be under the Trade Board's directions, could he; he would still have to be under the Ministry's directions?—Yes, under the Ministry's direction, but, instead of being at Montagu House, he should be at the Trade Board office, where he could be brought into direct touch with the Trade Boards and members of Administrative Sub-Committees, which come into contact with cases, and they would be able to place before him details which he would never get in other ways.

9766. And now will you deal with (h)?—That is the point with regard to the legal advisers. We also think that, some way or other, more of the legal advisers of the Ministry should be at the Trade Board office for the same reason as with regard to the previous paragraph. We are continually getting up against this difficulty: that we make some new regulations to meet some particular difficulty which we have been face to face with, and an Order, or, at least, the proposal, has been made, and then perhaps in the course of two or three months, or more, we are advised by the Legal Department that we have exceeded our powers: that the Trade Boards Act, or a particular Order under which we are working, does not empower us to do what we have attempted to do; consequently there is a great loss of time. What we feel is this, that if there were a representative of the

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Legal Department at the Trade Board, before we commit ourselves to any proposal like that, we could get his legal advice and guidance on these points.

9767. You really want legal assistance in drawing up your Orders?—That is right. We know we shall be told we can get legal assistance now, but owing to the fact that the Legal Department is here, and we are at the Old Bailey, that causes a great deal of delay in getting to the Legal Department. I am not attacking the legal department at all, whenever we have approached the Legal Department, they have always met us or come up and met our Committee; but the present system tends to cause a great deal of delay. If we could get into immediate touch with representatives of the Legal Department, when we are meeting there, it would not cause so much delay. Of course, that has been one of our great complaints: the delay in the operations of the Board.

9768. You do not want to have a legal adviser always present, do you?—Yes, we think there should be a legal adviser present.

9769. The whole time the Board meet?—At the Trade Board office. With the number of Boards in existence continually meeting, I should say that there would be quite enough work to keep, at least, one representative of the Legal Department at the Trade Board office.

9770. Do you mean, you wish to have a legal adviser present during the whole of the discussions of the Trade Board?—No.

9771. But you call him in at a certain stage?—Yes, so that we know there is a legal adviser on the premises with whom we can get into touch at any particular moment, when we are meeting; that is what we mean.

9772. Do you wish to add anything further?—There is just one other point which I have not mentioned in my recommendations, which I would like to touch on, and that is the question of the Appointed Members. There has been, in some quarters, a considerable amount of criticism, not only in our trade but in others, and the claim made that the Appointed Members should be men with technical knowledge. So far as we are concerned, we do not make that claim; we are perfectly satisfied with the present system. We feel that we are being well served by the men who are sitting on our Boards, and, I believe, on other Boards as well, as the Government-Appointed Members; and we are of this opinion, that we are more likely to get an unbiased judgment from men of the type which we get as our Appointed Members, than we should get if they were representatives of employers or employees, which they would have to be if they were men with technical knowledge. I say it is impossible to get a man, be he employer or employee, if he is the Appointed Member, but what he is bound to be influenced by the particular side to which he belongs in commercial life.

9773. We have had various suggestions put forward with regard to that, and the one that has been put forward most generally has been that the Chairman should be an outside man altogether, with legal or judicial training of some kind, but that there should be assessors appointed, as they do in the Industrial Court, I believe, at present, one from the workers' side and one from the employers' side, who would be able to give him technical advice on the trade in an informal way, as well as in the actual speech-making at the Trade Board. What would you say to that proposal?—I am afraid that would not meet the objection which I just stated: that a man, no matter how eminent he may be in the trade, if he has technical knowledge of the particular trade (I will take the boot trade, for instance) is bound to be prejudiced, to a certain extent, by the particular side to which he belongs; and my opinion is, so far as our own Board is concerned, that with the technical knowledge of the men who are on the two sides of the Board, we get all the technical knowledge and all the technical advice which we require, and, if I may say so, what we want for the appointed

members are men with a judicial mind, men who have some knowledge of trade and commerce generally, and are able to weigh up the evidence which they have heard from the various speakers on each side. I do not think it is necessary that they should be men who are great speech-makers. We are very fortunate in that respect; we do not suffer very much from that on our Board.

9774. Speech-making was not perhaps the right expression; I mean, putting the case very formally. If you had two men, more or less partisans, to advise, the Chairman, who recognised they had to look after the interest of the one side and the other, they could put matters in an informal way which could not be done at a large Board. That was the idea of the witnesses?—I quite agree that it could be done in that way.

9775. The decision would then rest with the Chairman?—Quite so.

9776. Do you think the appointed members' powers should be increased so as to be able to suggest a settlement besides having a casting vote?—I do not know about increasing the powers of the appointed members so as to include suggesting a settlement. I do feel that there should be some powers of being able to settle matters, when there are any matters in dispute and a proposal has been referred back, or there has been a deadlock. I think that there should be some means of bringing about an agreement without having to issue a new proposal, which we have to do under existing conditions. What I mean is this: Suppose a proposal goes out from the Boot Repairing Trade Board for an increase, or a reduction, or whatever it may be, and we receive a large number of objections, not only from our District Trade Committees, but from the trade generally, it is probable that the proposal which we have made is not acceptable to the majority of the trade. What I think is, that the Board should be able to take the matter up and amend their Order without having to issue a fresh proposal to the country, and cause a long delay again of another four or six months.

9777. That was not quite my point. Supposing the suggestions the employers and the workmen made were both unreasonable, and the appointed members felt they ought not to vote for either, they would not come any closer to-day; but do you think the appointed members, or the Chairman, should have power to suggest what they think fair?—I do.

9778. They have not that at present?—I think they ought to have it, and I thought they had, for the simple reason that (and I know my friend Mr. Buckle will bear me out in this) when we have been in difficulties once or twice on our Board, there has been a considerable amount of negotiation, with the appointed members and certain of us from each side of the Board, which has brought us in the end to an agreement. I am rather surprised to hear now that the appointed members have not power to do that; they have done it on our Board, and it has been very successful.

9779. They have the power to make suggestions, but they have not power, after hearing both sides, to lay down what have to be the conditions, unless it is proposed by one side or the other; they cannot propose it; they can only give a casting vote.

9780. Mr. Pugh: That would, of course, be to make your appointed members an arbitration court. What would you think of the suggestion, that has been made here, of a central body, a kind of appeal court, that would not only dispose of differences between parties on individual Boards, but would also act as a co-ordinating body over the whole area in which Boards operate; or over the whole of the Boards? Have you thought of a central body of that kind?—Yes, I have. Probably what you have in your mind, or what I have in my mind, is, for instance: a proposal comes up to the Ministry of Labour for confirmation, and, for some reason or other, the Minister of Labour does not feel disposed to sanction that, and it is referred back to the Board. I take it what you have in your

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[Continued.]

mind is that there should be some central authority here which should relieve the Ministry of Labour of the responsibility of saying "Yes" or "No" to that, and the final approval should be given by the central authority representing the whole of the Boards.

9781. I am not thinking of that in particular. What I am thinking of is some central authority, or some court, to which any Board could go, or any authority connected with a Board could go, to settle a disputed point; it could not only settle disputes in that way, but could also keep a general survey over the operations of the Boards, and act as a co-ordinating authority, and so on?—I should say, on first thoughts, it would be very desirable to have such an authority.

9782. You think it would be useful?—It would be useful I think.

9783. What is your experience as to the effect of the Trade Board on your trade and the employment in your trade? Would you agree that the tendency of your Trade Board has been to damage the trade and to create unemployment?—No. I am not of that opinion at all. There is a lot of unemployment in our trade, as in every other industry at present, but I do not admit that that has been brought about by Trade Board regulations.

9784. Would you be quite emphatic in saying you do not think the Trade Board has caused unemployment?—Yes, I would be emphatic.

9785. Lord Weir: I should like to ask you just one question about unemployment. Let us assume a boot-repairer in your own establishment, you pay him off because trade is bad, and that man starts a one-man business; do you consider he is unemployed?—No, decidedly not; if he starts a one-man business he is not unemployed.

9786. And there has been, as you say, a very large transference in that way?—I do not know that there has been a large transference; it has been the case in the boot-repairing trade ever since I have known it, and I have been in the trade ever since I was a boy, and there have been these one-man businesses.

9786a. If I thought you desired us to understand there had been an increased development of the one-man business?—There has been an increased development again since the War.

9787. And since the Trade Boards Acts?—Yes, especially since the trade depression; but I would say this: it has not been brought about because of the Trade Board regulations; it has been brought about through the general slump in trade from which our trade, like others, suffers. Say there is an employer who employs half a dozen men and his trade has fallen off to such an extent that he has to discharge two of them, those men can go and start for themselves; they are unemployed to the extent that they are no longer wage-earners, but they are earning

something for themselves, although I am afraid in most cases it is very, very small living; they are getting an existence, at any rate.

9788. Dame Adelaide Anderson: How do they get work if the retailer or the employer cannot get it; on what ground are they employed or how do they get work to do; do they pick up stray jobs like a glazier?—Yes, they pick up stray jobs.

9789. Sir Arthur Pease: Is it not though sometimes that they do it cheaper?—Yes, no doubt that accounts largely for it. If a man goes and knocks at a door and asks if they want any boots repaired, and he is prepared to repair a pair of boots for 5s. when the Trade Board regulations, if they were enforced, would make it necessary to charge 6s. 6d., naturally in most cases he would get the job; but you would not advise the abolition of the Trade Board to enable that sort of thing to be done. If it were, I rather shudder to consider the condition to which the trade would revert; in fact, if I thought the trade would ever revert to the conditions in which the boot-repairing trade was in pre-war days, I would get out of the trade, and I have had a life experience of it.

9790. Dame Adelaide Anderson: That power of picking up an odd job for a low rate is not likely ever to be a large thing. In normal times that is not likely to happen very much?—Not in normal times.

9791. An industry makes its way and holds the field by its efficiency and its meeting the public needs?—Quite so.

9792. After all, that is not a very important factor in the whole situation?—I think this is brought about very largely at the present time by the large amount of unemployment in other industries. Naturally, if a man is unemployed himself or only partly employed—because when we read our figures about there being so many millions unemployed, we must not forget the hundreds of thousands that are only partially employed—if a man is only working three days a week instead of six, and someone comes along and offers to repair his boots for 5s. instead of 6s. 6d., much as he may dislike it, he does not trouble himself very much about whether that man can do it and get a legitimate wage for himself after he has done the job. Consequently he will allow that man to repair his boots, although he knows he is sweating himself to do it at the price. In other words, it is a question of the man's stomach which is making him do the work for the price which he agrees to do it at, but that would not be so under normal conditions.

9793. Under normal conditions he will not get much work?—No, because a man under normal conditions, where decent rates of wages are being paid, would not stoop to do that sort of thing; he would very much rather be working in a workshop where he could get a decent wage.

Sir Arthur Pease: We have to thank you very much for all the information you have given us.

(The Witness withdrew.)

Mr. J. BUCKLE, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

I am one of the workmen's representatives on the Boot and Shoe Repairing Trade Board (Great Britain) and have been authorised to give evidence on their behalf to this Committee. I also occupy the position of National Organiser of the National Union of Boot and Shoe Operatives, whose Head Office is at 34, Guildford Street, London, W.C.1.

The Boot and Shoe Repairing Trade Board (Great Britain) was established on the 18th April, 1918, and was one of the first of the Trade Boards set up under the Trade Boards Act, 1918. In addition to repairing the Trade Board also covers the making of hand-sewn work, riveting, pegged and surgical work. In the evidence I have to submit, I deal entirely with the making of hand-sewn work, repair work, surgical work, riveted and pegged work.

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Mr. J. BUCKLE.

[Continued.]

the number of hours worked averaged over 56 per week. During the war, the rates of wages rose in common with other industries, and that was attributable to the great shortage of labour at that time.

I have great pleasure in testifying to the improved conditions in the industry during the short time the Trade Board has been in existence. The industry has been raised from the position of a sweated trade to the level of other skilled trades, and credit for the state of the industry must undoubtedly be given, in a great measure, to the operation of the Trade Board.

As organiser of the National Union of Boot and Shoe Operatives, representing 100 branches and covering a membership of 100,000 members. I fully appreciate the improvement in the repairing trade, generally speaking.

Permits of Exemption.

The consideration of applications for permits of exemption from the operation of minimum rates for infirm or disabled workers has occupied a great deal of the time and attention of the Administrative Committee of the Trade Board, to whom the Trade Board delegated its power to deal with these applications. Each case is carefully investigated by a member of the Committee. The practice being, for a member of the Committee to visit the workshop, see the worker at work and assess his value to his employer accordingly. Over 600 permits at rates lower than those fixed by the Trade Board have been issued.

The Administrative Committee of the Trade Board has acted as a National Trade Advisory Committee in connection with the Ministry of Labour's schemes for the training of ex-service men. The total number of ex-service men that have been trained is 4,500, and of this number 1,400 were trained by the Ministry of Pensions. The total number, therefore, who have been dealt with by the Administrative Committee of the Trade Board is 3,100; of these 2,300 have completed their training, and we have been able to trace 2,100 of these. 1,400 of them are at present in employment or in one-man businesses, and of the remaining 700, 350 are known to be out of employment. You will at once see that we have taken a full share of the responsibility in training ex-service men.

Apprenticeships.

One of the earliest matters to which the Trade Board gave its attention was the renewal of the apprenticeship system. We think that, in the interest of the boys themselves, it is desirable that the system of indentured apprenticeships should again become a permanent feature of the trade, under the provision of the Trade Boards Acts. We have drawn up apprenticeship schemes applicable to the various branches of the trade. We have also prepared a form of indenture of apprenticeship for the use of employers in the trade, and have fixed satisfactory rates for those apprentices who are "boarded in."

One of the greatest difficulties the Trade Boards have had to contend with has been the case of lads who are partly trained in charity schools, local institutions, industrial schools and crippled schools under the Education Authorities, and who are put out into the trade after preliminary training under a qualified instructor. These youths are thrown into the trade regardless of the question whether there is likely to be an opening for them, or, in the case of crippled boys, whether they have any prospect of an opening in the trade to enable them to earn their own living.

One-man Businesses.

Another great difficulty in the repairing trade is the large number of repairers who employ no labour and are known in the trade as "one-man businesses." These men can sell their labour at any price and

work as many hours as they feel disposed without coming under the Trade Board regulations, therefore, we have suggested to the Government that all boot repairers trading with the public should be registered either with the Trade Board or the Home Office, to be dealt with under the Factory Acts.

I wish to draw the attention of the Committee to the fact that the boot and shoe repairing trade is essentially a piecework trade. The great majority of the workers, about 85 per cent., are employed on piecework, and the Trade Board has drawn up a very exhaustive list of minimum piece rates for the trade. In some parts of the country considerably higher piece rates than those are paid to the workers. Any proposal to take away the power of the Trade Board of fixing piece rates would seriously diminish the effectiveness of the Board.

District Trade Committees.

The Trade Board has established 14 Trade Board Committees covering the whole of England and Wales. These District Committees, since their establishment, have been consulted as required by the decision of the Trade Board. On every occasion when any variation of rates has been proposed, before issuing a formal notice of proposal to vary the existing rates or to fix new rates for special classes of worker, the Trade Board have asked the District Committees in the first place for their endorsement or otherwise. I am in favour of continuing the policy of consulting these Committees to this extent. In regard to proposals for commencing any new rate of wages, I am strongly of opinion that it would be impracticable to give these District Committees power to fix rates independently of the Trade Board. I am, of course, opposed to differential rates being fixed by District Committees, I think that they can be best established on a national basis through the medium of the Trade Board. Any proposal for the variation of wages or the normal number of hours of work have to go before the country for two months to give an opportunity for objection to be lodged, and it takes from four to six months to bring about either an increase or reduction in wages; therefore, I would suggest that this procedure should be varied so as to make it possible to accomplish their objects in a period, say, of four weeks.

I may further mention that, in the year ending November, 1920, 1,411 visits were made in connection with the working of the Trade Board Act in respect of the boot and shoe trade—of these visits, 1,311 were to employers, and 40 to workers. The principal objects which the firms were visited for, was to secure payment of minimum rates.

I am in favour of members of the Trade Board having full powers in their various localities to investigate violations of the rates as laid down by the Board, and such investigations to be reported to the Board, as now operates with regard to the question of permits. As regards the system of Appointed Members, and having experience of the Board since its inception, I have found that the system has been advantageous and I appreciate the guidance and assistance given towards the solution of the many difficult problems appertaining to the trade during the Board's existence.

9794. *Sir Arthur Pease:* What do they call the body which you represent?—The National Union of Boot and Shoe Operatives, whose head office is 34, Guilford Street, London.

9795. What number of members have you?—100,000.

9796. Your recommendations are almost exactly the same as those Mr. Crabb has just put forward?—Yes, for the simple reason that we are giving evidence speaking for one Board. I have no other experience, and I have been wondering what I could say to you.

9797. Would you say that you generally approve of the evidence which has been given by Mr. Crabb?—Yes, I could say generally I do.

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Mr. J. BUCKLE.

[Continued.]

9798. Could you mention any further points which you would particularly like to draw our attention to?—There is one point I want to draw your attention to, and that is where I deal with the question of the educational authorities in the country. The question I want to develop a little is with regard to the reformatories and the industrial schools and the semi-imbecile and cripple schools under the educational authorities of the country, and the invalid aid societies, of which there are many in the country. We find that every educational authority has boys taught up to a given age under an instructor. When you come to the industrial schools for boys, they are almost self-contained schools, and the boys are taught to make their boots and shoes there, and at the age of 15 the committee, or the governors, have got to consider placing out the boys in question. We find that that means a very large influx into our industry. Then we come to the special educational side of the cripple schools and the semi-imbecile schools, and a large percentage of the educational authorities throughout the country have been producing boys and placing them out. That was so before the Trade Board came into existence, but we are now attempting to deal with that side of it which has worked very detrimentally to the industry, generally speaking. Now when we come to the other side of it, with the very large number of disabled men who have been taught as trainees and have come into the industry, I think the competitive force of that influx is very largely responsible for the dullness in the repairing trade to-day. Therefore, under our apprenticeship system, which has only just practically come into operation, we are attempting to deal with that influx from the various schools in the country, and we feel that there must be some continuation of protection by law for this industry. If the Trade Board Act is to be dispensed with, we must wonder very seriously what is to become of the trainees and disabled sailors and soldiers who are placed in our industry to-day. We are speaking very largely here as a Board. I was one of the persons who opposed coming within the Trade Board Act, but I have learned since then that I made a mistake, and I now believe the Trade Board has not only raised the status of the employer, but has materially raised the status of the workpeople that are employed in the industry. Generally, I believe that the circumstances are vastly improved. Our Board, from what I can see of it, is unanimously for a continuation of the existing state of affairs. The debates have not always been conducted without some feeling at times, but still we have gradually overcome the difficulties that presented themselves, which otherwise could not have been done.

9799. What protection, by law, are you asking for with regard to this particular point of the educational authorities?—The protection that we are endeavouring to obtain is that none of those institutions that I have named should be permitted to indenture or license a boy out to our industry, or any other, unless it is registered through the medium of our Board, or through any other Board, as the case may be; that the suitability and the capability of the employer to fulfil the indenture should be thoroughly understood; that is one of the protective measures which we desire very much. We have endeavoured to get that through our indentures, and we are getting registrations of apprentices at the present moment.

9800. You would not allow a boy, coming from one of these schools, to be licensed out with a one-man business in a village?—I should not object to that, provided we were perfectly satisfied that the employer in question was fully qualified to teach the boy his trade, and make him an efficient workman when he reached the end of his apprenticeship.

9801. *Dame Adelaide Anderson*: I want to clear up the position as regards any apprentices other than an institutional boy. Has the Board power to decide whether an employer is fit to give instruction?—We have sought those powers through the apprenticeship. I mention those institutions to show you the large

influx from the educational sources, but the regulation of apprenticeship, which I am speaking of, we desire to be general, and to have power to enforce.

9802. It is enlarged powers with regard to the conditions of apprenticeship that you desire?—Yes.

9803. And really there is no particular reason why you should differentiate between an institutional boy and a non-institutional boy; the institutional boy will have learned, probably, a very little, quite insufficient, before he begins, and the ordinary boy would not have learned any boot repairing?—I quite admit that. I mean that the education authorities are responsible for the large number of boys coming into the hand-sewn measure work and the repair trade.

9804. It is an artificial rate of coming in; it is larger than is normally obtained, if it were not for these institutions?—Yes, and the Committees have had power in the past to license or indenture those boys, as the case may be, at very low and inadequate rates.

9805. The Boards have, under Section 10 of the Act of 1918, power to make a recommendation to any Government Department, with reference to the industrial conditions in the trade, and the Department to whom the recommendation is made shall forthwith take it into consideration, so you could make a recommendation to the Department concerned with institutional training. Already, under the Act, you could make recommendations. A Board could, if they thought fit?—Yes.

9806. And the Department would be obliged to take it forthwith into consideration. Is there something additional to that power which you desire?—We desire to have power to so control, both from ordinary life and institutional life, the number of boys coming to the trade. And we find they can only do one portion eventually, the common repair work, and there is a tendency to depreciate the efficiency of the standard of work.

9807. The boys are coming in as learners, and not apprentices, is that the point?—We can deal with that. In the institutions that I am speaking of the Committees are the parents, up to a given point; that is to say, they are the guardians of the boys, and they actually assume parenthood until they reach a certain age; therefore, during that period, when the time arrives when the boys should leave school, the Committee usually are anxious to get them placed, and they place them, both in London and in places all throughout the country, and we want to be quite sure that we have the power, and have some responsibility in seeing that they are placed correctly.

9808. *Lord Weir*: There are two things you want to get: one, to raise the training of the boys so as to make them better craftsmen?—Yes.

9809. And the other thing is to control their number?—Yes.

9810. Then what is going to happen to them?—Well, what happens to them now?

9811. *Sir Arthur Pease*: Do you really mean that the Trade Boards should have power to say, "No more apprentices must go into that trade, there are plenty there already?" Yes, if it is advisable to do so under the circumstances. The Trade Board have power to say now that it is advisable to place any more disabled trainees in the industry.

9812. Leaving out of question the disabled or institutional, but coming from anywhere at all is what I mean; do you say that the Trade Boards should have power to say, "No more than so many may enter this year?"—I should say that the Trade Boards ought to have power to say that, unless the situation is suitable, the boy cannot go there.

9813. That is quite different?—And if the market is too crowded, I think the Board ought to have power to say that there is no likelihood of the boy maintaining himself eventually.

9814. *Lord Weir*: Your union, I think, is the National Union of Boot and Shoe Operatives, and has 100,000 members?—Yes.

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Mr. J. BUCKLE.

[Continued.]

9815. What kind of proportion of those are boot repairers?—The proportion of repairers will be about 8,000. We are dealing now, exclusively, with the hand-sewn, rivetted measurement, peg work, and repairing in all its branches. The modern shoemaking side of it is excluded from the province of the Trade Board.

9816. *Sir Arthur Pease*: Have you any other points you wish to draw our attention to specially?—I would just like to say with regard to the District Committees that my experience of the meetings of the District Committees since they have been brought into existence (and we have only had a small number of meetings) is that, in the first instance, I thought it was practically a waste of money. Now what I have found out, by experience, of the meetings I have attended, is that with regard to the discussions that have taken place, the Committee being of a representative character, the representatives go down

into their various areas and explain exactly what the reference meant, and that has been responsible, in my opinion, for reducing the number of objections that have been made to the central authority on that very thing, and, it appears to me, that a better relationship has also sprung up as an outcome of these meetings. I did not always hold that view on the matter, as I say, but I am quite satisfied that instead of the District Committee being a menace, it is of some great assistance in reducing the objections, and the questions, and one thing and another, in the areas where they feel injustices have been committed, the explanations which have been given privately and otherwise have a great tendency, in my mind, to establish that there is some really useful work that can be done, in the shape of recommendations and considerations, by the District Committees.

Sir Arthur Pease: We are very much obliged to you for your evidence.

(The Witness withdrew.)

Mr. J. F. SIME, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

DUNDEE AND DISTRICT UNION OF JUTE AND FLAX WORKERS.
Affiliated to the General Federation of Trade Unions, the British Trade Union Congress, the Scottish Trade Union Congress, the Scottish Council of Textile Trade Unions.

Secretary.—J. F. SIME.

37, High Street, Dundee,
6th January, 1922.

When the Trade Boards Act of 1909 was before Parliament the question of inclusion of the jute and flax trades arose, the question being first raised, I think, by the late Miss Mary R. Macarthur. She certainly suggested the jute trade should be included as a "sweated industry." Mr. Robert Harcourt, M.P. for the Montrose Burghs, had some lengthy correspondence in the "Dundee Advertiser" of that period on the question. Mr. Winston Churchill decided not to include them. We were of opinion they should have been included.

The jute trade is centralised in Dundee, 35,000 to 38,000 being normally employed in the city 4,000 to 5,000 being employed in the other districts outside of Dundee.

The relations between employers and employees in the jute trade carried on in Dundee has not been by any means happy. For many years the employers refused to meet jute trade union officials. Even yet it is a very rare occasion on which they meet them outside of Trade Board meetings. I quote Sir William Henderson, Chairman of the Employers' Association, who said on 2nd December, 1918:—

"With regard to this question of conferences between employers and representatives of the workers, it is quite true that for many years these conferences were very rare."

I digress at this stage to deal with the period prior to the issue of the Order applying the Trade Board Acts to the jute trade. Meetings were held at Dundee on 7th May, 19th August, and 14th October, 1918, to consider the formation of a reconstruction committee or a Whitley Council for the trade. The whole of the opposition to the proposals was put forward by the employers' representatives, a convenient "obstacle" being found in the proposal to include "merchants." The workers' representatives had no interest in that "domestic" squabble until an employer impudently told the workers' representatives from whom the workers' representatives should be drawn if a Council was constituted. The final result was the employers refused to agree to the formation of a Council. The

Trade Board for jute was constituted in December, 1919. The employers were equally opposed to it, as to a Whitley Council, at that date.

Coming back to the relations between employers and operatives, employers always said they were not to have "outside interference" in working conditions or wages. This culminated in a series of strikes (1) at Messrs. Cox Bros., Ltd., Camperdown Jute Works, Lochee, Dundee, in March, 1911, affecting 5,000 workpeople, which lasted one month; (2) Messrs. J. & A. D. Grimoud, Ltd., Bowbridge Works, Dundee, in January, 1912, affecting 2,000 workpeople, which also lasted one month. Both strikes were settled through the good offices of the then Lord Provost, Sir James Urquhart. Both employers refused to meet the workers' representatives; (3) a strike affecting the whole trade in the city in March, 1912, which was settled through the efforts of Alex. Wilkie, M.P. for the city, and Mr. W. A. Appleton, Secretary, General Federation of Trade Unions (the employers refused to meet the operatives' representatives). The terms of settlement (after a six weeks' strike) were 2½ per cent. increase to a very small section of the workers, and a promise to "level up" the wages of two sections of workers. It took from May, 1912, to May, 1915, to carry out that promise, and the "mountain produced a mouse," the "levelling-up" consisting of a few coppers per week to a very small percentage of the workers concerned. I produce the scales and agreement dealing with the "levelling-up." I am convinced, had it not been for the war situation of 1915, even these rates would not have been conceded, as they were meant to stave off demands for increased wages to meet the increase in the cost of living.

Arising out of the general strike of 1912, an attempt was made to set up a Standing Joint Committee (I enclose draft of proposed constitution). It fell through owing to the opposition of the employers' association of that date.

During the war, when requests for increased wages were made, they, from 1915, were met with point blank refusals, while every obstacle was used by the employers to prevent arbitration on the requests. They also refused to meet the workers' representatives to consider them. This again led to a strike in the whole trade of the city in March, 1916, which dragged fitfully on for twelve weeks.

The first radical agreed change made in wages and hours was after the Trade Board was formed, a "Skilled Workers' Committee" being set up by the Board. The following proposals were recommended and ultimately the first two were fixed, the third still being under consideration by the Board:—

(1) Special rates for spinners, who were grossly underpaid.

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[Continued.]

- (2) The institution of a 48-hours working week (from a 50-hours week, the employees refusing to work 55 hours). The wage for 48 hours being that for 55 hours.
- (3) Arising out of the institution of the 48-hour week, to implement the promise of 55 hours' pay for 48 hours, a "factor" was fixed, by which the rates of piece-workers were multiplied. Certain flat sum increases were compounded into the piece-work rates. An agreement was signed on 19th March, 1920, regarding the adjustment of complaints against the "factor" (reference will be made again to this agreement).

It was found, however, that in weaving particularly, the "factor" was unsatisfactory, and it was decided to "standardise" the weaving rates. A scheme was drawn up, and under a signed agreement put on trial for three months from 25th June to 23rd September, 1920. The employers refuse to this date to adjust anomalies and injustices in the scales, which appear to be too technical for the appointed members to arrive at a clear opinion on them so far. These rates were proposed as Trade Board rates by the employers' representatives eight months ago, but they now oppose them, while an agreed scale, in the proposals before the Board, dealing with percentage increases for variations in weight of weft, are persistently kept inoperative.

On the above proposals a ballot vote of our members was taken, the E.C. of the three trade unions concerned advising their acceptance, which meant resumption of work on Saturdays. The following was the ballot paper:—

DUNDEE JUTE AND FLAX WORKERS' UNION.

Hours and Wages Ballot Vote.

The following proposals were submitted by the employers' representatives to a Sub-Committee of the Jute Trade Board, and issued as an Interim Report by the Sub-Committee, which consisted of equal numbers of employers' and trade union representatives.

Jute Trade Board.

Interim Proposals of Sub-Committee on Hours.

1. That the normal working week consist of 48 hours.
2. That the normal working day for the first five days consist of 8½ hours, and for Saturday, 4½ hours.
3. The employers are prepared on their side to give an undertaking that the wage now paid for a 55-hours week will be paid for a week of 48 hours.
4. The Dundee employers desire an assurance that the Dundee workpeople will agree to a single break in each day, and to the resumption of Saturday work. The representatives of the Union undertake to present this request to their Executive.*
5. It is suggested that the single break system should be worked experimentally for a period of four months. If at the end of that period it be found that the system has proved unworkable, or seriously inconvenient, objections to the system shall be lodged with the Trade Board, and the Trade Board be asked to re-consider the arrangement.

The arrangement of hours proposed by the employers are:—

Monday to Friday, 7.45 a.m. to 12 noon. 1 p.m. to 5.30 p.m.

Saturdays, 7.45 a.m. to 12 noon.

* This has been done and also placed before the Joint Committees, and they recommend the acceptance of the offer as being the best obtainable at the present time.

These proposals were submitted to, and approved of by the Employers' Association. To give effect to clause 3 of the proposals, it was necessary that the wages books of every firm should be examined and the percentage ascertained by which piece-work rates should be increased over those of 1914, to enable the workers concerned to earn in 48 hours the same wages as would now be earned in 55 hours. This was carried out by two chartered accountants, one appointed by each side. They will have completed the work by the time the ballot vote is taken, and the percentage to be added will be shown by each firm in the various departments in which piece workers are employed. Time workers will receive 55 hours' wages for 48 hours' work.

Spinners' wages have been standardised in so far as the varying number of spindles attended to are to be paid. There are other details yet to be adjusted. The wages to be paid in accordance with the standard scale are exhibited in each work, and will come into immediate operation if the hours proposed are accepted. If they are not accepted, the spinners' new rates will not be put into operation by the employers until the Trade Board Act Regulations have been complied with, which will mean at least three months' further delay.

We are raising at the next meeting of the Trade Board, which will be convened immediately, the question of standardisation of work and wages or rates of all other sections of workers in the trade. To do so, a Committee of the Trade Board must be set up to consider the question and draft proposals. This will entail a vast amount of work owing to the varying rates in existence, and will probably take some considerable time to complete.

The request contained in clause 4 of the employers' proposals has been considered by the Union Committee and the Joint Committees. They are of opinion the proposals should be accepted, and accordingly recommend their acceptance.

It will be observed the arrangement of hours is experimental for a period of four months, when they can be reconsidered.

I desire most strongly to emphasise the fact that these three changes were made as a result of the Trade Board Acts being applied to the jute trade. We have for years attempted to get them adjusted, but always met with refusal on the part of the employers. There has never been any recognised method of "collective bargaining."

The rates "standardised" are hessian weaving. Other classes of weaving rates were to be dealt with also, in addition to those of winders, reelers, warpers, twistors, etc. Promises and agreements made by the Dundee jute employers are, however, not to be depended upon. Nothing has been done with the other rates to date.

The reason I have gone so fully into "past history" is: (1) I am presuming the Employers' Association will submit, or have submitted, evidence to the Committee in favour of the abolition of the Jute Board, and statements not in accordance with fact may be or have been made; and (2) in February, 1921, the Dundee Jute Employers' Association sent a lengthy letter to the Minister of Labour, requesting the abolition of the Jute Trade Board, to which the following reply was sent to the Minister on 21st February, 1921:—

Sir,

In reference to the letter of the Association of Jute Spinners and Manufacturers of 3rd February, 1921, addressed to the Minister of Labour, asking for the abolition of the Jute Trade Board (Great Britain), which was referred to the Board by the Minister, we have to draw attention to the following points:—

The statement of what took place at the meeting of the Board on 27th January, when the employers'

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[Continued.]

representatives gave notice of motion to vary the general minimum rates by 25 per cent., is inaccurate in its details.

High Cost of Production.

We should like to know what percentage wages bear to the total cost of production normally. The wages percentage in pre-war time and to-day for comparison.

Permission to Reduce Wages.

It is true wages increased "when the conditions of the trade were exceedingly prosperous," but they were not increased in a degree at all commensurate with the "exceedingly prosperous" state of the trade. For example:—

In spite of the wages increases the profits of the six following firms in the years 1916-1920 were as follows:—

Messrs. Cox Bros., Ltd.				
			£	s. d.
"	J. & A. D. Grimoud, Ltd.		623,390	3 6
"	Harry Walker & Sons, Ltd.		621,483	5 5
"	Thos. Bell & Sons, Ltd.		734,530	14 7
"	Gilroy, Sons & Co., Ltd.		1,224,139	17 11
"	J. N. Kyd Co., Ltd.		1,497,557	15 4
1916	...	...	...	...
1917	...	...	...	...
1918	...	...	...	...
1919	...	...	...	...
1920	...	...	...	...
Total	...	...	£4,706,101	16 9

Annual Average, £942,220 7s. 4d.

The pre-war standard of profit was £344,464.

Further comment would be superfluous. We presume, however, the jute employers who "shouted from the housetops" that the workers should provide for the "rainy day," acted upon their own precept. The profits of the above-mentioned firms point to ability to do so at least, and to an extent beyond the reach of their employees, whose wages to-day are at least 35 per cent. worse than they were in 1914, in view of the increased cost of living.

The employers state:—

"Were they able to reduce wages (which were increased at a time when the conditions of the trade were exceedingly prosperous) to such a degree as would in the present state of affairs allow of manufacturing under sound, or fairly sound, economic conditions, it might be possible to keep the works running till such time as the trade will have taken a turn for the better, and orders may be hoped for."

The following questions were put by Mr. J. F. Sime to Sir Wm. Henderson at a meeting of the Jute Trade Board, held on Thursday, 17th February.

Question: If a reduction was granted can you promise full time in a week or a month?

Answer: No!

Question: Can you promise full time in six months?

Answer: No!

Question: Can you promise full time in a year?

Answer: No!

Question: Can you promise, if a reduction was granted, that the works will not be closed down?

Answer: No!

These answers mean the workers are therefore asked to make an extraordinary sacrifice but receive no guarantee in return.

Abolition of Trade Board.

We have to point out the changed attitude of this Association. On 14th June, 1919, we had a letter which stated *inter alia*:—

I am directed to say that a Trade Board having been proposed for the Jute Industry, my Committee consider that the proposed Joint Com-

mittee should be left over meantime, or the matters which it is suggested should be considered by that body are matters which, it is understood, Trade Boards are appointed to deal with.

(Signed) FRANK S. CATHRO,
Secretary.

Again on 28th August, 1919, we had the following:—

I am directed to inform you that the meeting (Employers' Association) decided that in view of the larger question involved by the workers' rejection of the Employers' proposals recently submitted to them, no change should be made meantime, but that representation should be made to the Ministry of Labour with a view to the hastening of the establishment of the Trade Board, one of whose duties would be to deal with such matters.

(Signed) FRANK S. CATHRO,
Secretary.

This letter was on the question of the working week, the workpeople refusing to work on Saturdays. The question was settled since the Jute Trade Board became operative. The employers seem to "blow hot and cold" on the question of a Trade Board for the jute trade.

It was their objections in the latter part of 1918 that prevented a Joint Industrial Council being set up. Three meetings were held on 7th May, 19th August and 14th October, 1918.

Working Agreements.

The Association letter states:

"The employers and workers in the jute trade are highly organised, and before the operation of the Trade Boards Acts they were accustomed to come to agreements as to working conditions and wages, such agreements having immediate effect."

The above letters and the employers' attitude toward a Joint Industrial Council are in direct contradiction to the statement quoted above. Further proof of the inaccuracy of that statement is that every wage increase request put forward since 1915 was refused and had to be referred to arbitration, the Association refusing to meet the Union representatives to discuss the requests.

Arbitrations were held on December 21st, 1915; April 20th, 1917; November 19th, 1917; June 8th, 1918; October 21st, 1918; December 5th, 1918; January 6th, 1919; and December 15th, 1919. Increases were granted in each case except that of December, 1915, when Sir George Askwith (now Lord Askwith) at the conclusion of the hearing intimated that he had been advised by the then Government not to grant increases in wages. This led to a strike in March, 1916, arising out of another refusal to a request for an increase in wages. The strike dragged on for twelve weeks.

Even with the Trade Board in operation it has taken 14 to 15 months to fix the present rates and every obstacle was put forward by the employers' representatives, acting, no doubt, on the instructions of their Association, to prevent them being fixed.

The Dundee jute employers, who are 100 per cent. organised, dominate the employers' side of the Board, having 75 per cent. of the seats.

The Standard of Living.

The Association letter states:—

"The Labour leaders speak of a reduction of wages as a lowering of the standard of living. This the employers cannot admit, and most certainly they do not desire that their workers should suffer any lowering of the standard of

18 January, 1922.]

Mr. J. F. SIME.

[Continued.]

living. The rises have been given because the Trade was considered to be able to pay at the time a higher rate of wages to its workers."

It would appear an attempt is here made to lead the Minister to believe the increases in wages were given voluntarily or arranged by agreement. The above-mentioned arbitrations prove the contrary.

It is true "the Labour leaders speak of a reduction of wages as a lowering of the standard of living," but we are not surprised to be told "this the employers cannot admit." The jute workers until within recent years were paid "sweated wages," and had to accustom themselves to a low "standard of living." The following figures are taken from the Report on Earnings and Hours, Textile Trades, 1906. (Cd. 4545.)

"Average Earnings of Operatives working full time in the last pay week of September, 1906:—

Men.	Lads and Boys.			Women.	Girls.			All Work-people.
	Full Time.	Half Time.	Half Time.		Full Time.	Half Time.	Half Time.	
s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
21 7	11 4	4 4	4 4	13 5	10 0	4 1	4 1	14 3

49.1 per cent. of the men were paid under 20s. per week. 36 per cent. had 20s. and under 30s. per week. 13.4 had 30s. and under 40s. per week and 1.5 had 40s. and over. 75 per cent. at least of the operatives in the trade are females.

Spinners, one of the most highly skilled section of workers had an average wage of 12s. 3d. per week. Two-thirds of the weavers, highly skilled workers, averaged 13s. 11d. for one loom, the other third on two looms averaged 15s. per week.

That being the "standard of living" in 1906, possibly the employers have in their minds that the wages should come to that level before the "standard" can be said to be reduced. If that is so, it would explain their denial of a desire to lower the standard of living.

In 1909, Mr. Winston Churchill, who was then President of the Board of Trade and M.P. for Dundee was requested to bring the jute trade under the Trade Boards Act, but declined to do so.

Continuation of Trade Board.

The time may come when a Trade Board can be dispensed with. That time does not appear to be at all near. We, therefore, have to ask that the request of the Association of Jute Spinners and Manufacturers shall not be granted.

(Signed) J. F. SIME.

The employers' request it is obvious was not granted.

With reference to the Agreement referred to previously, Messrs. Jute Industries, Ltd., have deliberately broken the Agreement which is as follows:—
(Copy.)

Agreement as to the Application of the Factor for Consolidating the Piece Rates, and putting into operation the Time Rates hereinafter called "THE NEW RATE."

All wages shall be calculated at the new rate from Friday, 26th March, 1920, onwards.

DISPUTES: Any Disputes as to the new rate, or the application thereof, shall be dealt with as follows:—

1. By the Members of the Piece Workers' Consolidation Joint Committee interested in the matter under review with the Accountants as advisors.

Should no Agreement be come to, or an Appeal lodged against the decision, then

2. By the Piece Workers' Consolidation Joint Committee as above arranged, with Professor Baillie as umpire, the umpire's decision to be final and binding on all parties.

All appeals against the new rate, or the application thereof, must be made in writing and addressed to the Joint Accountants, care Messrs. R. C. Thomson & Murdoch, C.A., 11, Reform Street, Dundee, and be received not later than April 23rd, 1920.

After that date, all rates which have come into operation, and against which no appeal has been lodged, shall be considered as accepted by all parties.

In the case of any dispute, the new rate shall be paid and accepted during the hearing of any dispute, or any appeal. Should it ultimately be decided that the worker has received too little, a retrospective payment, in agreement with the Award, shall be made, but should the worker have received too much, a deduction shall be made for any overpayment, provided that no deduction in any one week shall exceed the greatest sum still outstanding overpaid in any one week.

Signed on behalf of—

Dundee and District Union of Jute and Flax Workers.

J. F. SIME,
Secretary.

Dundee and District Calender, Linoleum and Dye Workers' Union.

J. CUNNINGHAM,
Secretary.

Dundee and District Powerloom Tenters' Society.

JOHN BURT,
Secretary.

Association of Jute Spinners and Manufacturers.

FRANK S. CATHRO,
Secretary.

Dundee, 19th March, 1920.

Briefly the facts are, certain piece workers had a "Factor" fixed for their rate. The firm never lodged a complaint against the said "factor" until a few months ago, when a request was made that a reduction should be made in the "Factor." No agreement on the question was arrived at and on 22nd November, 1921, I received intimation that from 2nd December, 1921, the "Factor" would be reduced. I reported the matter to the Employers' Association on 23rd November, 1921, and after five weeks' delay—on 29th December, 1921—had a reply denying "breach of agreement." I draw attention particularly to Clauses 3 and 4. The Agreement while not actually drawn up as a Trade Board item, was the result of the work of the Trade Board in fixing the 48-hour week. I regret very much in view of past experience, not insisting that the Trade Board should be responsible for the Agreement also. It appears to us no reliance can be placed upon any indi-

18 January, 1922.]

Mr. J. F. SIMS.

[Continued.]

vidual or collective Agreement made by the Dundee jute employers, and therefore the continuance of the Jute Trade Board is a necessity until at least we see or find evidence that agreements are not to be turned into a "scrap of paper."

We also oppose the suggestion which has been made by an employer at the Flax and Hemp Trade Board that the Board should be withdrawn from the operation of the Acts for two years.

We suggest, in the interests of the workers, that the 1909-1918 Acts should remain on the Statute Book, with any amendments that experience has shown to be necessary.

J. F. SIMS.

SCHEDULE.

Copy.

AGREEMENT between the Dundee and District Spinners' and Manufacturers' Association, Ltd., and the Dundee Jute Workers' Joint Committee.

It is hereby agreed that the scales for preparing and spinning (with conditions) shown on the two sheets attached marked "A" and "B" respectively, and signed by both parties of this date, be put into operation in the mills of the members of the Association on week commencing Friday, 28th May, 1915.

It is further agreed that the Dundee Jute Workers' Committee will do all in its power to prevent any labour trouble arising in connection with the putting into operation of these scales of rates, and in the event of trouble arising will do all in its power to end that trouble at an early date. The Association on its part will instruct its members that from the date shown above, *vis.*, Friday, 28th May, 1915, no member shall pay a lower rate of wages than that shown on the scales for the particular class.

Dated this 14th day of May, 1915.

Signed on behalf of the Dundee and District Spinners' and Manufacturers' Association, Ltd.

L. G. MACINTYRE, *Chairman.*

FRANK S. CATHRO, *Secretary.*

Signed on behalf of the Dundee Jute Workers' Joint Committee (representing the Various Textile Unions).

ROBERT B. MYERS, *Chairman.*

JAMES REID, *Secretary.*

N.B.—It is further agreed that on the introduction of these scales any member who is paying above the rate shall continue to do so until further notice.

(Initialed) L.G.M.

F.S.C.

R.B.M.

J.R.

"A"

SCALE OF RATES FOR PREPARING.

Per week of 55 hours.

"W" = Worker "M" = Machine.	Scale of Rate as at 30th June, 1912 to be known as THE BASIS.		Scale as increased to present level (=10%+5% with minimum of 1s. above the Basis).	
	s.	d.	s.	d.
Breaker Feeding, 1 W. to 1 M.	13	8	16	0
Do. 2 W. to 1 M.	11	10	14	0
Breaker Delivery, 1 W. to 1 M.	11	2	13	3
Balling, 1 W. to 1 M.	11	2	13	3
Card Feeding, 1 W. to 1 M. (Can System)	11	2	13	3
Do. 1 W. to 3 M. (Ball System)	11	2	13	3
Card Delivery (Can Tramping), 1 W. to 1 M.	10	11	13	0
Do. (do.), 1 W. to 2 M.	11	4	13	6
Feeding 1 Card and back of 1 Drawing (Can System)	12	3	14	6
Do. 1 do. 1 do. (Ball System)	11	10	14	0
Do. 2 do. 1 do. (Ball System)	12	3	14	6
Back or Front of 1 Drawing	11	4	13	6
Between 2 Drawings	12	3	14	6
Front of 2 Finishing Drawings	12	9	15	0
Back of 2 Finishing Drawings	12	3	14	6
Front of 1 Finishing Drawing and Back of Roving of 48 Spindles	13	6	15	10
Do. do. do. 56 do.	13	9	16	2
Do. do. do. 64 do.	14	1	16	6
Do. do. do. 72 do.	14	5	16	10
Do. do. do. 80 do.	14	8	17	2
Do. do. do. 88 do.	15	0	17	6

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Mr. J. F. SIME.

[Continued.]

"A"—continued.

Scale of Rates as at 30th June, 1912, to be known as THE BASIS		Scale as increased to present level (= 10 % + 5 % with minimum of 1s. above the Basis).	
POSITION OF MACHINES.			
			
s. d.	s. d.	s. d.	s. d.
Back of Rovings—48 Spindles			
56 ..	—	—	—
64 ..	—	10 11	13 0
72 ..	—	11 4	13 6
80 ..	10 11	11 10	14 0
88 ..	11 4	12 3	14 6
96 ..	11 10	12 9	15 0
104 ..	12 3	13 2	15 6
112 ..	12 9	13 8	16 0
120 ..	13 2	14 1	16 6
128 ..	13 8	14 6	16 11
136 ..	14 1	15 0	17 6
144 ..	14 6	15 5	18 0
When the worker attends Back of one Roving only, pay as per lower of the two Scales.			
Fronts of Rovings—48 Spindles			
56 ..	—	10 11	13 0
64 ..	—	11 4	13 6
72 ..	10 11	11 10	14 0
80 ..	11 4	12 3	14 6
88 ..	11 10	12 9	15 0
96 ..	12 3	13 2	15 6
104 ..	12 9	13 8	16 0
112 ..	13 2	14 1	16 6
120 ..	13 8	14 6	16 11
128 ..	14 1	15 0	17 6
136 ..	14 6	15 5	18 0
144 ..	15 0	15 11	18 6
144 ..	15 5	16 4	19 0
When the worker attends Front of one Roving only, pay as per lower of the two Scales.			
For these rates Rover has to shift one Carriage. When Rover does not shift, the rate is 1s less per week.			

Remarks.

For these rates shown above the operative is to start and stop machines when required, and to perform other usual duties.

"Holding-on."—Firms are to continue paying their present "holding-on" rates.

"Rovings."—When the number of spindles attended is not shown above, the rate to be paid is that for the next highest number shown, e.g., 42 spindles is to be paid at the rate for 48 spindles, 70 the rate for 72, 84 the rate for 88, and so on.

The scale of rates for preparing (with conditions) as shown above is hereby accepted by the Dundee and District Spinners' and Manufacturers' Association,

Limited, and the Dundee Jute Workers' Joint Committee, and will be put into operation in the mills of the members of the Association on week commencing Friday, 28th May, 1915.

Agreed to on behalf of the Dundee and District Spinners' and Manufacturers' Association, Ltd.

L. G. MACINTYRE, *Chairman*.

FRANK S. CATIRO, *Secretary*.

Signed on behalf of the Dundee Jute Workers' Joint Committee.

ROBERT B. MYERS, *Chairman*.

JAMES REID, *Secretary*.

Friday, 14th May, 1915.

18 January, 1922.]

Mr. J. F. SIME.

[Continued.]

"B."

SCALE OF RATES FOR SPINNERS.

Per week of 55 hours.

Up to and including 4" Bobbins.	4½" and 4¾" Bobbins.	5" Bobbins.	6" Bobbins.	Scale of Rates as at 30th June 1912, to be known as THE BASIS.	Scale as increased to present level (=10%+5% with minimum of 1s. above the Basis).
Total number of Spindles attended.	Total Number of Spindles attended.	Total Number of Spindles attended.	Total Number of Spindles attended.		
44 and under.	39 and under.	35 and under.	30 and under.	s. d.	s. d.
45/48	40/43	36/38	31/32	11 9	13 11
49/52	44/46	39/41	33/35	12 0	14 1
53/56	47/50	42/45	36/37	12 2	14 2
57/60	51/53	46/48	38/40	12 4	14 5
61/64	54/57	49/51	41/42	12 7	14 7
65/68	58/60	52/54	43/45	12 10	14 10
69/72	61/64	55/57	46/48	13 0	15 1
73/76	65/68	58/60	49/51	13 3	15 4
77/80	69/71	61/63	52/54	13 6	15 7
81/84	72/75	64/67	55/56	13 8	15 10
85/88	75/78	67/70	57/59	13 11	16 0
89/92	79/82	71/73	60/61	14 2	16 4
93/96	83/86	74/76	62/64	14 5	16 7
97/100	87/89	77/79	65/67	14 7	16 10
101/104	90/93	80/83	68/70	14 10	17 1
105/108	94/96	84/86	71/72	15 1	17 4
109/112	97/100	87/89	72/75	15 4	17 7
113/116	101/103	90/92	76/78	15 6	17 10
117/120	104/107	93/95	79/80	15 9	18 1
121/124	108/110	96/98	81/83	16 0	18 4
125/128	111/114	99/102	84/86	16 2	18 7
129/132	115/118	103/105	87/88	16 6	18 9
133/136	119/121	106/108	89/91	16 10	19 2
137/140	122/124	109/111	92/94	17 1	19 6
141/144	125/128	112/114	95/96	17 5	19 10
145/148	129/132	115/117	97/99	17 9	20 2
149/152	133/135	118/120	100/102	18 1	20 6
153/156	136/139	121/124	103/104	18 4	20 11
157/160	140/142	125/127	105/107	18 10	21 4
161/164	143/146	128/130	108/110	19 3	21 9
165/168	147/149	131/133	111/112	19 7	22 3
169/172	150/153	134/136	113/115	20 0	22 8
173/176	154/156	137/140	116/118	20 4	23 1
					23 6

Remarks.

For the rates shown herewith, single spinners are to shift a carriage, and all spinners are to clean and blow down frames, to start and stop frames when required, and to perform other usual spinners' duties.

Spinners working on two sizes of bobbins which are rated under different scales are to be paid the proportion which each number of spindles bears to the total under each scale—(i.e. and over to equal 1d.)—e.g.:

1 spinner attending 64 spindles—3½" bobbins.

48 " 4½" "

112

(3½")—112 : 64 ... 17s. 10d. } proportion = 10s. 2½d.
(4½")—112 : 48 ... 18s. 9d. } " = 8s. 0½d.

Authorised rate, 18s. 3d.

"Holding-on."—Firms are to continue paying their present "holding-on" rate, or the rate shown against the aggregate number of spindles attended, whichever is the greater—e.g.:

Taking the case of a single spinner attending 72 spindles of 4", holding on extra 72 spindles of 4"—

The rate for 72 spindles=15s. 4d.

" " 144 " =20s. 2d.

With a "holding-on" rate of 1d. per hour (4s. 7d. per week) the wage would be 19s. 11d. In this case the rate for 144 spindles—20s. 2d.—would be paid, being the greater.

With the "holding-on" rate of 1s. per day (5s. 6d. per week) the rate of 20s. 10d. would be paid, being greater than the rate of 20s. 2d. shown against the 144 spindles.

The scale of rates for spinners (with conditions) as shown above is hereby accepted by the Dundee and District Spinners' and Manufacturers' Association, Limited, and the Dundee Jute Workers' Joint Committee, and will be put into operation in the mills of the members of the Association on week commencing Friday, 28th May, 1915.

Agreed to on behalf of the Dundee and District Spinners' and Manufacturers' Association, Ltd.

L. G. MACINTYRE, *Chairman*.

FRANK S. CATHRO, *Secretary*.

Signed on behalf of the Dundee Jute Workers' Joint Committee.

ROBERT B. MYERS, *Chairman*.

JAMES REID, *Secretary*.

Friday, 24th May, 1915.

18 January, 1922.]

Mr. J. F. SIMP.

[Continued.]

9817. *Sir Arthur Pease*: I regret to say that our Chairman, Lord Cave, is indisposed and unable to be with us to-day, but all the evidence you give will be placed before him although he is not here. You represent the Dundee and District Union of Jute and Flax Workers?—Yes; I am the secretary.

9818. Your statement will be printed, and perhaps you will develop the points which you particularly wish to draw attention to. In the first place, I think, you give a history of the negotiations that have taken place in the trade prior to the Trade Board?—What I particularly wish to draw attention to is the fact that, as far as negotiations are concerned, they have been very few and far between, that the employers for years have absolutely refused to discuss any questions at all for the adjustment of wages and working conditions. That led, as I point out, to serious strikes in the trade, and what I want to draw particular attention to is that, so far as adjustment of wages is concerned, any serious or proper adjustment of wages from our point of view has only been made through the instrumentality of the Trade Board. If you take, for instance, the question of female spinners, all highly skilled workpeople, their wages in the past were, in my opinion at least, sweated and should have come within the scope of the first Trade Board; but it is only since this trade was brought under the Trade Boards Acts that these rates have been put at all upon what can be called anything like a proper basis. I gather, from what I have been able to see in the Press, that a statement was made that these rates were arrived at by voluntary agreement. That is incorrect.

9819. With the Trade Board, or before?—Without the Trade Board. What took place was that the Trade Board appointed a Skilled Workers' Committee. This Committee took up the question of the spinners' rates. They met under the chairmanship of the Chairman of the Board, and we threshed out between ourselves a scale which is now in operation. It is quite true to say that the employers put this into operation voluntarily, before it became a Trade Board Order, but that was due to two facts: first, that the trade was booming at the time, in 1920, and, secondly, that there was a dearth of spinners. There was such a small difference between the spinners' wages and the wages of the girls who shifted or doffed the bobbins—that is, when the bobbins are filled they have to be taken off and replaced by empty ones to be refilled—that these girls had almost as large wages as the spinners. The spinners, naturally, then preferred to take the easier job, as against the more arduous one of spinning. These two factors led to these rates being put into operation in March of 1920, and they did not become effective rates under the Trade Board until October of 1920. That was six months' difference. So that it would be true to say that these rates were put in operation as a voluntary arrangement six months prior to their becoming effective under the Board; but it is not true to say that these rates were drawn up between the employers and ourselves outside of the Trade Board: it was through the instrumentality of the Trade Board that they were drawn up.

9820. It was really the knowledge that the Trade Board was coming that made the rates effective?—The Trade Board was there by that time. From 1912 we had been hammering at this question of getting these rates adjusted, and you will find, in the statement that I have put in, that there was a strike, in 1912, at the conclusion of which the employers promised to level up the wages of certain classes of workpeople, among whom were the spinners. These people received increases of a few coppers per week. The number of people affected would be a large percentage of the trade, but there was not a large percentage of that number who received these increases, because, after all, what took place was that the employers took the average wage of all the spinners in the trade, and they levelled up to the average. What figures they got we do not know; they simply said: this is the scale we have drawn up, and we propose to put this into operation, and they asked us to agree to it. As

it meant something to somebody, we said: "All right, put it into operation." But it did not come into operation until 1915, and I have supplied the Committee with a copy of the agreement.

9821. The printed statement, you mean?—Yes, the printed statement. You will see it came into operation in 1915. I want to draw attention to a typographical error, in the second paragraph and the second sentence; it should read: "The association on its part will instruct its members." "Is" is the word that is there; that, of course, is a typographical error.

9822. Yes.—They asked us to meet them with a view to putting these small adjustments into operation, because there was trouble among the spinners about the rates, and they asked us to sign this and agree to it with them, in order to prevent trouble. There was trouble, but we fulfilled our part of the bargain. It took from 1912 to 1915 to produce this and to put it into operation, and my opinion is that it would not have been put into operation had it not been for the war situation, even at that period. Then we attempted again to get them induced to tackle this question. The result was that nothing was done until the Trade Board was established, in December, 1919. These rates were produced through the Board—fixed in October, but put into operation voluntarily in March of that year.

9823. Did the wages remain the same from 1915 to 1919?—No; we had got increases through arbitration during that period. In February, 1915, we got one increase by agreement with the employers; and we also got a 2s. war bonus, which was conditional on the employees working a complete week of 55 hours. If they had one minute of loss, the employer was entitled to keep the 2s. off, that is to say, if they had any broken time. Outside of that, we have not been able to arrive at any agreements at all. But they went further than that when we got that last increase, and they suggested that we should bind ourselves not to ask for any further increases during the period of the war. The answer I gave was: If you can guarantee that the cost of living will not increase, and if you can also guarantee that you will have no increased profits or charge no higher prices for your goods than you have now, we will consider that question. That finished it.

9824. Was that the last increase—the 2s. war bonus?—No; we have received a number of increases during the war, but in every case we were compelled to go to arbitration, and the employers put every obstacle they could in the way of arbitration being held. Until February, 1915, I think it was, the jute trade did not come within the scope of the Munitions of War Act. An Order was issued during that period making it applicable, and after that, of course, arbitration was compulsory, in complying with the terms of the Act. When we made requests for increases we always got a point blank refusal. We reported the matter to the Ministry, arbitration was held, and we received increases. I do not know that I have the dates with me, but we received increases. In the first one the arbiter was Sir Thomas Munro. The men received a flat sum of 5s. and the women 10 per cent., and the young persons 5 per cent. The next one was the committee on production: we received in that case 5s. for men, 4s. for women, and 2s. 6d. for young persons. Then there were two increases of 7s. each for men, 5s. for women, and 2s. 6d. for young persons.

9825. Could you tell us what the average increase was for a man and for a woman between the date of this agreement which you have printed and during the War?—This agreement in 1915, do you mean?

9826. Yes.—In the case of a woman I think it would be 17s., and in the case of a man 26s.; that is adults.

9827. That was before the Trade Boards came in?—Before the Trade Boards; there has been no increase of wages since the Trade Board came into operation. The only thing that took place was that when they fixed the minimum rates there would obviously be

18 January, 1922.]

Mr. J. F. SIMS.

[Continued.]

men who would get that minimum rate; the men who were getting 48s. would have to get 50s.

9928. But there was no increase through the Trade Board?—No, no general increase.

9929. Are the Trade Board minimum rates the standard rates practically now?—No, they are not the standard rates. With the exception of the spinning rates, which are undoubtedly the standard rates for spinning, although the Board has fixed them as general minimum rates for a special class of work-people, they are nevertheless the standard rates, because all the employers are paying no more than that. You must keep in mind, of course, that this trade is centralised in Dundee. There will be roughly 40,000 employed in the trade, and out of that number I should reckon that there would be somewhere between 4,000 and 5,000 employed outside Dundee—round about those figures. Among that number you have to keep in mind that a number of them work a mixture of jute and flax, which will bring them under the Flax Trade Board rates; so that for purely jute the figure would be less than 5,000. In any case, the jute business is centralised in Dundee, and with an association that is 98 per cent. organised, you can quite well understand—

9930. *Mr. MacCallum Scott:* Is that the workers or the masters?—The masters. There are only two firms who are not organised. One of the largest, Cox Brothers, work jute and flax. The other one is a purely jute mill; it belongs to the Scottish Co-operative Wholesale Society, and they have applied for admission and been refused. These are the only two firms that are not within the scope of the Employers' Association. It is obvious, therefore, that these rates being fixed by arrangement between us through the Trade Board, with the Dundee employers, the spinning rates are the standard rates, but outside of that, so far as the general minimum rates are concerned, there are a number of people that are paid higher than the minimum, that is to say, they were paid a sum higher than the minimum before.

9931. *Sir Arthur Pease:* In the case of piece rates?—In the case of piece and time as well.

9932. *Lord Weir:* That is to say, practically, that the trade have adopted the scale with the employers outside the Trade Board?—No, we did not agree outside the Trade Board. A Skilled Workers' Committee was set up. I have the particulars here with me. It was set up to deal with the rates of skilled workers, and among the rates that were referred to this committee and dealt with by them was the first and most important question of the spinning. They dealt with that, and they made a recommendation in regard to these rates. I have here the scale of rates which was issued as a Trade Board Order, but this is not a Trade Board Order; this is an exact copy of J.7., I think it is; Spinning Rates. We got it printed in this form for our own convenience instead of the big Order that was issued by the Trade Board.

9933. Really what you mean is that these rates were agreed on at a Departmental Committee Meeting of the Board?—Yes; and, rather peculiarly, when we did meet for the first time I had no idea as to what the employers' view on the matter were, neither had they any idea of mine. We found we got over one obstacle at once; we had both fixed on the same sort of basis for working out this scale, the only difference between us being the difference in price, and we gave away more on that question than the employers did. They made a break at one point in regard to the price. We asked that after the basic rate the increase should be 2d. per spindle attended. The employers said 1½d. It was compromised by this, that at 64 spindles there would be a break, and they would pay 2d. after that and 1½d. below, that was the compromise that was arrived at. As you say, it would be true to say that it was an agreement arrived at between us as a result of this Departmental Committee, as you call it.

9934. *Sir Arthur Pease:* It would be a Whitley Council of the Trade Board, in a way?—Yes. The Chairman, like all the appointed members, was not conversant with all the technical details; in fact, he

had never seen a jute mill until the first meeting of the Board when he was able to go through one, and as far as he was concerned he was only there to keep us in order. Fortunately, at that stage, owing to our views being so near to one another, there was not much disagreement on that occasion.

9935. *Lord Weir:* Would it not be true to say that, in fixing those rates, both sides understood and felt that they would be the standard rates that would be paid?—There is no question about that.

9936. Rather than the minimum rates?—Yes, that is so; the trade being confined almost wholly to Dundee, it meant that these would become standardised rates. There is this also, that on one occasion when we met a Committee of the employers, outside the Trade Board but dealing with a matter which was discussed by the Trade Board, two of the employers repeatedly pointed out to us that these were only minimum rates, but I always argued that the tendency would be, if the employers got their way, to make these the standard rates. Two of these employers said that was not the case, but their Chairman on that afternoon contradicted them and said it was no use their trying to bluff themselves into that, because that would be the tendency.

9937. The tendency would be to make the minimum rates the standard?—As far as the employers were concerned—not from our point of view, of course.

9938. The employers have told us, and you have confirmed it, that their organisation is very complete?—On the employers' side.

9939. I rather think your organisation is fairly complete also, is it not?—Well, we reckon that in Dundee there are round about 36,000 to 38,000 people employed in the trade normally. There are different branches, of course, but we include within our scope all processes from batching up to weaving. Then there is a Tenter Society or a Loom Tuner Society. They take in only tenters or loom tuners. Then, outside that, there is the Calender Workers' Association. That is the Finishing Department; we do not touch that at all. Out of these numbers you would have to deduct from the number of people employed, I should say, round about 3,000; that leaves, out of, say, 36,000, 33,000, and out of that number we have round about the balance of 20,000.

9940. One would have expected, in a severely localised industry like that, where the employers are well organised and you are fairly well organised, that there would have been a distinct possibility of arriving at satisfactory rates by negotiation. Why has it made so little progress in Dundee?—Well, previous to 1906, when our Society was formed, there was only in existence the Calender Workers' Society—its full name is the Dundee and District Calender, Linoleum and Dye Workers' Union—which was certainly a militant organisation. Their representative is here, and he will speak for himself. There was also another society, which appeared to be run more on a friendly society basis than that of a trade union; that is to say, it was never responsible for any strike or caused any lock-out in the trade. Any strike that took place on the part of the workpeople was spontaneous on their part. An attempt was made when we were formed, or prior to our being formed, to alter their methods, and they distinctly refused. The result was that we were formed. We adopted a militant policy and have continued it. We wanted to get things adjusted that required to be adjusted. The employers have refused to meet us, and their attitude is the same to-day towards the association as it was at that period. We have had trouble about an agreement; and I have had some correspondence with the employers' association in the matter, because they were signatories to this agreement in regard to the institution of a 48 hours' working week in place of a 50—because we were not working 55 at that time—and this is the letter I received on the 16th of this month: "With further reference to your letter of the 5th instant, I have brought this before a meeting of my sub-committee to-day. I am instructed to refer you to my letter to you of the 29th December, and to state that my sub-committee

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has nothing further to add to that letter." I had written to them on the 5th January, suggesting that a meeting with their sub-committee should be arranged, at which witnesses from both sides should be present for examination and cross-examination, to prove or disprove "that your sub-committee have (1) either been misled, or (2) have not all the facts placed before them." That is in relation to a charge that they have broken an agreement (of which you have a copy) that was signed on their behalf by Mr. Frank S. Cathro, their secretary.

9841. *Sir Arthur Pease*: When was the agreement made?—On the 19th March, 1920; you will find it contained in my *précis*.

9842. Was there any provision as to the period of the agreement, or as to when it was to terminate, or anything of that sort?—No.

9843. Which page of your *précis* do you refer to?—Page 4. I regret that by a mistake on the part of the printers these paragraphs are not numbered. You will find on that page a sub-heading: "Continuation of Trade Board," and immediately underneath that, a copy of the agreement.

9844. Yes: "Agreement as to the application of the factor for consolidating the piece rate"?—Yes.

9845. *Lord Weir*: Might I just ask this: Would you agree to this answer to my question, that you found difficulty in getting co-operation with the employers?—Extreme difficulty.

9846. That would cover it?—That covers it.

9847. *Mr. Bell*: Do they give no reason for refusing to meet you?—They have not given me any reason, but I have heard of reasons, and I think the reason given is that they decidedly object to meet me; but I want to point out that I am the servant of our members, responsible to my committee, and that whatever has got to be done must be done with their sanction, and that it would not matter if there were somebody else in my position, they would be instructed to do the same thing as I am instructed to do; therefore, I am carrying out the instructions of my constituents. In the process of doing so, they fix upon me as being the instrument that is causing all the trouble.

9848. *Sir Arthur Pease*: They refuse to recognise the trade union, do they?—They do not do that now. For instance, although I have this letter here dated the 16th January, in which they refuse to meet us, as representing their Association and representing our Union, nevertheless a member of the Employers' Association telephoned to me yesterday and asked me to come up, that he is getting in two new twisting machines, and he wants to fix a rate for those, and he says that he is not going to be humbugged with his Association and ourselves about the rate, that he wants me to come up and arrange with him and his workpeople about the rate to be fixed for this particular class of work, and to be finished with it. But if he were to apply to his Association, they would tell him what rate he is going to pay, or approximately what rate he is going to pay, and once that rate is fixed it could not be altered without the consent of the Association. But he has taken what he considers to be the wiser course, and he has asked me to come up, when I get home again, and arrange with him what he is to pay for this class of work.

9849. Are you in a position, in accordance with your agreement between the employers and yourselves—to go and fix a rate behind the back of the Employers' Association?—This agreement that I referred to is an entirely different matter. We are at perfect liberty to make that arrangement with him outside of that agreement. May I just develop that point. Owing to the exigencies of the war and the submarine menace, jute being imported from India into this country, it was necessary to curtail the amount of jute that was coming here, which meant a reduction in hours. The employers intended to put machinery off wholesale. I discovered what was likely to take place, and I protested not only to the employers, but to the Ministry of National Service—Mr. McLeod. We saw Mr. McLeod and it was arranged that a conference should be held in London

between the employers' representatives in the flax trade and the jute trade and the workers' representatives. We pressed that short time should be adopted, and the decision was given, or rather the view was expressed, that wherever possible short time should be adopted instead of putting off workpeople and machinery. It ultimately led to a general system of short time being adopted, of 40 hours per week. The employers would not agree to this, but ultimately through pressure that was brought to bear on them by a Government Department, or a Government representative anyhow, they agreed also to pay 50 hours' wages for the 40 hours' week. I was a member of the Flax Control Board, and the Controller of Raw Material (Mr. George Malcolm) was also a member of that Board, and I was kept *au courant* as to what was taking place in regard to supplies of jute. He informed me about six weeks previous to the employers going on full time what the state of affairs was, and told me it was very probable he could grant permits to run full time, as he was getting a better supply of jute in now, because they were getting a mastery of the German submarines. I pointed out that it would be advisable that the employers should be informed from them that any arrangement that was made about the increase of working hours should be made by agreement with us, and if that was not done there was nothing surer than that the employers would post up notices on some particular day stating that they intended to resume full time immediately, or whatever increased time they were allowed. I happened to be in London again when a letter crossed in which Mr. Malcolm stated, on the 26th March, I think it was, that he would be able to increase his supplies so as to enable full time to be worked, if the employers cared to do so. I received a telegram from my assistant informing me on the same day that a notice had been posted up at one of the largest works in the town to the effect that they intended to resume full time on the following day. Fortunately I was here, and I went to see Mr. Malcolm and another gentleman, and did what I could to induce them to send a telegram asking that the employers should be prevented from carrying out that policy until a consultation had been held with us to come to some agreement in regard to the increase in the hours. That was not done. They say they sent a telegram, but if they did it was ignored. When I got back our people were up in arms. Meetings were held in various parts of the town; you can understand it is a difficult job for us to get a hall sufficiently large to hold our people, so that we had to hold a series of meetings, and at every one our people absolutely refused to work a single hour beyond the 40.

9850. Did they refuse to work beyond the 40 for the same wages, or did they refuse to work beyond it even if they were paid for the additional time?—The question of wages did not count with them at all at that particular moment; they simply refused to work more than 40 hours. On the other hand, my Executive—we had but very short time in which to discuss the matter—decided to recommend work on the Monday, which was exactly the lines on which I suggested to Mr. Malcolm it should be done. I suggested that any change should be made by instalments—by 5 and 5, or even by 10 and 5; and we decided to recommend our people to work on the Monday. That was not that even. The result was, of course, that they got 40 hours' pay. They had been receiving, previously to that, 50 hours' pay for 40 hours' work. From a month after that they consistently refused to work on Saturdays. The Trade Board by this time was established, and this brings us up to this agreement. I am quoting now from the official document of the Trade Board; this is Circular 373E, and is a record of the proceedings of the Hours of Employment Committee of the Jute Trade Board which was held on Friday, 20th January, 1920. The recommendation of this Committee was: "That the normal working week consist of 48 hours"—we

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had agreed to this by this time—"that the normal working day should be 8½ hours, and for Saturdays, 4½ hours; that the employers are prepared, on their side, to give an undertaking that the wage now paid for a 55-hours' week will be paid for a week of 48 hours. The Dundee employers desire an assurance that the Dundee workpeople will agree to a single break in each day and to the resumption of Saturday work. The representatives of the union undertake to present this request to their Executive." Then it deals with the single break system. You will find in my *précis* that I give a copy of the ballot that was submitted to our members, as to whether this recommendation should be accepted. I think that was one of the things also that led to a great deal of bitterness between both sides on that particular question. The employers readily agreed to pay 55 hours' pay if they could get this 48-hours' week instituted with working on Saturday. They also agreed that these spinners' rates that I have referred to already should be put into immediate operation if our employees agreed to accept a 48-hours' working week. Those two facts, of course, weighed very much in the minds of our people, and, by a very large majority, they decided to accept these terms, and we have been working 48 hours since.

9851. Now, you have given us a history down to when the Trade Board started. That is very interesting as showing the difficulties you had prior to the Trade Board. Now I think we rather want you to go on to the proposals of the Trade Board?—What I was trying to show was that it has not been possible in the past to come to any agreement with the employers. They have adopted what we consider a high-handed action in regard to matters that concern us equally with themselves.

9852. *Mr. MacCallum Scott*: You found that there was no way of settling wages through bargaining?—That is so.

9853. That collective bargaining did not operate in that trade?—It did not operate at all.

9854. That is your point?—That is my point.

9855. *Sir Arthur Pease*: You were not strong enough?—On the question of strength, we had a strike that lasted six weeks in 1912. In 1911 we had two of the largest works stopped for a month at a time, and in 1916 we had a strike that dragged on fitfully for 12 weeks. So that we had to be in a strong position financially if we were to face that sort of thing every two or three years.

9856. Your view is, is it not, that you think the Trade Boards ought to continue?—I do not think there is any doubt about that. We are convinced of this, that so far as the jute employers are concerned, if there had not been any Trade Board, while on the 9th February our adult people will suffer a reduction of 18½ per cent., the employers, if they had had their will, would have put it into operation in February of last year—a year ago, and would have carried out the proposal that they put before the Trade Board, of a reduction of 25 per cent. Further, I am convinced that if they had carried that through at that time, and supposing there had been a strike declared to fight it, and we had spent all our money, we would not be able, in a short period, again to fight another reduction; and I am convinced that the employers would have attempted another one and an equally serious one at that. But what I want to draw attention to particularly is that first of all we never overtook the increased cost of living. The employers say, or have said at Trade Boards meetings where wages have been discussed, that the increases were about 125 per cent. We do not agree with that. We say that they are within the region of 100 per cent. But even on the employers' figures, with the reduction that has taken place just now, a man of 21 years of age and over, from the 9th February will have 40s. 7½d. as a minimum rate. In 1906—I am quoting now from the Report on Earnings and Hours of the Flax Trade (Cd. 4545)—the wage for a man was 21s. 7d. The Board of Trade gave us a return at the present time that

the cost of living (I have not seen the latest return) is 99 per cent. over that of 1914. Supposing you take it at 100 per cent., it means that a man with £2 now is no better off than he was in 1906.

9857. In 1914?—In 1914, and not only that but in 1906. May I remind you that we were not in existence until 1906. This Report was published in 1906, and therefore the investigation must have been prior to 1906. We gave them no information, and therefore it must have come from the employers. You will find that referred to on the last page of my *précis* at the top of the first column, and I have the report of that here by which it can be confirmed. You find the wages for women were 13s. 5d. Their wages to-day, for adult women 18 years and over, are 25s. So that the same thing applies to them, that they would be brought back to the level of 1906. When the first Trade Board Act was passed, Mr. Churchill was our Member of Parliament, and it was suggested to him that the jute trade should be included within the scope of the first Trade Board; but he did not see his way to do so.

9858. *Mr. Bell*: As to these wages that were in operation in 1906, or previous to 1914, how were the standards arranged?—They were not arranged at all; the employers simply fixed them and paid them.

9859. So that the rates of wages were exactly what the employers themselves decided to pay?—That is right.

9860. Did they all pay something similar, or had you a different rate in operation at each mill?—You might find a difference in each mill of a few coppers, or it might be as much as 1s.; but they had to make a variation in the rate that was paid, in accordance with the number of spindles that had to be attended to. For instance, if they had a spinner working on a 4-inch bobbin, with, say, 60 spindles, they would pay a certain wage for that. It is obvious they would have to pay more for a woman who was attending to 120; and that was the only method they had of variation in the rates; and each one made his own sum and paid what he cared, or what the people would accept.

9861. *Sir Arthur Pease*: The rates you have quoted are not the rates that are in actual operation at the present time; they are the rates proposed by the Trade Board, but the Order has not yet been confirmed. The rates at present are above the rates in question?—I say that, on the 9th February of this year, a man of 21 years and over will be receiving 40s. 7½d. At the present moment he is receiving 43s. 9d.

9862. *Mr. Bell*: I want to get to the point that representatives of the employers' association have given evidence before this Committee and they are of opinion that there is no need for a Trade Board. Now I want you to bear that in mind in answering the questions that I want to put to you. These rates that were in operation previous to 1914, being the rates decided upon by the employers themselves, shall we be right in assuming that those were the rates of wages that the employers thought were reasonable?—I am quite sure, and you may be assured; that they thought it was reasonable; we certainly did not.

9863. So that if the Government or the Ministry of Labour came to the conclusion that wages were too low in the jute trade, and set up a Trade Board, and you find an improvement in the rate of wages since the Trade Board came into existence, are you then of the opinion that their opposition to the Trade Board is simply from a desire to get back to the previous level of wages?—Exactly; that is my view.

9864. Are you then of opinion that the Trade Board has operated for the benefit, at least, of the workpeople?—It has. First of all, when trade was good, the operations of the Trade Board got these spinning rates adjusted. We have been discussing weaving rates as well for the last eight months.

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There are points upon which we cannot agree, and even on these, taking it all over, the employers claim that their total wage bill for the whole of the weaving in Dundee is higher than it was before they came into operation. I am prepared to accept that statement, although this has got to be kept in mind: that when you attempt to bring order out of chaos—and that was the state of the weaving rates in Dundee, because you could never get any two firms to pay the same sort of rates for the same class of work—you are bound to get some people receiving slightly less than what they had before, whilst other people will receive increases; and that did take place. A rate has been fixed, which is in operation at the present time, but it was only on trial for three months, with the view, at the end of that period, of getting an adjustment made where it was found to be faulty. That agreement was in operation for three months in the early part of 1920, and since that period the employers have persistently refused to make any adjustments whatever in regard to these scales.

9865. You are aware that we have had submitted to us evidence that some of the workpeople have petitioned the Ministry and the Prime Minister?—Not from the jute trade; you are referring to the flax trade.

9866. Well, yours is jute and flax, is not it?—But I do not intend to deal with the flax trade; I am leaving that for Mr. Hendry to deal with.

9867. Very well—I am sure that Sir William Henderson gave evidence, and also Mr. George R. Donald. Mr. Donald is the Secretary of the Chamber of Commerce; he is also the legal adviser to the Association of Jute Spinners and Manufacturers Employers' Association and he is also the legal adviser to the Flax Employers' Association. I am not sure that he is not also the Secretary of the Scottish Flax Spinners' Association.

9868. You have a large amount of unemployment, I believe, in the jute trade, have you not?—We have.

9869. Have you ever had unemployment before, say previous to 1914?—Yes. I was employed with Messrs. J. and A. D. Grimond, and on two occasions we were on short time for six months on end; we were working 40 hours a week.

9870. At that time there was, of course, no Trade Board in operation?—No.

9871. Is the unemployment in the trade now worse than it ever has been?—Yes, I think so, within my experience; but I must draw attention to this fact, that unemployment is also in the same position in every trade in the country, I think. We are suffering from the aftermath of the war.

9872. I was going to ask you if you knew of other industries in Scotland, that do not come under a Trade Board, and have as much unemployment as you have in your industry?—Yes; you find in all the trades in Dundee it is the same—in the engineering and shipbuilding, and so on.

9873. So that if the employers allege, as they did allege, in evidence before this Committee, that the unemployment was partly due to the operations of the Trade Board, would you be able to agree with that?—I do not agree with it at all, for this reason: when the employers proposed the first reduction in wages they said it was necessary to get wages reduced to enable them to get trade. I put a series of questions to Sir William Henderson, the Chairman, asking if he could give a guarantee that, if he got a reduction at any time, the works would run increased hours in a week or in a month, or could he promise full time in six months. He has answered each of the two questions by "No." Last week, at a meeting of the Jute Trade Board, when they fixed that this reduction should come into operation on the 9th February, Sir William Henderson referred to the same question again, and he gave the answers without being asked this time, and he said that he could give no guarantee that, even with this reduction in wages, they would be able to give a single hour's more work than they are giving at the present time.

9874. What wage does an adult woman get now?—The general minimum rate at the present moment is 28s. After the 9th February it will be 26s.

9875. So that for an adult woman, when you get the rate to 26s., with the cost of living somewhere round about 100 per cent. as compared with pre-war, you will be back at a wage comparatively of 13s. per week?—That is right.

9876. Sir Arthur Pease: 13s. 5d. was the rate.—In 1906 the rate for a woman was 13s. 5d.

9877. Was that the same rate immediately prior to the war, in 1914?—No. You will find in a sheet that I sent in, that the rate for spinners—

9878. I want the minimum rate for an adult woman?—Before the war?

9879. Yes, immediately before the War?—There was no minimum rate for women before the War.

9880. The actual rate then?—It depends on the job.

9881. Take an unskilled woman?—An unskilled woman—take the lowest wage you have, for instance, a woman at one of the easiest jobs that there are in a mill, pressing down the silver into a can—would be paid about 12s. a week.

9882. Immediately before the War?—Yes.

9883. Mr. Bell's point shows that if it was 12s. it makes it even nearer still, but with 100 per cent. added to the cost of living, both the man and the woman will be barely in the same position on the 9th February that they were in before the War, in 1906?—Yes.

9884. That is the point?—Yes.

9885. Then had wages been reduced between 1906 and 1914?—No, there has not been a reduction since our society was formed, until these two under the Trade Board.

9886. Mr. Bell: Take a weaver. How long does it take a girl to become an efficient weaver?—That depends, as you will know, upon the adaptability of the person; but they have fixed, under the Jute Trade Board, a system of apprenticeship whereby the employer has to provide efficient training for the apprentice, who will be paid a less sum. At the end of three months she will be entitled to receive the adult rate, but it does not necessarily follow, neither will it be the case, that at the end of that period, unless she is an exceptionally smart girl, that she will be able to earn the general minimum rate.

9887. Supposing you have a girl coming into the trade at 14 years of age, how soon will she be able to receive the full adult rate?—How soon will she be able to earn it, do you mean, on piece rate?

9888. I used the word "receive"?—Under the Order as it is at the present time she will not be able to receive the adult rate, if she cannot earn it under the rate that is fixed, until she is 18.

9889. So that actually a girl of 14 serves four years of apprenticeship?—That may be the case.

9890. So that weaving is a very highly skilled occupation, is it not?—It is very high skilled.

9891. And the wage in February for that work will be 26s.?—That is right—the minimum wage.

9892. How many of these adult women can earn more than the minimum rate?—A fairly large percentage.

9893. On piecework, of course?—Yes. If the employer is giving them good yarn, there is certain to be a large percentage who will be able to earn above the minimum rate. The unfortunate thing is that at the present moment they are not getting very good yarn. That, of course, affects their earnings, being piece workers. At the last meeting of the Board, for instance—and I will deal later, if I may, with the question of price—we were discussing a question that you will be conversant with; we were discussing what difference it would make to a weaver working one in a split as against two in a split; that is to say, with a 9-porter reed you work two threads in the split, with an 18-porter reed you work one thread in the split. It is the fact that, when working one thread in the split, if the yarn is at all bad there is going to be trouble for the weaver, which naturally affects her earnings. I produced at the Board on that occasion some of the yarn that was being given

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to the weavers to work under these conditions, in order to prove our contention that it did affect their earnings; and the employers were not pleased at our showing their bad yarn.

Sir Arthur Pease: I think this is very interesting, but we must not get too far into the details of the trade. We must get back to general principles.

8894. *Mr. Bell:* My questions were aimed at showing the necessity of a Trade Board for this particular industry, on account of the very low wages the work-people have been receiving.—The point I wish to make is this, that while it is true to say that we are back near to where we were before 1914, had it not been for the Trade Board we would have been worse off than we are now.

8895. *Lord Weir:* To follow up Mr. Bell's point a little further, could you give us an indication as to what percentage of all the females in a mill over 14 years of age will receive the minimum Trade Board rate?—That is a question I could not answer.

8896. Broadly speaking?—I could not answer that question at all; it is no use my trying to say I can give you figures on that question, because I cannot. All I do know is that we receive complaints from all quarters of the town that the minimum rate is not being paid.

8897. *Sir Arthur Pease:* The minimum piece rate, do you mean?—The general minimum rate; although a weaver is on piecework, she still is safeguarded by the general minimum time rate.

8898. A normal pieceworker?—An ordinary worker.

8899. A normal worker is not able to earn the time rate on piece?—Yes. We put a complaint before a member of the Board, that weavers in his establishment at the present moment, doing a certain class of work, were not able, under the conditions they had to work under, with the bad yarn and other things, to earn the minimum rate. On that class of work—it is an 80-inch cloth, and that would be an 86-inch reed space loom weaving 80-inch cloth—weavers working on that in one week are only able to earn 26s. A weaver having to work on these looms should be able to earn from £2 to £2 5s., at least.

9000. Women?—Yes, with the rate that is fixed.

9001. *Lord Weir:* It is rather important that we should have some information on that point, because it is the low paid worker who wants protection rather than the high paid one.—Well, in the weaving, if all things were equal, there would be very few of the weavers who would come under the protection of that Trade Board rate, because the rate for the weaving would enable them to earn above it. In some cases exceptionally good weavers—for instance, there are two weavers who are members of the Trade Board, they are exceptionally good weavers and they can earn from £2 to £3 a week; but what does take place in their case is that if there is any exceptional work to be done, the employers like them to do it.

9002. *Mr. Bell:* I notice you made a statement about a one-loom weaver. Do you have better weavers running more than one loom?—Weavers attend to two looms, but there is a certain point at which it is impossible to do so. It is quite possible for them to mind two 50-inch or two 60-inch reed space looms, but not two 72-inch reed space looms. We say that no weaver should have to take charge of more than two 50-inch reed space looms, but the employers say they are quite capable of doing it. A weaver is not capable of minding two 72-inch reed space looms.

9003. The number is fixed according to the reed space of the loom?—Yes.

9004. *Sir Arthur Pease:* Of course, all these rates you have been discussing are for a 48-hour week compared with a 55?—That is right. Might I just refer again to the question of this agreement? As I have read the letter to you, the employers have refused to meet us to discuss this question. There are two sides to it. I believe that I can produce evidence to prove that the employers have broken this agreement.

9005. The Trade Board agreement?—No. That is the unfortunate thing; it arose out of the Trade Board. The Trade Board decided, as I have read

to you from their record, that they were going to recommend the Board to adopt a certain procedure in regard to hours, and fixing overtime rates, which meant a 48 hours week. On the other hand, the employers on their side were to recommend their members of the Board to agree to certain things, one of which was to give 55 hours' pay for a 48 hours week. That led us to deal with the question of the weavers. The weavers normally are piece-workers, but during the war, when we got arbitration increases, we got flat sums, and therefore they were no longer really piece-workers; they were partly time-workers and partly piece-workers. The employers naturally wanted to get them on to a piecework basis again, and two chartered accountants were appointed, one paid by each side, and a Committee of equal numbers from each side was appointed to deal with this question, to draw up a scheme that was going to consolidate these flat sum increases into the piece-work rates.

9006. All outside the Trade Board?—No. It was not done and recorded in the Minutes, but it all arose out of the Trade Board. The unfortunate thing is that we trusted too much to the employers. If we had to do it again not a single word of that would have been put on paper outside of the Trade Board. The chartered accountants had to fix a factor, a figure, by which the pre-war rate had to be multiplied to give the equivalent of 55 hours' pay for a 48 hours week. We state that two workers in particular in one works, and a number of workers in another works, have received a reduction in wages by an alteration in this factor, without agreement. If we had to do it over again, that agreement would go through the Trade Board; we can place no reliance on any agreement made by the employers. I want to refer you to a document that I enclosed, dated 1912. (*Handed in—not printed.*) That was after a strike that lasted for six weeks. An attempt was made at that time to draw up an agreement between us to get a better state of affairs existing in the trade and to settle the differences between us. You will find on the second page, at the bottom, "Proposed amendment by unions" to insert in the seventh clause, line 3, after "workpeople," "reduce rates of wages or depreciate working conditions." What we were at there was that, in the event of any dispute arising, the *status quo* would be maintained until the question was settled. The employers would not agree to that, and rather than accept anything like that they simply said there will be no agreement. You will find that is dated 1912 on the back. That was the last attempt that was made to come to any agreement.

9007. This agreement was never completed?—It was never completed.

9008. It was a draft?—Yes; and we haggled over that question for three to six months.

9009. Your evidence has been to show that you think the Trade Board is necessary. Have you any suggestions with regard to the Trade Boards, assuming they continue?—So far as the Appointed Members are concerned, I am of the opinion, and I think that that opinion is generally held among us, that the Appointed Members should be differently constituted from what they are at present. The Chairman would necessarily have to be an outside person, but the other two Appointed Members should be rather in the form of assessors. We have been dealing, as I mentioned a minute or two ago, with the technical question about reeds, and the Appointed Members, in spite of the explanations that were given on this question by both sides—and both sides know what they are talking about—had to be asked to go into a factory and to see it in operation. We managed to get that. I was with them; but in spite of that, when we were discussing this question we found they knew as much about it, apparently, as they did at the beginning. We think that an assessor should be appointed from both sides, but it is obvious at once that in a textile trade the selection of assessors would

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be from textile people who would know what was being talked about. It is obvious at once that, if Mr. Bell, for instance, were selected as an assessor to deal with the jute trade, when we are dealing with reeds he would know what we are talking about, and the employers would also know.

9910. Whereas your present Chairman does not?—Whereas our present Chairman does not, neither do the other two Appointed Members.

9911. *Mr. Bell*: May I put this point to you, that, even with the present members, if it was shown to them that in the Lancashire cotton trade a one in a dent is paid a higher percentage than a two in a dent, would not that be sufficient to warrant them in coming to the conclusion that there was something in the argument?—All that has been pointed out to them. I have here the Cotton Weaving Rates Book; the Chairman has seen this Book over and over again. I have drawn attention to it, in what has been done in the reeds and the difference between single and double loom prices. All these things have been pointed out, but it makes no difference; they do not seem able to grasp it.

9912. *Sir Arthur Pease*: Your point is that you would not have these assessors have votes, would you? Do you mean that the chairman would then become an umpire in your view?—Whether the other two had votes or not, it might come to the same thing. Take, for instance, the constitution of the Arbitration Board. They were drawn from panels of employers' and employees' representatives—the employers' representative vote for the employers' proposals and the workmen's representative vote for the employees' proposals. It is obvious the Chairman would there have a casting vote. If the assessors had a vote, the Chairman would still have the casting vote.

9913. *Mr. Bell*: I am aware that much has been made in evidence that has been given before this Committee about the necessity for people being on the Board—that is the outside members—who have a knowledge of the details in the trade. But is not it possible to overcome that, whilst retaining the neutrality which we all desire to retain in the Appointed Members, by their calling in advisers at times on these technical details?—That could be done; that would get over the difficulty, if they called them in. For instance, on this same reed question last week I had short pieces of reeds about 6 inches long, so that they could see by demonstration what we were faced with in this question, and we had a new Appointed Member on the Board. When I loosened the parcel I said what I was going to do, and I said it was possible he did not know anything about the reeds. He said he was not ignorant. I said, "In that case I will put them away again," but he asked me to go on with the demonstration, and I went on, and it was clear to me he did not know anything about it at all.

9914. *Sir Arthur Pease*: We have had the evidence in from one side or the other both ways, some very strongly in favour of keeping the whole of the appointed members independent, and the others following the suggestion that you have made, that we should have a Chairman independent, and the one from each side?—I can quite well fall in with the suggestion put forward by Mr. Bell, because that would meet it. On this reed question, for instance, if such a provision was made, that each side could call in somebody who understood the question to advise the appointed members, that would get over it in some fashion.

9915. It would be difficult to call in anybody who was unbiased, would it not, on one side or the other?—I dare say that would be a difficult thing to find.

9916. I mean, you would come back to the same position again: if you call in an adviser, he might advise in favour of the workmen or in favour of the employers?—The advantage would be this, of course: the appointed members have listened to us explain this reed question until they are sick of us, at any rate we are sick of explaining it to them. Both sides have gone over it. It is possible the appointed mem-

bers think that each one is making more of it than is in it, but if you are able to bring in outsiders who would give their expression of opinion upon the statements that are made by both sides, it would convince the appointed members that they were right or wrong in what they are saying.

9917. But you would not have those advisers sit there all the time, would you?—No.

9918. *Mr. Bell*: May I put it in this way, Mr. Chairman. Here are certain technical details that the appointed members cannot be satisfied about. They might put the question, say, to an employers' or to a workers' representative whom they have called in as advisers: in your opinion does this particular reed use the yarn worse than the other? On that answer both the employers' and the employees' representatives would give exactly the same answer, and they could not do anything else because it is an admitted fact, that certain reeds do use the yarn better than other reeds?—That is right.

9919. *Mr. MacCallum Scott*: There is no obstacle at present to the Board calling in any technical adviser?—Not that I am aware of, though it has never been done.

9920. But it could be done?—I presume so.

9921. *Sir Arthur Pease*: I do not quite see, to follow up your point a little further, how you are going to get an adviser to work, unless you have him sitting on the Board to hear the whole discussion. You can call him in on one point, as Mr. Bell has illustrated, and of course that would be all right; but I understand it is the whole technical preparation of the rates that you want him to advise upon—whether they were workable?—Not necessarily on the arrangement of the rates. The main point is, you get on to a question as to which there is a complete divergence on both sides. On this reed question, for instance, the employers admit that a 9-porter work in an 18-porter reed does make a difference to the weaver. They will not admit that any other reed below that makes any difference. Now Mr. Bell's point could be carried out in this fashion: if the Board is discussing this, what we have found in practice is that it is remitted to a committee to deal with, and to come with some recommendation on this question, so as not to waste the time of the whole Board. The committee may meet a few times to discuss this, and if they cannot come to an agreement on this question, naturally the Board would say: We had better call in some advisers on this question, so that they can hear what has taken place at the committee meeting and they will be able to advise the appointed members on this question, so as to enable them to determine which of these two parties is right.

9922. *Mr. Bell*: The whole point not being a change of rate so much as a slight percentage increase on the rate for the extra work involved?—That is the point.

9923. So that the advice required, and the only advice required, is as to whether there is the extra work or whether there is not?—That is the point.

9924. *Sir Arthur Pease*: Of course, I have not any experience of this particular trade, but Mr. Bell has; but in other trades the argument is absolutely sound in one works and is absolutely wrong in another on account of the different conditions?—That is so; but I have only taken one instance, which is a very burning one with us. Mr. Bell has hit the trouble with us. We say that the ordinary rate for a weaver is defined in a book containing rates, in which there are 15,000 calculations for all the various classes of cloth; and we say that this scale should entitle our people to some percentage increase where a weaver is compelled to work a cloth in an 18-porter reed instead of a 9-porter reed or in a 16-porter reed instead of an 8-porter reed, or a 14 instead of a 7, and the halves in between. The employers say, No. The only thing that the experts or the advisers would be called upon to decide there is,—are the workers right in their contention that this does affect the earnings of the weaver? If so, are they entitled to receive something extra?

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9925. Which would you say now, after this: that we should have assessors appointed?—I would fall in with Mr. Bell's point of view; I think it is a reasonable one.

9926. What is the next point you have?—In regard to scope. When we lodge complaints we find that we can never get any information as to what has taken place in regard to the complaints. I have lodged a few complaints since the Trade Board was formed, and I have not heard anything at all about what has happened in regard to the inquiries. What I do know is that an inspector has been there, because they have asked me for some particulars and have also asked me where a place was, because in Dundee it is awkward to get to some places and I have given directions where to go, and they have got information; but beyond that we have no idea as to what is being done in regard to our complaints. If the Chief Inspector was domiciled at the Trade Board's Office, he could be called in. There would be this difficulty, of course, that he would have to travel to a meeting of the Board when it is not held in London, but that could be got over in this fashion: that he need only be called upon to attend there when they are dealt with, and give reports on complaints that have been lodged. With a Board that does meet in London we are in the same position, that we cannot get any information in London as to what is being done, and we think the Chief Inspector should be domiciled there, and we also think there should be a legal adviser on the premises to advise us on any legal questions that arise. We have found, for instance, that a Board, in its wisdom, have drafted a notice in a certain fashion. The next thing we are told is that a representative has come from the Ministry of Labour to explain the opinion of the legal adviser, and that we have done the thing all wrong, and it has to be done all over again.

Sir Arthur Pease: We have had evidence as to this before.

9927. *Dame Adelaide Anderson:* As regards the complaint, is that lodged with the Board or with the Chief Inspector?—I send complaints to the Secretary of the Trade Board. I receive an acknowledgment from him that he has received them and that he has sent them on to the Ministry of Labour. That is all I hear about it.

9928. Is there any difference when you send a complaint to a factory inspector?—We are not told what takes place under the Factory Act, no.

9929. Would it be practicable to send to complainants, who might be very numerous, a sort of report of results?—What has taken place in regard to the complaints that I have lodged under the Factory Act is that I have seen the Inspector afterwards. The Inspector covering our area is domiciled in Dundee; I have seen him afterwards and he has told us what has been done about the complaint, and I have found it has been rectified.

9930. In fact you would only hear if there was something in the complaint that could not be dealt with?—Could not be dealt with?

9931. Could not you would assume, if the complaint were enquired into and justified, that action would follow?—It does not follow. We have lodged complaints that have been rectified and we have had no prosecution under the Factory Act. We have lodged complaints under the Trade Board Act, and there has never been a single prosecution yet in the jute trade.

9932. *Sir Arthur Pease:* Have you any other suggestions?—I think these are the main suggestions.

9933. *Dame Adelaide Anderson:* I just wanted to ask this: By far the greater number of the workers in the industry are women?—I should say we reckon about 75 per cent. or thereabouts.

9934. The work of men and women in certain directions is interchangeable?—In certain occupations it is.

9935. Do you think that has any influence upon the rates?—No. Where a male has been employed, and the rate has been fixed on ages, they have always got a younger person in. I objected to the rates

being fixed on ages from the very beginning; I said it was a wrong procedure.

9936. *Sir Arthur Pease:* I think that is an important point, and I wish you would develop that?—What has taken place is, that you may have a man who is over 21 years of age; you may have a man near 40, who is quite able to do a certain job, and quite prepared to do the job at the rate the employer is prepared to pay; but the Trade Board say it must be paid for at a certain rate, unless he gets an exemption, and he can only get an exemption because of some physical infirmity.

9937. *Dame Adelaide Anderson:* Would that be in a branch where a woman could do the work?—Yes; for instance, in preparing departments, you could have a man attending to a roving frame, or a woman, and they have had them in the past. You could have a boy or a woman, and what they have done is, they have taken the cheapest rate and attempted to get the female to do it instead of the male, because the female rate is cheaper. So, in the case of an older man, they have got a younger boy to do the job, and paid him the lower rate. I opposed that from the very beginning; I said that the rate should be fixed on occupations, not on ages at all. When I pointed this out quite recently, our Chairman said I was rather late in doing so, and I had to refer him to the Minutes, which proved that it was true, that I had objected to it from the beginning.

9938. *Sir Arthur Pease:* You have not quite dealt with the question in the way I put it. I had in my mind the younger people being raised so much a year according to experience, according to the time they have been engaged. That was a little different point that you raised, although it was interesting?—The only arrangement made in our trade in regard to apprenticeship is in weaving. Although spinning is a highly skilled occupation, and I reckon it is as highly skilled as weaving, there is no process of learning adopted. A girl of 14 or 15 comes into the mill as a bobbin shifter or a bobbin doffer. From that she gets on to what we call "piecing"; that is, when the bobbins have been doffed and the frame is started, a number of the yarns will break. These persons remain with the spinner and get all the ends set going, and then she goes off and leaves the spinner. By that means they learn to spin, and at the end of four years or so they are generally able to mind a frame and have become spinners. That is the only process of learning that is in existence so far as spinning is concerned.

9939. *Dame Adelaide Anderson:* By gradual absorption and gradual assimilation of the processes?—Yes, gradually, as they learn it themselves.

9940. In weaving is there more concentrated teaching?—The Trade Board has established at the present time that the employers, where they do undertake to train weavers, can do so, paying the weaver for a specified period a less sum—18s. a week, and the weaver who gets training is to receive, in addition to what she earns, a flat sum of 5s. But the employers themselves say that, although that was the case, it did not follow that they were going each firm to adopt the system of training. There are only a few firms that train weavers, and we have pointed out the absurdity of that. If "A" undertakes to train weavers, and "B" does not, "B" gets his weavers because of the training given by "A."

9941. How do those two differences affect the proposal to vary minimum rates?—Which ones?

9942. The ones you have been speaking of—spinning and weaving?—How do they affect this variation?

9943. Yes?—They both suffer the same reduction—6½ per cent. just now.

9944. *Sir Arthur Pease:* There is a considerable difference in the figures between learners' rates and the ordinary female workers' rates?—Yes, there is a difference. For the young person the figure was originally 22s., it is down to 18s. now, if I think, and it will come to 15s.—

9945. Under 18, 15s. 7½d.; learners, 13s. 1d., under these new proposals?—That is right, which come into operation on the 9th February.

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9946. *Lord Weir*: With regard to the equipment of the mills in Dundee, would you say it is up-to-date, on an average?—In some cases fairly so; in others, very far behind. I know that in some cases the machinery is over 50 years old. It should be scrapped.

9947. Machinery like that should be scrapped?—Yes. Would you believe that an up-to-date firm some years ago, as a matter of fact 10 years ago, bought not one machine but six machines that at that time were 50 years of age?

9948. I thought it was people farther North who did that sort of thing! Then is it the case that Dundee is losing a considerable proportion of trade to the East?—There is no question that we have suffered through Calcutta competition, but we, like Lancashire, have had to meet the situation. There are certain classes of goods that are manufactured in Dundee that the people in the East cannot touch.

9949. So that you concentrate on those, and leave the others?—The employers have been compelled to concentrate on those now.

9950. And you are leaving the others?—When you say "you," you will have to exclude me. So far as I know, the employers have given it up as a hopeless job.

9951. I suppose the unit of work per person would be greater in Dundee than in Calcutta?—So far as the work is concerned, I think the employers and ourselves are agreed that the unit of work as produced in Dundee by one person, would require three persons to produce in Calcutta; but, even so, the wages that are paid in Calcutta would be less for three persons than what is paid to one here.

9952. *Sir Arthur Pease*: And they work day and night, do they not?—They are supposed to work a 12-hours' day under the Indian Factory Act; but I am afraid that what is wanted there is more efficient inspection. We want more efficient inspection here, but ours is a kingdom of Heaven to the inspection there, apparently.

9953. Do you work at night?—No, we do not work at night.

9954. What is your working day?—Our working day is from a quarter to 8 till half past 5, with an hour's break from 12 till 1; and 4½ hours on Saturday.

9955. Do you never have a night shift at all?—Only in some occupations in the finishing departments. Mr. Cunningham may deal with that. It is only in the finishing departments in the jute trade, they are all females; all weavers, with one or two exceptions, are females. The same applies to them.

9956. *Dame Adelaide Anderson*: But those that are not, is it for particularly heavy or particularly skilled branches of weaving?—Weaving is a very heavy job.

9957. In certain branches?—In all branches.

9958. But, none the less, women do the work?—Yes. I have not a daughter, but if I had one she would never be a weaver, nor would she be a spinner.

9959. I understood you to say there are some men weavers?—I may be open to correction on this point, but, so far as I know, there is only one firm in Dundee at the present moment that have any male weavers, and I think they have only about half a dozen, and they are on exceptionally broad looms—8 yards wide—work that is not fit for a woman at all, it is out of the question.

9959a. Are there not other firms doing work like that on these broad looms?—I am talking now of the work that is done by women, but there is a class of work in one firm, very, very heavy bagging that is used for covering cotton. A great deal of it goes to Liverpool. That work is done by men, but it is a small firm, and I should say they only employ about 20 men altogether.

9960. It is a difference of heaviness, not of skill?—That is so.

9961. Would you say that weaving in jute is as skilled as weaving in cotton or woollen or worsted?—Yes, it is as skilled; the only difference being, of course, that in cotton their thread is much finer than ours.

9962. That would mean that a greater skill was needed to handle the material?—I do not know about that.

9963. *Mr. Bell*: May I help you about that? The heaviness of the work does not always depend on the cloth woven so much as on the kind of loom used?—That is right.

9964. *Dame Adelaide Anderson*: I just wanted to find out whether weaving, as a whole, in jute is as skilled as weaving in cotton or woollen or worsted?—I do not think there is any question about that; I think it is equally as skilled.

9965. *Mr. MacCallum Scott*: Do you think the Trade Board rates have had any effect upon competition?—That is a difficult question to answer. The Trade Board has only been in existence since 1919. The first rates that were fixed by it were fixed and came into operation somewhere about July or June, I think, of 1920; then the slump came, so that what effect the Trade Board has had on the jute trade I could not say, but I do not think it has made the trade any worse than it would have been, that is to say, this slump would have come irrespective of Trade Boards.

9966. You do not think there has been enough experience to judge of it?—No; I do not think it would have had any effect, anyhow.

9967. Is the rate fixed the minimum or standard, or do some firms pay more?—Some pay more.

9968. Then it is a minimum rate?—It is a minimum rate. When the minimum rate came into operation a number of men (and I know of a few cases) over 21 years of age, who were earning 48s., immediately got 50s.; but there are a number of men who have much more than that. We have tenters, for instance, who earn £3, £4, and £5, and we have dressers earning £6 a week.

9969. Then would you say that the Trade Board rate was the standard rate in the trade?—No, I would not say that, except where there are certain fixed special rates for special classes of workers. There is a scale fixed in the case of spinners, and that has become the standard rate; but that is much above the general minimum.

9970. I want to ask you a question with regard to the Appointed Members. You referred to the very complicated nature of the technical details that have to be discussed. It also appeared that the agreement under which you are working just now was made outside the Trade Board, by a Special Committee?—That is for weavers only.

9971. Yes.—A factor was fixed to consolidate these flat sums into piece rates. That was made as a result of the work of the Trade Board, by agreeing to fix the normal working hours at 48. We thought it advisable, and we suggested to the Chairman, for instance, that there was no need to waste his time on this job, because it would take some time, and I made the suggestion, in a jocular way: Go and play golf until we send for you. When we had completed our work, we told him what we had done; but now I see it was an unfortunate thing that we did not put this forward as a Trade Board proposal. The result now is that, although there is an agreement, it has been broken in two particular cases.

Sir Arthur Pease: I think you made that point quite clear, did you not, earlier in your evidence.

9972. *Mr. MacCallum Scott*: Was the fact of this being made outside the Board largely due to the difficulty of the Appointed Members understanding the technical detail?—There is no question about that. We had to go over the books of all the firms in the town, and take out all the different reed spaces, and we had to do the same thing with the reelers, warpers, tenters and dressers. All that had to be done—

9973. It is not the details that I wanted?—I just wanted you to see what was involved in it. I have the book here that contains all the rates.

9974. The difficulty was in getting the Appointed Members to understand these details?—Yes and we placed reliance in the employers to keep their promise;

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we did not put it through the Trade Board, and I regret it now.

9975. Would this coming together of the two sides have been possible before the existence of the Trade Boards?—No, absolutely impossible.

9976. So that it is really a result of the Trade Board, which has driven the two sides to come together and settle this matter themselves?—Yes. In regard to this agreement, I have read the letter suggesting to the employers that their Sub-Committee should meet us and discuss it. I had raised the matter at the Trade Board already. One of the employers' representatives, acting as chairman, said they had had it under consideration, and that it should be deferred until they had to say what should be done. I raised the matter again later, that I had not received a satisfactory reply, and it was referred to the next meeting of the Board. They will have to deal with it. The Board tell us, and it has been recorded in their proceedings, that the employers are to pay, by agreement, 55 hours' pay for 48 hours' work. We say it has not been done in two cases; so that it is a question for the Board now. Therefore the Board itself, by reason of the employers' refusal to meet us and discuss it, will have to take it up and decide what they are going to do about the question.

9977. *Sir Arthur Pease*: The point about this agreement is that it is not a Board agreement?—That is so.

9978. And it is because you did not get it formally sanctioned by the Board; therefore it is not clear to me how the Board can deal with it at all, except by making those rates, which you have shown us in that book, a Board decision?—That may be.

(The Witness withdrew.)

Mr. JOHN C. HENDRY, called and examined.

The Witness handed in the following Statement as his evidence-in-chief:—

STATEMENT OF EVIDENCE SUBMITTED BY JOHN C. HENDRY ON BEHALF OF THE SCOTTISH COUNCIL OF TEXTILE TRADE UNIONS.

I am the Secretary of the Scottish Council of Textile Trade Unions, Chairman of the workers' side of the Flax and Hemp Trade Board (Great Britain) and a member of the Jute Trade Board. The members of my organisation are very closely interested in these two industries.

While I am speaking primarily for the Scottish Council, the views I am expressing are those generally held by the workers' representatives on the Flax Board, for whom on two occasions I have prepared memoranda for submission to the Minister of Labour when objections to the continuance of the Trade Board were lodged with him by employers and others.

No Board has been more bitterly attacked, in Scotland at any rate, or more determined efforts made to secure the abolition of any other Board. The outstanding features of these attacks have been that they have been most intensely developed in those districts where the workers' organisations are weakest, and that the employers who have made themselves most prominent in promoting them have been men who have made themselves, at one time or other, equally prominent by their hostility to trade union organisation amongst their workers.

My evidence will refer mainly to the position in the flax trade, others being charged with the responsibility of dealing with the position with respect to jute.

At the outset my Council was doubtful as to the desirability of bringing the flax and jute trades under the Trade Boards Act, and it was not until a most careful survey of the whole position that they agreed unanimously to approve of the policy. Personally, I never had any doubt either as to its desirability or necessity, and I was not alone in that opinion. With their experience of the Trade Boards they are now satisfied that they decided rightly.

While there were numerous considerations which led them to their ultimate conclusion those which

9979. Until that is done, I do not see how the Board can have anything to do with it?—The Board has everything to do with this matter, because the Board recommended—and it is recorded in the records of their proceedings—that the employers on their part (I have read it to you already, and if you like I will read it again) undertook to pay 55 hours' pay for 48 hours' work. We, on our part, would advise our members to work a 48-hours' week, instead of 50, part of that 48 hours being worked on Saturday. This they refused to do for 18 months. That is what the Board is concerned with.

9980. We are not concerned with settling disputes; we only want to see how this thing works out, and you are putting before us the difficulties you are in?—The point I have raised it for is this, that, without the Trade Board, we cannot depend upon any promise made by the employers or by any representative on their behalf. This is an example of it.

9981. That is your allegation. We have not heard the employers' side on that particular point.—The only point about it, or the principal point about it, is this, that if the evidence of the jute employers' representatives here had any serious effect upon the minds of this Committee, and you were to report that the 1918 Act should be repealed, it would bring us back to where we were previous to that Act; the employers would be at liberty to do as they liked, and we would not have the opportunity of bringing any breaches of that sort before the Board at all. That is why I mention this. You cannot depend upon any of their promises.

had most weight with them were (a) the low rate of wages which ruled in the trade, (b) the hostility shown by certain employers to any form of organisation amongst their workers which would prove an effective instrument for collective bargaining and (c) the lack of any effective organisation amongst the employers to secure respect for any voluntary agreement as to wages and conditions which might be mutually arranged. These conditions still prevail and make the continuance of the Trade Board more essential than ever.

Another consideration which had considerable influence with the workers was their feeling that they were too much divorced from their craft; that matters of great importance to the trade, closely affecting their well-being, were determined without reference to their desires or needs, and they believed that the establishment of the Trade Board would secure for them the realisation of their legitimate demands in that direction.

(a) The decision of the workers was a cause of considerable disappointment to the employers and, at their request, we met them in conference. Both sides were equally frank, but neither convinced the other. What the employers seem to resent most keenly was the stigma which, they contended, the application of the Trade Boards Act would bring upon the industry. This suggestion did not worry the workers, many of whom considered that it was only what the trade deserved. On several occasions representations had been made by the workers' organisation to the responsible Minister asking that the Trade should be treated as a "sweated" trade and brought within the ambit of the 1909 Act. Those representations were never successful—why, was never very clear to the workers.

According to the Board of Trade Census of 1906, the average earnings in the trade were then, for women, 10s. 9d. per week, and for men 22s. 4d. per week. I am not to dispute these figures, which I believe fairly represent the position, but with regard to the men in the finishing department and the less skilled workers a very large proportion were paid round about 18s. per week, the number so paid forming the big bulk of the men in the industry.

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In 1903 I made a detailed enquiry into the social condition of these men and their families. I took a typical case, a man with a wife and four young children, a total abstainer and a non-smoker. I do not suggest that the final characteristics were typical. His wage was 18s. per week. Here is a week's budget compiled from details supplied by his wife:—

	s. d.
Rent and rates	2 0
Bread	3 0
Milk	1 2
Beef	1 0
Oatmeal	0 5
Tea	0 6
Sugar	0 9
Coals and light	1 9
General groceries	3 6
Friendly societies, insurance	0 9
	14 10
Clothing, boots, &c., at 14s. 6d. per head per annum	2 0
	16 10
Balance for holidays, doctors' bills, recreation, &c.	1 2
Total	18 0

It will be noted that the weekly expenditure on food alone is 10s. 4d. To have supplied the same family with food in the almshouse would have cost 2d. more per week—10s. 6d. and the almshouse authorities were able by means of contracts to buy at least 20 per cent. below the ordinary retail prices.

By 1914 wages had improved somewhat, weavers, weft winders and warp winders averaging 15s., 14s. 5d. and 14s. per week, respectively, according to the figures of the manufacturers in Brechin. These figures, however, do not include mill workers, who are more poorly paid. The improvement is not so substantial as appears, as this increase in money wages had been partially discounted by an increase in the price of commodities. The wages of the weavers also compared favourably in 1906 with the figures of the Board of Trade, amounting to 12s. 2d., approximately, as against the general average of 10s. 9d.

In this connection I have prepared two tables which show the variation in individual earnings, and give a more accurate presentment of the position than averages do. They are prepared from bounty statements and show the position in 1914. The figures are exclusive of bonus payments.

TABLE I.

7 weavers earned a weekly average of 8s., but less than 9s.
7 weavers earned a weekly average of 9s., but less than 10s.
15 weavers earned a weekly average of 10s., but less than 11s.
26 weavers earned a weekly average of 11s., but less than 12s.
45 weavers earned a weekly average of 12s., but less than 13s. 6d.
43 weavers earned a weekly average of 13s. 6d., but less than 15s.
23 weavers earned a weekly average of 15s., but less than 16s. 6d.
34 weavers earned a weekly average of over 16s. 6d.

TABLE II.

11 weavers earned a weekly average of 8s., but less than 9s.
8 weavers earned a weekly average of 9s., but less than 10s.
24 weavers earned a weekly average of 10s., but less than 11s.
17 weavers earned a weekly average of 11s., but less than 12s.

42 weavers earned a weekly average of 12s., but less than 13s. 6d.

34 weavers earned a weekly average of 13s. 6d., but less than 15s.

18 weavers earned a weekly average of 15s., but less than 16s. 6d.

37 weavers earned a weekly average of over 16s. 6d.

The tables are for consecutive months and, taken together, give a very fair summary of these weavers' earnings. It will be observed that in the first month, out of 200 weavers, 100 earned on an average less than 13s. 6d., while in the second month, 102 out of 191 were in the same position. The bounty additions to these figures would increase the lowest paid by 6d. per week, 9d. a week for the next, and so on by 3d. rises till those earning 16s. 6d. and over receive 2s. 3d. per week additional. While the payment of the bounty was conditional, in practice it was dependent on production.

In the Howe of Fife wages ran from 10s. to 18s. per week for weavers. Payments to those engaged in the various processes in the spinning mills were lower. Men's wages, apart from tenters and dressers, would run from 20s. to 24s. per week. A few might have more, but then some had less.

Wages during the war and post-war years showed a considerable monetary increase, but this improvement was really nullified by the big fall in the purchasing power of the sovereign. I feel I have already overburdened you with figures, but I would like to give you a note of weavers' earnings in the fall of 1919, when the cost of living had increased over July, 1914, by 120 per cent., with a consequent reduction in the relative purchasing power of the sovereign to 9s. I have ranged them in three classes according to the size of the looms on which they were employed (a), (b), and (c). I give the average for the class, the highest and lowest in the class.

	Average.	Highest.	Lowest.
	s. d.	s. d.	s. d.
Class (a)	29 11½	33 9	24 8
Class (b)	27 9½	30 8	23 9
Class (c)	31 2	38 9	23 3

or a general average over all of 29s. 8d. These wages include all bounties, war increases, etc.

(b) It would be unfair to the employers to state that any very general hostility to the trade union has manifested itself recently. Some who were rather antagonistic prior to 1914 modified their opinions considerably as the result of their war experiences and, as a rule, we can now get a hearing even where it was once given grudgingly or altogether refused. But there are still a number, particularly in the North-East of Scotland, who show a pronounced hostility to the workers organising themselves. It is sometimes difficult to point to an overt act in proof of this statement, but that the feeling does exist, and that very strongly, is undoubted.

(c) One objection taken by employers to the establishment of the Trade Board was that it had been precipitated into a well organised industry which was, and had been able, to manage its own affairs without any outside interference. So far, I have been unable to find that organisation on the part of the employers. Their principal association is the Scottish Flax Spinners' and Manufacturers' Association, with headquarters in Dundee, but there are a fair number of employers who are not connected with it. In addition, there are a number of local associations who owe no adherence to the principal association, although their members may, as individuals, be connected with it.

That the Flax Spinners' and Manufacturers' Association does not function or fails to function effectively in matters concerned with wages, working conditions, etc., is evidenced in several ways. Questions of wages were generally determined locally,

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except when increases were granted by the Committee on Production or the Arbitration Court under the Wages (Temporary Regulation) Act. Even in such cases it was difficult to get recognition for these national decisions. In Dunfermline, for instance, this difficulty was most marked, and in one case, even after Lord Hunter, sitting as a Judge in the Appeal Court had decided that an award was applicable to them, it was some time until they paid and that only to save another action which was threatened. And this was not an isolated case. Even the workers' organisations were not entirely guiltless in the matter of lack of cohesion. Just after the armistice, a movement for an increase of wages was initiated in several districts, each moving on its own, and varying settlements were accepted, the increases for piece-workers varying from 7½d. to 10 per cent., and for men from 3s. to 4s. per week.

Matters were no better when the question of a shorter working week came up for settlement. The workers' demand was for a 44-hour week, which was in operation in some parts of Fife. The Flax Spinners' and Manufacturers' Association, with the object of getting a settlement for the whole trade, agreed to the setting up of a Joint Committee to make suitable recommendations. I was a member of that Committee. We held a number of meetings, and ultimately came to a unanimous agreement to recommend a 46½-hour week, engine time. When it came before the employers' association it was turned down. The result was that the hours were settled locally, but not before serious trouble was threatened in some districts. The general agreement was for a 47 or a 48 hour week, but the methods of working it are about as varied as the colours of Jacob's coat. The 44-hour week is still being worked in addition. That the organisation is improving is true, but until it gets better stabilised and more cohesive it would be unwise to leave to it the direction of the industry. As an instrument for this purpose the Trade Board is proving very valuable.

Coming to matters which relate more to the practice than to the principle of Trade Boards, I agree that there is room for a considerable simplification in their procedure. I am of opinion that it would be a great improvement if the period which is required for the variation of rates could be considerably reduced. The proposals put forward on behalf of the Trade Boards Advisory Committee of the Trade Union Congress would, I believe, meet this legitimate complaint, which both sides have uttered—at different times—and at the same time adequately safeguard an industry from ill-considered and hasty determinations.

The complaint as to the inelasticity of the Trade Board system is, however, in my opinion, overdone. Many of the complaints seem to be due either to ignorance on the part of the complainers or the failure of the employers to give the Boards the opportunity of exercising their powers.

In some instances which have come under my own notice, workers suffering from some physical or other defect which made them sub-normal, have been dismissed, or been on the eve of being dismissed, because their employer was unaware of the powers of the Board with respect to the granting of permits of exemption. In other instances workers similarly circumstanced have been allowed to go under circumstances which suggested that the desire of the employer concerned was to create a prejudice against the Trade Board.

Another objection of a similar character often urged is that the Trade Boards do not and cannot give sufficient regard to the varying capacity of workers. This is urged with special reference to the fixing of rates applicable to pieceworkers. So far as this industry is concerned, it is an objection that has not much substance, and the workers' representative are not responsible for such substance as it has. It has been suggested often that once, that a system of minimum piece rates would be very suitable for the trade and would obviate this difficulty, but the employers have not responded kindly to the

suggestion. I must, however, except the employers of male canvas hosepipe weavers, for whom such rates have been adopted and are in operation.

In the course of his evidence, Mr. Donald, of Dundee, who is, I understand, one of the secretaries of the Flax Spinners' and Manufacturers' Association, although I speak subject to correction on this point, advanced the suggestion that the tendency was for Trade Boards to develop into Courts of Arbitration, and that did not help to produce harmonious relations between employers and employees. Neither suggestion applies to the Flax Board, where the function of the Appointed Members has been that of conciliators, an extremely valuable and useful function, practically every rate now in operation having been reached as the result of agreement between both sides. Nor has the Board introduced a discordant note into the industry. The contrary is the case. Those who do realise what is due to their workers have now a sense of security, that they will not be unduly penalised if they allow their ideas to prevail, while those who refused to give equitable consideration to the needs of their workers find their power for evil curtailed. We may differ as to the desirability of the Board, but I do think I can claim that both sides have shown a desire to work together for the good of the industry. Schemes of apprenticeship have been developed to get rid of the shipshod and unsatisfactory methods by which workers were trained for the more highly skilled employments in the trade; periods of learnership have been established, with special rates for female workers, while in several districts, largely under the influence of the Trade Board, the Education Authorities have been approached, and as a result technical classes have been established where the workers will be more fully equipped for their employment. Abolish the Trade Board, and the driving force which is bringing about this new outlook will be removed.

The most serious charge against the Trade Board, however, is that it has produced widespread unemployment and under-employment by fixing high and uneconomic rates of wages for the workers. What is a "high" wage is a matter of definition. Mine would be, "a wage which gave the recipient a substantially greater share of the requirements of daily life than were necessary for subsistence." Not an extravagant demand, in my judgment. The original rates fixed by the Board when the cost of living stood at 130 per cent. over that of July, 1914, were:—For women of 18 years and over, 32s. per week, and for men of 21 years and over, 54s. per week, equal to a pre-war wage of 12s. 10d. and 21s. 7d. respectively. The present minima are, female time-workers over 18 years, 28s. per week, male workers over 21 years, 48s. 6d. per week, with a piecework basis time rate of 32s. per week for female piece-workers, or, expressed in pre-war values as at 1st December last, wages of 14s., 24s. 3d. and 14s., but it should not be forgotten that when fixed the cost of living was 20 per cent. higher than it was at 1st December.

It may be agreed that while the wage is meagre enough when measured by the workers' needs it is still so high that it is killing the industry. My answer is that the lack of employment which is so prevalent in the trade is due to causes in which wages play no part, and that even were the present rates reduced 50 per cent. there would still be unemployment. Let me give two examples of the relation of the wages cost of production to the total costs of production. The figures apply to September last. The first instance is 4lb. tow yarn. The actual cost of production of one spindle of this yarn including selling costs was 7s. 2d. The raw material cost 3s. 8d., to which has to be added 1s. for spinning waste, discounts and selling charges amounted to 6d., while oncost charges and wages amounted to 2s.

The disparity is even more marked in weaving. Take a plain kitchen towel. In 1914 it was sold, wholesale, for 3½d. The wages cost of production, taking the generally accepted rule that the weaver's wage is equal to the wages cost incurred for all the other workers, was 4½d. or 11½/7 of the whole. In

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September last the same towel was selling at 1s., but the wages cost had only increased to 1-0-2d.

The fact is that Trade Board or no Trade Board, even with a booming demand, there will be shortness of employment in the flax trade for some years to come. It is not merely lack of demand for the finished product, but the lack of raw material to meet any demand that might arise which is responsible for the slump. Some 80 per cent. of the trade's normal supplies came from Russia. That source of supply has been cut off, and despite the efforts to stimulate home production and tap new sources of supply the trade is struggling against this hopeless handicap. In 1913 the total imports of flax into this country (less re-exports) were 98,912 tons, of which 81,577 tons came from Russia. This year (December, 1920, to November, 1921) the total imports (less re-exports) have been 15,738, or about one-eighth of the normal, and the position shows little signs of improvement.

With respect to the reform of the Trade Board system, it would be of great advantage if in an amending Act powers were conferred on the Minister to group overlapping trades for the purposes of administration. It is sometimes a matter of difficulty to employers to have different rates operating for practically the same work in the same mill. It is a difficulty which has been experienced by employers in this industry, and trade union officials are also brought up against it. On the workers' side there is a considerable body of opinion favourable to bringing the flax and hemp, the jute, and the rope, twine and net trade under one Board, as several works are covered by all three. Another advantage from the workers' point of view is that it would enable the finishing section of the flax and jute trades to secure the protection of the Trade Board, which is badly needed. These three Boards are endeavouring by means of a co-ordinating committee to minimise the difficulties with which they are faced, but I am not very hopeful as to the results.

That a close community of interests exists between the three industries is proved from the fact that a committee representative of the three had under consideration the formation of a Joint Special Scheme for their workers under the Unemployment Insurance Act. A fair measure of progress had been made when, in view of the conditions which had arisen, it was dropped meantime. It might also be worth consideration how far the same powers could be conferred on Trade Boards in this connection as are enjoyed by Industrial Councils.

Suggestions have been put forward that if the feeling should be in favour of the continuance of the Trade Boards that their powers should be considerably curtailed, and particularly that their power of fixing special rates for special classes of workers should be taken from them. Speaking generally, I consider that what is wanted is not a curtailment, but an extension of powers, and that more particularly in the matter of inspection, which leaves much to be desired. On this particular power of fixing special rates for special classes it would, in my opinion, prove a particularly disastrous step to take it away. Three-fourths of the most beneficial work for the trade performed by the Flax Board has been made possible by this power. Take it away, and no effective policy with respect to apprenticeship or learnership would be possible. Apprenticeship and learnership carries with it responsibilities and duties to the learner on the part of the employer, and it is only by fixing a rate for such workers less than that which would be applicable to an ordinary worker of the same age that the employer can be compensated for the obligation he undertakes.

Otherwise, in respect to improvements in the system, I am in agreement with the proposals put forward by the Trades Board Advisory Committee of the Trade Union Congress, which I believe would obviate the legitimate complaints of employers and workers.

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9982. *Sir Arthur Pease*: You are the Secretary of the Scottish Council of Textile Trade Unions?—That is so.

9983. And you are Chairman of the workers' side of the Flax and Hemp Trade Board?—That is so.

9984. And a member of the Jute Trade Board?—Yes.

9985. What number of members do you represent?—Altogether connected with the Council there would be from 50,000 to 60,000 workers, and of that number three-fourths at least would be included in the jute and flax trade.

9986. What proportion of those would be men and what proportion women?—The proportion, I should say, would be about 75 per cent. women and the balance men, taking the trade generally. In some branches, of course, there is a larger proportion of men than women, but as a rule it is a woman's trade.

9987. You say that the Board has been most bitterly attacked in Scotland?—That is so.

9988. Then you are mainly going to deal with the flax trade?—Yes, with flax, because there are others who are speaking for jute.

9989. *Lord Weir*: When you speak of "attack," and of objections being lodged by employers and others, whom do you mean by "others"?—The others include that very infinitesimal section of workers, who were induced to join in the attack.

9990. The other small portion of the workers?—Yes; I should have put it "and a certain section of the workers."

9991. *Sir Arthur Pease*: At the beginning your Council was doubtful whether it was advisable to have a Trade Board?—Yes.

9992. But now you consider it is necessary?—Yes. There was a certain number of those connected with the industry who were doubtful as to the desirability of bringing the flax and jute trades under the Trade Board Acts, but the great bulk undoubtedly were in favour of it, and, as I say here, there is not the slightest doubt in any of their minds now as to the wisdom of the course they took when they decided to support the proposal.

9993. What decided you first of all was that you thought wages low and, secondly, the employers would not recognise your union?—Yes; in fact in some places they actually took steps to break the union.

9994. That is what decided you?—Yes.

9995. Then you say they are also too much divorced from their craft?—What I mean by that is that, so far as the workers were concerned, the trade was being degraded into a sort of casual occupation. The workers were not really taught the trade; they were simply set to do certain things to a certain extent mechanically. There was no proper arrangement that workers who went into the trade would be taught or given any proper training in the branches they happen to fall into.

9996. *Lord Weir*: That is the juvenile element?—Or even elders. In some sections of the trade you cannot put juveniles to learn; they must be from 16 to 18. Take the tenting; a young man would go in as an under-tenter. The under-tenter is a sort of labourer to the tenter, and he is allowed to pick up the business the best way he can. I have known men who have been years as under-tenters, and are no more like being tenters after 5, 6, 7 or 8 years than when they went in, simply because they have had no opportunity.

9997. The Trade Board, by raising the rate, gives them the opportunity, does it not?—No; but the Trade Board has been able to make arrangements which, if it had the powers which I think it ought to have, would ensure the adoption of a satisfactory system. For instance, we have adopted an apprenticeship system for tenters and dressers so that they may be taught the trade properly.

9998. You have powers for young apprentices and you are acting on those powers?—Yes.

9999. What further powers do you want?—To enforce the employers to say: "If you are coming into

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this trade, you have to come into it as an apprentice instead of coming into it and picking it up anyhow."

10,000. *Mr. Bell*: Dealing with this question of tenters, I notice a big variation in the earnings of weavers?—Yes.

10,001. How do you recruit your loom tuners when you have no males weaving?—What happens generally is this, at least it is a very common practice and has been in certain districts: supposing they wanted an under-tenter, they would often take a tradesman, say a joiner who had not been very successful in his own business and who would possibly apply for a position as an under-tenter; owing to his knowledge of joinery he would be a handy man about a loom, and he often got the preference simply on account of that knowledge. Very often under-tenters were really taken from those who had come in from other work, and, as a vacancy became available, they asked for it and got it.

10,002. *Lord Weir*: What powers have you? You can do anything you like in the way of fixing rates, can you not?—Yes, but this is more than a matter of fixing rates. What I want to say in regard to this is that, when I speak about divorcement from their craft, I mean rather more than simply not getting a proper opportunity to learn the trade. What the workers did feel was that there were questions in which they, as workers, were very keenly interested; for instance, there is the question of hours, and matters such as that. These matters were simply settled by the employers. The employers said: "The hours are to be 44, or 48, or 50," and you might protest, but it was simply a case of "take it or leave it." The employers said what was to be, and the worker had no real power to make his desires or his needs effectively felt. They thought that through the Trade Board they would have an opportunity of bringing their opinions to bear as to what ought to rule in the trade.

10,003. *Dame Adelaide Anderson*: They could have altered that if the organisation had been stronger?—Yes, if the organisation had been stronger; but unfortunately the organisation in the textile trade, up to about 10 years ago, was very weak.

10,004. Can you say why that was, as compared with Lancashire?—I could not very well say why. I know this, that these workers have been very difficult to organise. One of the reasons, I believe, why they were so difficult to organise was the fact that their earnings were so low. My experience has been that where workers have low earnings, and are living under generally unhealthy conditions, they are extremely difficult to organise. You cannot get the sense of collective bargaining or collective working developed in them; and even to-day many of those workers are without any proper conception of the idea of organisation; the organisation has not really got properly solidified; it is loose, as it is naturally bound to be, owing to the comparatively short number of years in which the workers have been brought thoroughly together.

10,005. *Sir Arthur Pease*: Then you go on to say that the average earnings in 1906 were 10s. 9d. for women and 22s. 4d. for men?—Yes.

10,006. But there were men working at 18s.; adults?—Yes. At that time there was quite a large number—I am speaking more particularly of Scotland at the moment—who were earning round about 18s. a week.

10,007. Then you give a budget of how a man would live on 18s. per week?—Yes. That is the actual statement of a worker who is living in Brechin.

10,008. Then you go on to say that the wages in 1914 had somewhat improved?—That is so.

10,009. Then you set out two Tables—Table I and Table II?—Yes.

10,010. What is the difference in the two Tables?—The two Tables are these. The bounty is a monetary payment which was paid on production, and those are Tables for two successive months. My idea was that to give the two successive months would give a better idea of what the actual earnings were than if I had taken one month only, because sometimes a weaver will have a big month and sometimes a small

month, and I have put the two together so that you might get a fairer comparison.

10,011. *Lord Weir*: Both of them are exclusive of the bonus payment, are they not?—Yes. The bonus payment in the lowest case would add 6d. a week, and it goes up by 3d.—6d., 9d., 1s., and so on, until you get to 2s. 3d. for those earning 16s. 6d. and over. It is noted in a paragraph following the tables.

10,012. *Mr. Bell*: Taking these two tables, I notice that you have given, in one case, 34 weavers earning ing over 16s. 6d.?—Yes.

10,013. And in the other case, 37?—Yes.

10,014. Would those be the same weavers each month, or do they vary?—They will be practically the same weavers; it is for the same work in two successive months, you might have a slight variation, but they would be practically the same.

10,015. How do you account for the big difference, say, between weavers who were earning 10s., as compared with those who were earning 16s. 6d.?—It is the question of a large month and a small month. In one month the weaver might earn a wage which would entitle her to a larger bonus; for instance, in the first month a weaver might have earned an average of 10s. a week, and in the succeeding month she might have earned an average of 11s. a week.

10,016. But you will remember my previous question, when I asked you if the 34 and the 37 of the two different months would be the same weavers?—Take it that the 34 given in the first are calculated in the 37; that might happen or might not. You find, when you come to the higher rates of wages, that these are fairly constant; it is when you get lower down that the difference occurs. I have known a case of a weaver perhaps having a bounty of 5s. in one month, and possibly the next month she would only have 2s. She is paid, of course, on piece, and if she was near the end of a piece, or if at the beginning she was just in the middle of two pieces of cloth, the big bulk of the work would be done, say, this week, but she would not be paid until next week, and that would effect her bounty earnings if it was at the end of the month.

10,017. This all has an effect on the rate. So that if you have a weaver who is a little bit less efficient than another, and perhaps needs something to be shown to her, who shows her, seeing that you have overlookers, as we call them, who have never been weavers?—Well, very often, in my experience, she is dependent on some of the other girls round about her to give her advice on a matter of that sort, or assistance. Sometimes the tenter would give a certain amount of assistance, and sometimes he would not.

10,018. I can see that; and probably you will agree that your overlookers in many cases cannot even take an end up?—No, I would not say that. The point I was trying to make when I was dealing with the tenters was that those who went in got no proper opportunity of learning. It is largely a question of a man's adaptability and his general intelligence. Some of them become most excellent tenters, but you have a big number who never get a real opportunity.

10,019. Does the width of the loom affect the average earnings of these weavers?—Well, in some cases I have known—in one work that I know—the narrow loom workers make the best wages. It sometimes happens that the work on looms of 60 inches and over reed space is given to the more elderly workers, who are not so fit as they once were. Those looms go slower. Of course, jute is different from flax. You might get a woman who is not able to manage two 50-inch looms on rather heavy work, who is quite able to manage a loom of 60 inches or 70 inches, because it goes slower.

10,020. What effect has the fixing of the minimum had on these weavers, say, whom you give as earning 10s. Do they still, working on piecework, keep above the minimum?—This table, of course, deals with 1914, and the wages which were 10s. then would be much greater now.

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[Continued.]

10,021. *Lord Weir*: And is for 55 hours, also?—Yes. You see, the rates were advanced from 150 to 160 per cent. over the pre-war rates, at least, that was the employers' statement. So that, of course, you have not to take 10s. as the average wage of that weaver when the Trade Board was established, but you have got to take it as multiplied by a rate which has been increased from 150 to 160 per cent.

10,022. *Sir Arthur Pease*: You have given the average on the next page of your précis?—Yes.

10,023. *Mr. Bell*: Taking your 10s., and putting 150 per cent. on, that only brings it up to 25s.?—Yes.

10,024. That is why I asked the question: how does the fixing of the minimum rate affect these weavers whom you here give as only earning 10s. at that time?—It really means an increase to them.

10,025. Are they earning actually less than the minimum, and have to be made up?—I do not know exactly how they do in regard to that. There are complaints that there are workers who are not receiving the minimum, but I know in certain cases again the employers stated quite distinctly that their rates were quite sufficient to meet the minimum without any alteration being made in them after the minimum came into operation.

10,026. *Sir Arthur Pease*: These figures that you give on the next page are the average rates now?—Yes. These were just immediately before the Trade Board was formed. Just after that time, in three works in Brechin, at any rate, the average wage would have been 35s. or 34s. for weavers. The reason why I know that is that we were making some adjustments in regard to bounties. These firms wanted to abolish all bounties, and there was a statement prepared showing the average earnings, and I think they came to about 35s.—well, allowing for an increase which was given immediately after that.

10,027. These weavers would all be women?—Yes.

10,028. Then I see in paragraphs (b) and (c) you go on to state the views of the employers. I do not know whether you wish to explain those further; I think they are very clear in the statement?—I do not suppose there is anything required to be added here, but in one of the paragraphs there is a word or two left out. In the last paragraph, on page 4, after the words "Lord Hunter, sitting as a Judge in the Appeal Court," the words "had decided that an Award be applicable to them" should go in. It is really a verbal omission, but I think it is understandable.

10,029. Then I think it is all quite clear down to the paragraph which begins, "Coming to matters which relate more to the practice than to the principle"; that is half way down page 5. You make certain suggestions there as to the improvement of the Trade Boards?—Yes.

10,030. You suggest that the time wants reducing?—Yes, a reduction in the period of notice.

10,031. Then you say: "The complaint as to the inelasticity of the Trade Board system is, however, in my opinion, overdone. Many of the complaints seem to be due either to ignorance" and so forth. What do you mean by that?—What I mean is that the employers apparently do not recognise the powers which the Board really does have. Take, for instance, the question of granting exemptions. As I have stated here, in some instances, I am satisfied that workers have been dismissed through ignorance. I can give one instance that I know of, where an employer dismissed a worker because of a physical defect. The employer said: I cannot afford to pay him the Trade Board rate. I took steps to get that employer informed as to what the position actually was. An application form was filled up, it was sent in, the Board granted exemption, and the lad concerned is working still. I happen to have seen some of the evidence which has been given by the employers, and in their own statement which they made there is perfectly clear evidence that they do not understand the position in regard to certain matters. For instance, this was said by, I think, Mr. Boase: "Attention may be directed to an important point in connection with the minimum rate, assuming 80

per cent. of the workers to be ordinary workers in the Trade Board sense, that is, workers of ordinary skill and experience in the class of goods in question, then a piece rate is acceptable when that percentage of the workers can earn by piecework a sum equivalent to the piece-work basis time rate." Now this is what I want you to note: "It therefore follows that the other 20 per cent., being sub-ordinary, are not employable." Now that seems to show an absolute ignorance of the provision which is made for meeting the case of the sub-ordinary worker.

10,032. You can meet it in the case of piece rates, but in the case of time rates the man has to be physically infirm before you can make him sub-normal?—But it does not make them unemployable because, where you have a piece rate, that affects the granting of an exemption. Take the percentage which he gives—80 per cent. who are normal, and 20 per cent. who are sub-normal: there would be no difficulty in employing those 20 per cent. sub-normal.

10,033. You mean you could employ some people who did not even earn the time rate?—The piece-work basis time rate.

10,034. *Mr. Bell*: Do you reckon that is an argument against the Trade Board?—No.

10,035. Supposing you had not the Trade Board, and your organisation had been strong enough to obtain what is ordinarily termed, though perhaps wrongly termed, a trade union rate, how would the employer then have dealt with workpeople whom he alleged were not up to his standard of efficiency?—Sack them.

10,036. He has the same opportunity under the Trade Board?—Yes.

10,037. So that exactly the same thing is in operation with a trade union rate as with a Trade Board rate?—It is in operation in this trade. I know, for instance, of workers touching 70 years of age who have been dismissed because they could not make the Trade Board rate—workers that, from my own personal knowledge would have no difficulty in getting an exemption certificate.

10,038. *Sir Arthur Pease*: Would you be in favour of the power of the Trade Board being enlarged to give the exemption certificates in regard to specially slow workers, although they were not actually physically infirm?—It would have to be very closely guarded if such permission were to be given, and the Trade Board would have to be able to compel the employer who made such an application to submit evidence which was satisfactory to them that that worker's slowness was due to himself, and not due to the circumstances of his employment.

10,039. Yes, of course, I quite see it must not be simply a by-way of getting round the minimum rate. That is what you mean?—Yes. Very often you will find workers whose wages are considerably under what you would ordinarily expect them to make, and it is very often due to the quality of the material. That is one difficulty we are up against at the present moment. Flax is so absolutely scarce—I shall have something to say about that presently. If you will give me the opportunity—and the quality of the material has so deteriorated, that the worker has not the same chance. As a matter of fact, if the material was anything like normal, the workers at the present time would be making far higher wages than are fixed by the Trade Board rate.

10,040. Another objection, you say, that has been urged is that the Trade Boards cannot give sufficient regard to the varying capacity of the workers. But your workers are nearly all on piecework, are they not?—Yes; but apparently the employers urge this objection: But they are not on piece rates, they are only on a piecework basis time rate. That is the ground of the objection. It is 8d. an hour, and the rates must be such as will enable the ordinary worker to make that. A piece rate is a different thing.

10,041. A normal rate?—Yes, a normal rate. A piece rate is a different thing; a piece rate is a price fixed for a certain piece of work. For instance, here

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is a certain web: the price to be paid for that web is 5s. or whatever figure you please. If the weaver gets that price, if the 5s. is earned, then the requirements of the Trade Board are met. We suggested to the employers that, instead of a piecework basis time rate, we should endeavour to prepare a statement which would determine the price to be paid for each particular fabric, the same as they have in Lancashire. If that were done, that would meet the case of any worker who happened to be particularly slow, because even if she was unable to do more than a certain piece of work, she would be getting the recognised Trade Board rate for it. But the employers objected to the proposal on account of the work involved.

10,042. Then I think you want to draw attention to some evidence that has been given by Mr. Donald of Dundee?—Yes. Mr. Donald suggested that the tendency was for the Trade Boards to develop into Courts of Arbitration, and that that did not make for good relations between the employers and the employees. So far as the Flax Board is concerned, the function of the appointed members, as I state here, has largely been that of conciliators, and practically all the important rates fixed by the Flax Trade Board have been a matter of agreement between the workers and the employers.

10,043. Without pressure from the appointed members?—Without pressure. As a matter of fact I am going to deal, if you will allow me, with a point which was dealt with by the employers when they were here, that is, that historic occasion on which they walked out of the room. It was stated, I think, by Mr. Boase, that as the result of the vote of one of the appointed members, a rate was carried through the Trade Board which put on an increase; that they walked out, and that, as a result of their action, a compromise was reached. That is their history of the event. I am going to give you mine, and I refer you to the minutes of the Trade Board itself for confirmation. A Special Rates Committee was set up to discuss the question of special rates for special classes of workers. That committee met, with Professor Baillie, and we parted miles apart. We met in July to discuss the question as a Trade Board. In the morning of that day Mr. Buckpitt, who comes from Bridport, came to me and he said: Cannot we come to some agreement over that rate? He, with Mr. Smart (another employer), Mr. Sime and myself talked over the matter, and we came to an agreement as to what those rates were to be. They were to be 70s. for tenters, so much for dressers, and so much for other classes of workers. Mr. Buckpitt moved the adoption of this compromise, and I seconded it, and it was carried unanimously. The notice was sent out, and the Board met in November to deal with the objections.

10,044. November of what year?—A year past in November—November, 1920. The employers then objected to those rates going through. We naturally said: Well, we made a bargain, and we want you to stick to your bargain the same as you would have asked us to stick to ours. There was considerable discussion over the matter, and the appointed members certainly supported the proposal that the rates should go through. But it was evident, and they made it perfectly clear, that while they thought the rates ought to go through, seeing they had been a matter of agreement, at the same time they considered they should postpone the date of their coming into operation until a fairly late period, owing to the conditions which had arisen in the trade at the moment. Naturally, we were rather loth to agree to that. However, ultimately, after an adjournment, we met again in about a month, and we agreed that, subject to certain conditions, we would allow those rates to be held in suspense; so that, so far from it being a case of a compromise, it really was the case that the workers made a large concession to the employers. They agreed to allow those rates to hang in suspense. The employers said they would see that the present rates which were in operation should be allowed

to remain as they were, and they also gave a promise that, when the rates were brought into operation, they would apply the rates at once. Ultimately, these rates were dropped entirely. New rates were fixed, but the employers did not bring them into operation until the time for the objections had run, and, in fact, it had become an Order. We never asked them to bring them in sooner because we considered that under the circumstances the trade was in it was better not to do it. But so far from the workers thrusting the thing down the employers' throats, it was they who were trying to get out of the agreement they made with us. As far as the compromise in July was concerned, the appointed members knew nothing about it until we went into the room and told them what we had agreed to do. Of course, they have helped us by making suggestions—they have been a big help in that connection—but nothing has been crammed down the throats of either of us.

Sir Arthur Pease: I will not ask you any question on that, because you have made it perfectly clear.

10,045. Mr. Bell: About the middle of page 6 of your statement, I think you have a wrong word, where you say: "Those who do realise what is due to their workers have not a sense of security": should that "not" be "now"?—Yes, "now." There is another mistake in the same sentence. The word "for" in the next line should be "while."

10,046. Yes, and a comma after "prevail" would improve it?—Yes.

10,047. Sir Arthur Pease: With regard to unemployment, I think it has been pointed out by others besides yourself that, owing to the lack of the supply of flax, we cannot gauge whether unemployment is due to the Trade Board or not, because there is not the material to manufacture?—That is so. I may say this: that, as a matter of fact, in my opinion a reduced rate of wage and increased employment in the flax trade under present circumstances would be one of the worst things that could happen for the workers, because the boom would mean this, that the material would be used up and then you would have shut doors. But there is no doubt that the employers, or certain employers, at any rate, apart from what they say here, are doing their best to create the impression that it is the Trade Board that is responsible for this lack of employment.

10,048. How do your figures compare with the flax trade in the North of Ireland; are they the same? Have they a Trade Board there?—There are two Trade Boards. One of them, I understand, is on strike.

10,049. The Trade Board are on strike?—The employers' side are, at any rate, so I understand. In Scotland, of course, we have a different fashion: when our employers wanted to strike we proposed to the Chairman that we should go on with the business and do it without them. That is what we do in Scotland; and I do not know why in Ireland the appointed members do not meet with the workers and proceed to do the business without the employers.

10,050. What are the rates in Ireland?—I cannot say what they are now, but originally in Ireland certain rates were higher than they are here, that is, in the first proposal. Some of them were 8jd. or 9d., I think, as against our 8d.

10,051. Only the spinning section is covered?—Yes; but I understand there is a Board for the weaving.

10,052. But they are really not functioning?—Yes, I understand that is the position.

10,053. It is not worth while following that up then?—No.

10,054. With regard to the Trade Boards, do you think it would be well to group them?—Yes, I think it would be a big advantage. I have mentioned three trades, but there are others who might quite well be brought within the scope of one Board.

10,055. And then have sections of the Board for the details?—That is so.

10,056. But have nothing done without the sanction of the whole Board?—That is so.

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10,057. Have you considered the question of District Committees?—We did discuss the question of District Committees; in fact, at the first meeting of the Board, it played rather an important part in the proceedings. We had agreed to a rate of 8d. as a minimum time rate for female workers, and there was a proposal to form District Committees and then make district rates. As we were against District Committees, we agreed that we would rather drop ½d., to allow the District Committee to go, and that was accepted by the employers, who thought it was quite a reasonable compromise. I may say, so far as this trade is concerned, that while there is a certain amount of the trade carried on in Dundee and Kirkcaldy and some of the larger towns, it is a trade which, on the whole, is carried on in districts which have a considerable degree of similarity; and it is rather curious, but it is the fact, that in some of the country districts the wages paid before the Trade Board was established—before 1914—were higher than they were in some of the larger districts. I happen to have some figures here as to rates of wages, and they bear on that point. In 1914, in Bervie, which is one of those places that are 20 miles from everywhere—it is taken as a typical place—

10,058. *Mr. Bell*: Is it in Scotland?—Yes.

10,059. And 20 miles from everywhere?—Yes; it is one of the typical places, where all the difficulties and all the disadvantages are combined. In 1914, in Bervie, reelers and spinners were receiving 14s. to 16s. a week. I have checked those figures with the workers recently. That 14s. to 16s. can, I think, be accepted implicitly, for this reason, that a Court of Arbitration determined that that was the rate which was in operation at that time; they fixed it at that figure. In Brechin, which is a city of about 9,000 inhabitants, spinners working double frames were getting 12s. to 13s.; those working single frames (who, of course, were less efficient workers) were getting 8s. 6d., but they are all women; and reelers were getting 14s.

10,060. *Sir Arthur Pease*: The wages you have given with regard to Bervie were all in respect of women too?—Yes, they are all women's wages. Then in Arbroath, which would be about 25,000 population, spinners on 72-inch frames were getting 14s. to 15s., as against Bervie's 16s.; on 60-inch to 64-inch frames, 12s. 6d. to 13s.; the reelers, about 13s. 6d. Then, coming down to a later period—

10,061. I think you have given us enough figures to illustrate your point, and we have all your written documents?—Yes, but these figures are not there.

10,062. Are there any other points you wish to draw attention to?—Yes, there are, I think.

10,063. We know you are generally in favour of the Trade Boards?—Yes.

10,064. And that their powers should not be curtailed?—Yes.

10,065. Have you considered the question of the appointed members?—My feeling is that it would certainly be an advantage if we had people who knew the trade acting along with the chairman, or people who at least had some technical knowledge of the trade. I was here when Mr. Sime was being examined. I think that, if that change were to be made, it would be better that they should be permanent members rather than that they should be called in when questions of difficulty arose.

10,066. I can quite see how this would act if the Chairman was the umpire. He could then hear all the case, as arbitrators do now, and he would have his two arbitrators, as is often done in arbitrations, and he could put down his own ideas and then show them to assessors to see if they were workable from a practical standpoint. But I do not quite see how it is going to work where he has only a casting vote to give on these various subjects; I mean the appointed members have simply a casting vote?—Yes.

10,067. They can make suggestions or proposals?—That is so.

10,068. But they cannot make an award?—No, they cannot do that; but still sometimes I think it would

be a big advantage if the Chairman had a more or less independent person to guide him in dealing with some of these technical matters.

10,069. Two advisers, one on either side?—Yes, one on either side, the one to keep the other right.

10,070. You think it would enable him to make more practicable suggestions to the Board?—Yes, I think it might. I think a Chairman sometimes, in perfect good faith, makes a suggestion which is rather unworkable, and I think that if he had someone like that who could advise him before he made suggestions to the Board at all, it would be better. After all, if the Chairman makes a suggestion which is, to those who know the trade, absolutely impracticable, it does not strengthen his position with the Board.

10,071. And a suggestion put forward in the proper form to start with is very much more likely to be satisfactory?—Yes; if you go on arguing and quarrelling about a thing for half a day, and then somebody makes a suggestion, it certainly will not receive the same consideration as if it were made earlier in the day and before you lost your tempers.

10,072. *Mr. Bell*: Have you thought of this phase of it: that if on the Board already you have so many representatives of the employers and so many representatives of the workpeople, who can all be said to be experts in that particular trade—they all know these technical details—if they cannot come to an agreement and you bring another two in, say one from the employers' side and one from the workpeople's side, you have simply increased the number without adding anything to the knowledge that is already on the Board? From that point of view, do you not think that the Appointed Members, acting as conciliators between the two sides, are of far more importance than simply bringing them in as assessors, when one would sit on one side and the other on the other side along with the rest of the Board?—No, I think there would be an advantage if they were there, because they would hear the whole discussion and would know everything that led up to it. If you bring them in simply when the difficulty arises, it is difficult to get every point put before them.

10,073. Now, from your experience both as an official of a trade union and as an official on the Trade Board, supposing that the workpeople nominated somebody as an assessor, and he knew what his colleagues on that Board wanted, would he depart from a decision that they had arrived at or would not he be simply a fighter all the time for what the workers wanted—and the same, of course on the employers' side?—Well, my feeling is that I would not say that the workpeople should nominate the individual who is to go there, but they might nominate a panel from which the assessors should be selected.

10,074. When you have done that and the Chairman is in the position that he is the only one that is in a neutral position and he has to give a decision, if those technical experts who are already on the Board cannot convince three men, or even one of the three, would it not be worse to be entirely at the mercy of the one man who might be in the Chair?—It certainly would be a much worse position for the Chairman to be in; that is the only difficulty I see. It would be a burden upon him. Solomon said: "In the multitude of counsellors there is wisdom." We say in Scotland: "Too many cooks spoil the broth"; and my feeling is that if you had two who are specifically charged with the duty of advising the Chairman, they would be able to concentrate the arguments on both sides, or the opinion on both sides, and put it before him in a far more concise and informative form than can possibly be done if you have half-a-dozen speakers from each side who are all trying to amplify and explain what somebody before them has said.

10,075. Which is the most important work of the Board, dealing with these technical matters, or fixing rates of wages?—I should say the fixing of the rates of wages and the general conditions is certainly the

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most important work of the Board, but it seems to me the fixing of these rates and conditions is very often determined by some technical point.

10,076. But not the fixing of the minimum rate always?—No, not so much in the fixing of the minimum rate, which is what you would consider sufficient to provide the actual necessities of life.

10,077. In trying to arrive at the rates of wages, with the difference existing on the Board between the representatives of the employers and the representatives of the workpeople, which is the most valuable work of that Board, the work of conciliation between the two sides or, say, the work of becoming assessors?—I think the work of conciliation is really the most important because if you can get an agreement it is certainly far better for both sides than if you have a force forced on one side rather than on the other side.

10,078. So that whilst there may be some advantage in having experts or men who know all the technical details in an industry, the disadvantages of removing the neutrality of the Appointed Members might be very serious?—I may say I have no very strong opinion on the point, but if a change is desired it seems to me that would be the wisest and the safest line on which to go. A point I would like to refer to is with regard to the petitions for the abolition of the Trade Board. These petitions were made against this Trade Board. With your permission I would like to explain the circumstances, as far as I know them, under which these petitions were got up in one of the places. Bervie was one of the places where a petition was got up. I think it is only right you should know that when the Trade Board fixed its rates, the employers in Bervie locked the workers out. I happened to know about it, as a number of them are members of my union, and we paid them dispute benefit for, I think, three months. Then the works were reopened on the Trade Board rate, but only for a short time, when they closed again, and the workers came on to the donation benefit. Immediately after the donation benefit finished one of the employers there, who is one of the employers to whom I refer as being very antagonistic to trade union organisation, went to the workers and said he was prepared to open his mill if he could get back to the rate of wages which was in existence before the Trade Board had brought in the first minimum time rates. I may say that Bervie in 1914 was higher paid than other places, but by this time rates had fallen, owing to want of organisation. There was no organisation for a considerable time there. This employer got the workers to sign a petition to the Trade Board asking that the rates should be decreased. But in the interval the letter from the Flax Spinners and Manufacturers' Association was sent to the Minister asking for the removal of the Board. He then thought he could go one better, and instead of this petition being sent on to the Trade Board he organised another petition which was for the abolition of the Trade Board. I would just like to mention in passing at this point that I have handed to the Secretary to-day the reply which was sent to the Minister in connection with the letter sent by the Flax Spinners and Manufacturers' Association, which I would like to be taken in as part of my evidence. Well, the workers were in this position: they were beginning to feel the pinch of hunger and they were induced to sign the petition. A considerable number of them did it very unwillingly; in fact, it was hawked about the place to get them to do it; but in a little place like that they were afraid that, if they refused, the mill would be opened and possibly other workers would be employed in their places.

10,079. Dame Adelaide Anderson: Was this locked out directly consequent upon the raising of the rate?—The notice which was posted up was something to this effect:—"That owing to the condition of trade, and in view of the rates fixed by the Trade Board, this mill will be closed until a new arrangement is made." The employers, of course, tried to deny that

it was the Trade Board rates that were the cause; but we maintain, and we are perfectly satisfied, that it was that which was the cause, and that it was really an effort to try and break the rates which had been fixed by the Trade Board.

10,080. Your suggestion is that it was aimed at getting the workers sympathetic towards the proposal?—I have no hesitation in saying that. I do not know so much about the circumstances up in Aberdeen, but I may say this, that anyone who has read the speeches made by Mr. Douglas, the Managing Director of Richards, Limited, in Aberdeen, and the various petitions which have been sent, can see perfectly well, whether they were inspired by him or not, certainly the workers had what he said before them in their mind when the petition was being drawn up, and I have been told by workers in that place that they signed the petition simply because they were afraid that if they did not they would lose their work.

10,081. Mr. Bell: A few weeks ago we had a representative of the Employers' Association sitting where you are now, and he gave evidence before the Committee that these workpeople had signed this petition voluntarily, and that one of the workpeople themselves had drafted the petition, and that no pressure of any kind had been used in order to get them to sign it. You used the word "induced" just now. If you had heard an employer make that statement, how would you describe it—in Scotch?—Well, I know how to describe it in English, but I forget exactly the equivalent Scotch term that I would use. Of course, there are various ways in which pressure may be brought upon people, but the workers were under the impression that if this petition were not signed the works would be closed down; and they were trying to save their bacon.

10,082. Sir Arthur Pease: I think you want to define very clearly what you mean by "pressure." There are two ways of influencing people, the one is persuasion and the other is pressure?—I should rather say "persuaded."

10,083. I mean, pressure is threatening to discharge the men?—I do not say they were threatened to be discharged.

10,084. There is a form of pressure you may legitimately use, such as to tell them that unless they will agree to meet the market by a reduction in wages you could not keep the mill going. That, I assume, is what you mean, or something in that form?—Yes; I do not mean to say that he went and simply said: If you do not do that I will sack you.

10,085. Or something else?—Or something else; I mean rather the pressure which is caused by the fear of loss of employment.

10,086. Dame Adelaide Anderson: But they were actually faced with the fact that the mill was closed?—No, not in Aberdeen, but in Bervie. In Aberdeen, out of something like 2,000 workers there were only something like 700 employed.

10,087. But they were faced with the fact that they were out of work?—Yes, in Bervie.

10,088. And they were coinciding with the rate?—Yes, and the fact that they had stated in their own notices that one of the reasons for closing the mill was owing to the fixing of the Trade Board rates.

10,089. Mr. Bell: Whether it is pressure or not, or whether it is inducement, I think when you look up the Minutes you will find that the statement is definitely made in the evidence that the workpeople were not approached in any way to induce them to sign that petition, but they did it entirely on their own and voluntarily. Is that true?—I do not believe it; I know this, that I could get people to do things—I would not go and ask them—but there are some people who are ready to do things if they think it is going to please their superiors. I think you may find that had something to do with it.

10,090. Sir Arthur Pease: Have you any other point you wish to make?—The only other point is the statement that there was another firm where the

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workers signed a petition for the removal of the Trade Board. That was at Messrs. Paton's in Montrose. They signed no such petition. The petition which they signed really was a petition to the Trade Board asking to be allowed to work at a lower rate. That was the petition they signed; they did not ask for the abolition of the Trade Board.

10,091. *Dame Adelaide Anderson*: I should like to ask you one question about the 1909 Act. This industry did not come under a Trade Board until the Act of 1918?—No.

10,092. It was entirely, or primarily, because of lack of organization and the difficulty of organising combined with low wages?—That is so, but as a matter of fact, so far as the workers' rates were concerned, and so far as the unions which were then in existence were concerned, it was no fault of theirs that it was not brought under the 1909 Act. We maintained all along that it was in industry which ought to have been brought under that Act, and on more than one occasion, either through the Women's Trade Union League, or through the action of the local organizations, representations were made to the responsible Ministers to have the industry brought under the 1909 Act.

10,093. My great difficulty is to understand how it is, in a skilled occupation—because it is maintained that the weaving and spinning of flax is as skilled as in cotton and worsted—the rates are so low and that the organization is so difficult. Is it because the great majority are women and because of the competition from India?—No, we are not affected by India at all, not in the linen trade. Our competition is with France and Belgium and Austria; and, of course, Russia is now entering into the trade, too, she is not content simply with growing flax, but she has been for some time spinning and weaving the flax.

10,094. So that you have a combination of competition from abroad, and a majority of the workers being women?—Yes. I believe the fact that there are so many women is one of the factors which make them rather more difficult to organize than if they were purely men, because there are a considerable number of women in the industry who look upon it as simply following an employment until they get married.

10,095. And unless the industry gets more into the hands of men, and competition from abroad is

lessened, you cannot get reasonable wages except under the Trade Board?—I do not know that the competition from abroad is so serious a factor after all. I am satisfied that we can go on and hold our own with them any day; we have done it for a long time, and I think we can continue to do it.

10,096. And it is only the shortage of flax that really makes for unemployment primarily?—There is not the slightest doubt about that. There is a very small demand, but that smallness of demand is caused by price, and the high price is caused by the want of supply. Before the War £40 would have been an average price for a ton of flax. At the present moment I suppose it is selling for anything up to £130 a ton.

10,097. *Sir Arthur Pease*: I presume your chief competition is from the North of Ireland, is it not?—No, except in Dunfermline and Perth; Dunfermline and Perth are really the centre of the trade in Scotland that competes with Belfast. In the middle and heavy ends of the trade we are not so much troubled with Irish competition.

10,098. *Mr. Bell*: You have jute, flax and cotton all worked in Scotland?—Yes.

10,099. How do the wages of jute and flax workers compare with the wages of the women engaged on cotton weaving, say, in Scotland?—Well, I really could not answer that question.

10,100. Can you tell me this: are the wages of the cotton workers in Scotland generally as low as the wages of the jute and flax workers?—No, I think they would be rather higher; but I do not come into contact with the cotton workers.

10,101. Then I will not pursue that.—If I could have answered the question of course I would have done it at once, but that is the position I am in; I do not come so much into contact with the cotton workers. The secretaryship I am occupying I have only been in for nine months, so that I have not yet got into proper touch with the whole of the details, and my experience has been largely linen.

10,102. *Dame Adelaide Anderson*: Is not cotton in Scotland rather special?—Yes.

10,103. *Mr. Bell*: And you will agree that some of it—I am asking a question that I could answer very well myself—is exactly like the cotton cloth that we work in Lancashire?—Yes, I believe so.

(The Witness withdrew.)

Mr. J. CUNNINGHAM, called and examined

The Witness handed in the following statement as his evidence-in-chief:—

I started work in the jute trade on my tenth birthday in the year 1884, as a half-timer, and continued to work in the trade, man and boy, till the year 1910, when I was appointed full-time Secretary to my trade union.

My first job as a man in the finishing department consisted in carrying cloth from the damping machine, generally regarded as being the most laborious job in that department. The wage paid was 15s. 6d. That was in 1896 and there were men doing full-men's work in receipt of even lower wages. Very few men, no matter how highly skilled their work, were paid over £1 per week. There was practically no organization on the part of either employers or workers, and as no other effective machinery existed for the regulation of wages or working conditions the workers had just to strike, or grin and bear it. The sectional strike, therefore, was always with us and the loss to the trade due to this cause must have been enormous.

The prevalence of these disputes of course forced the employers into closer association with each other, so that by the year 1912 they were in a position to counter the sectional strike by the threat of a general lock-out. In 1912 the unions made demands on behalf

of their members for an all round advance in wages. This the employers refused to grant. A strike took place which lasted for seven weeks and was only settled by outside intervention. Again in 1916 a request was made for an advance on the wages of the workers. It was promptly refused. A strike took place which lasted eleven weeks. Again outside influence had to be introduced before a settlement could be arrived at.

I am convinced that had a Trade Board existed for the trade in those years, or other effective machinery whereby both sides could have been brought together and kept together, neither of those disputes would have taken place, and thus much suffering to the workers and loss to the trade might have been averted. Since 1916 and up to the formation of the Jute Trade Board no strike of any considerable note has taken place, wages questions arising during that period being submitted to and decided by Court of Arbitration. I have been a member of the Board since its inception and have attended almost every meeting, and it is my honest conviction that the whiff of outside influence introduced into our discussions by the presence of the appointed members has made progress possible, where otherwise no headway whatever would have taken place.

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[Continued.]

I consider, therefore, that the Board provides ideal machinery for the consideration of trade questions coming within its purview, and that its abolition would be nothing short of a tragedy for the workers and the trade generally.

As to the Finishers, whom I represent, I am strongly of opinion that a Board should be set up with the least possible delay for this branch of the trade. Their wages before the war were miserably low, so low indeed that many of these men's wives were forced to work in the mills and factories, leaving their children to the care of strangers. The homes of these people could not have been kept going otherwise. Wages, of course, went up during the war, but food prices went up higher. There is still no minimum wage. The absence of a minimum affects the workers adversely. To give an instance of what I mean, we will take two men, one receiving 40s. and the other 50s. Should the man receiving 50s. leave his job and the man with 40s. get promoted from the lesser to the higher paid job he would in all probability only receive 45s. instead of 50s. This practice is still fairly general. We have been trying for the last two years to have this question of a board settled, and although it has been admitted by Ministers that there is a clamant need for same there is no immediate prospects of our efforts meeting with success.

10,104. *Sir Arthur Pease*: You represent the Scottish Council of Textile Trade Unions?—Yes.

10,105. And you are Secretary of the Dundee and District Calender Linoleum and Dye Workers' Union?—Yes.

10,106. You are a member of the workers' side of the Flax and Hemp Trade Board and the Jute Trade Board?—Yes.

10,107. And you are giving evidence on behalf of the finishers, are you not?—Yes. It was just at the last moment that I made up my mind to come here, and I just made out this statement; there is not really much of it.

10,108. You have heard all the evidence of the last witness on the general questions. Do you agree with them generally?—Yes. I wanted just to say that so far as arguments in favour of retaining or abolishing the Board are concerned, my experience since the Board came into being is that it has been of great advantage to the trade and the workers. My experience has been that before the Board came into existence it was quite possible that the sides could meet; we would meet occasionally, but the two sides feeling strongly on a question, we did not stay long together, and it might be years before we would meet again. The great advantage of the Trade Board is that we are asked to meet at stated times, and, whether we want to meet each other or whether we do not, we do meet, and the advantage is that we are kept together. One employer may leave the meeting, but that does not matter, because the constitution of the Board makes for equalisation of votes, and there has only been one instance where the whole of the employers have left the Board, and only one instance where the whole of the workers' side have left the Board. The advantage, as I say, is that we must meet, and when we do meet we must stay there until the day is finished, or until the Chairman says that the meeting is finished. That is a great advantage, and we do sometimes come to agreement.

10,109. Is Mr. Lowden giving evidence with you?—Yes, Mr. Lowden is here.

Sir Arthur Pease: Perhaps Mr. Lowden will listen to your evidence. You have heard no doubt a great deal of the evidence that has gone before, and if you can say if you generally concur, and then put any particular points you wish, I think the Committee will be just as much impressed as if you go through it all again.

The Witness: May I mention the finishers, then, Mr. Chairman?

10,110. Yes. I think your particular point is that the finishers, which have not a Trade Board, you

think should have one?—Yes, for this reason, that there is no minimum rate; and I have stated here, in these few words, the way that the absence of the minimum rate affects the workers through what we call retailed reductions. For example, a man may get an advance if he is shifted from a lower to a higher paid job when a vacancy takes place. He may get an advance in his wages, but he is working possibly for 5s. or 6s. less than his predecessor on the same job, and no matter how many general advantages you get, they can all be taken back from you by this process, whenever a man is shifted to a job, of making a reduction of 3s. or 4s. on the job. Then the finisher suffers all the disadvantages of the Trade Board, with none of its advantages. When the Board sanctions a reduction in wages or a reduction on the minimum rates then all the rates are reduced. A 12½ per cent. reduction took place the other month on all wages above the minimum—the minimum and above the minimum. Of course, the finishers came into that too, although they had no minimum. A further 6½ per cent. reduction takes place in February. They will have that reduction too. I cannot see why they should be specially excluded from both the flax and the jute Trade Boards. There are only a few thousand of them in Dundee; they are, I suppose, in the whole of Scotland not so very numerous either; and I cannot see just exactly why they should have been excluded.

10,112. *Mr. MacCallum Scott*: Why are they excluded in fact?—I do not know. The Order says they are excluded.

10,113. Is it a different industry?—Yes; they are excluded from the operations of the Trade Board. Although I am on the Trade Board representing our own industry, I am not of the Trade Board; that is to say, I can argue and help the others to argue and convince the appointed members to grant increases or delay reductions, but I cannot put a halfpenny on the wages of any worker that I represent on that Board.

10,114. In your opinion, should they be brought under the same Trade Board, or is there a special Trade Board for them?—I cannot see the reason for some of the Trade Boards being separate and meeting separately. The same Appointed Members sit on the Jute Trade Board that sit on the Flax Trade Board, and practically do use the same machinery, it is the same processes, only there is a difference in fibre. So long as these Boards are separate, I think a special Board should be set up for the finishers, but I can easily see where lots of these Boards could be brought together and, when that took place, of course the finishers could be brought together as a section of it.

10,115. *Sir Arthur Pease*: You have no idea at all why the finishers were left out?—No, I do not know why they were left out.

10,116. *Dame Adelaide Anderson*: Would you urge their being brought in on the ground of low wages or lack of organization, or both?—Well, lack of effective organization, for this reason: for example, there are a few thousand finishers in Dundee. Many employers are ashamed of the wages that are paid to the men; they have admitted that themselves; but supposing the employers agreed, outside the Trade Board, to substantially advance the wages of finishers, then you have other 35,000 workers in Dundee who want an advance in wages too, because the finishers would be getting an advance in wages. It is the same in every section.

10,117. *Sir Arthur Pease*: Are there not members of your union who are finishers in other trades than finishers in the flax and jute trade?—No.

10,118. There are finishers?—Yes, there are finishers in Lancashire and other places. Ours is a local society confined to Dundee.

10,119. But I understood the proposal was to have finishers for all trades?—No, that has never been discussed by us. We have seen several Ministers of Labour and we have discussed questions with them, repeatedly, and they have been sympathetic; but we have never discussed that question. I understood

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[Continued.]

that what was to happen was that for the finishers in the flax trade and the finishers in the jute trade in Scotland there would be a Board set up. There are other well organized trades who will not have anything to do with Trade Boards. They get along all right with their own Trade Union Organization. They prefer Industrial Councils and that sort of thing.

10,120. You agree generally with the evidence that has been given?—Yes.

10,121. You want to urge the importance of putting up a Trade Board for the finishing trade in flax and jute?—Yes.

(The Witness withdrew.)

COUNCILLOR T. LOWDEN, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

SUMMARY OF EVIDENCE BY COUNCILLOR T. LOWDEN.

The workers' representatives on the Jute Trade Board are of opinion that the continuance of the Trade Board is a necessity. This is a trade out of which large profits have been made by the employers and very low wages earned by the workers.

Every operation through which the fibre has to pass from the time it enters the mill till it leaves the packing press as bales of cloth, requires a degree of skill which it takes a considerable time to acquire, and strange as it may seem, the operation of spinning to which the manufacturers attached the most importance, was, until recently, the most poorly paid. In fact, the jute trade is one of the industries to which a Trade Board is indispensable from the workers' point of view.

Minimum Wage.

The minimum wage of £2 10s. for men fixed by the Board is inadequate for a man to maintain a wife and rear a family, but it was the highest figure the workers' representatives could extort from the employers, who proposed a much lower figure, thus emphasising the necessity for a Trade Board for the jute trade.

The minimum wage fixed for women workers at 32s. per week is among the lowest fixed for adult female skilled workers. From these rates there has already been a reduction of 12 per cent. and a further reduction of 6½ per cent. takes effect next month, but had there been no Trade Board I am convinced that the employers would have carried out their original intention of reducing the wage by 25 per cent. In any case these low rates and these reductions indicate that this is a trade where the organisation is insufficient to enable the workers to regulate wages for themselves.

In a letter sent to the Minister of Labour on the 4th of February last year by Mr. Cathro, Secretary of the Jute Spinners' and Manufacturers' Association, Mr. Cathro writes as follows: "In a large proportion of cases the operative rate of wages is the effective minimum fixed by the Board." Now if Mr. Cathro is right, and I raise no objection to his statement, we maintain that Mr. Cathro strengthens our case for the continuance of the Trade Board if the workers are not to be depressed beneath the poverty line.

Organisation.

In the same letter Mr. Cathro writes as follows: "The employers and workers in the jute trade are highly organised and before the operation of Trade Board Acts they were accustomed to come to agreements as to working conditions and wages."

We are well aware that the employers are highly organised, and we have found them to show a decided reluctance to discuss matters under dispute with the workers' representatives.

It was found impossible to deal with the trade as a whole, and the result was that different rates of

10,122. That is the main point?—Yes. I want to add my quota to the evidence that has already been given and the opinions already expressed, that Trade Boards ought to be retained, that it would be nothing short of a tragedy if the Trade Boards were abolished, so far as jute and flax are concerned anyhow. I can only speak for them.

10,123. *Dame Adelaide Anderson:* And you think the presence of outside opinion through the appointed members is a reason for the Trade Boards organization?—Yes; I do not see how it could be done otherwise.

wages were fixed for the same class of work by the different employers. Since the trade has been brought under the Trade Boards Acts this anomaly has to some extent been remedied by the adoption of spinners' and weavers' rates.

So far as the workers are concerned, it is not to be expected, after 18 months of short time and in many cases total unemployment for that period, that their organisation can be effective from an economic point of view, hence the necessity for the Trade Board.

Agreements.

Our experience of agreements come to between the employers and the workers has not been a happy one, as we have found that the employers have, when it suited their purpose, had no scruples in violating both the spirit and the letter of some of these agreements. It is the experience we have gained that makes us anxious to retain in force the machinery which has been established for the legal regulation of wages in the jute trade. There is no doubt whatever that the Jute Trade Board has been beneficial both from an employers' and workers' point of view. Many points of difference which might otherwise have led to disputes involving loss of time have been arranged. The Board being composed of the authorised representatives of workers and employers, and its findings having to apply to the whole trade, has had a steady effect, and there appears to be a tendency towards a better understanding between the employers and the workers than has previously existed. To discontinue or curtail the powers of the Board at a time when the workers are suffering acutely from the effects of a long spell of bad trade would, in my opinion, be a great error.

FURTHER POWERS—INFORMATION.

The purpose of the Trade Board Acts is to afford some measure of protection by fixing, varying and cancelling rates of wages to workers in badly-organised trades, but the Acts do not provide the power to compel employers to disclose information as to wages, costs or profits, and the Board is often at a disadvantage when questions regarding the ability of the trade to carry the wages bill is under discussion. Under such circumstances the Chairman and Appointed Members are called upon to give a very important decision with very questionable data before them.

I am of opinion that the Board should have the power to demand such information.

APPOINTED MEMBERS.

It is essential to the smooth working of a Trade Board that the representatives on both sides should have confidence in the Chairman and Appointed Members. I readily admit that theirs is a delicate task, and that it is sometimes not an easy matter to hold the scales of justice level; but no Appointed Member, whatever be his or her qualifications or otherwise, can hope to retain the confidence of the Board unless they show a due appreciation of the

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[Continued.]

responsibility which rests upon them. As it is very often the votes of the Appointed Members which are the deciding factor, I hold that the representative members ought to have a voice in the selection of Appointed Members.

COMBINING KINDRED TRADES UNDER ONE BOARD.

Much of the agitation against Trade Boards is because of the expense incurred. I consider that under the exceptional conditions such expense is justified, but I think a considerable saving could be effected by including several trades within one Board. There is, for instance the jute and flax trade. Now there are a number of firms who work both fabrics and who have some difficulty in knowing which Board they ought to be working under at a given time. Such firms are generally engaged in the heavy end of the flax trade, and I do not see why they could not be brought within a combined Board. Such a Board could be formed into committees which would consider the points which applied to their particular branch of the industry before these were submitted to the full Board. If these two Boards—the Jute and the Flax Boards—were combined, a large and important section of textile workers—finishers—for whom the setting up of a Board has been under consideration for some time, might also be brought within the same Board. I am sure that most of the workers' representatives would be in favour of the Trade Board Acts being so amended as to give the Minister the power to include different branches of a trade within one Board.

10,124. *Sir Arthur Pease:* You represent the workers' side of the Jute Trade Board?—Yes.

10,125. Do you agree generally with the evidence that you have heard?—Yes, I agree in general to what has already passed from the other representatives here. I think, first of all, that we ought to take into consideration, when we are considering whether a Trade Board is or is not necessary, that the Government must have explored every avenue of information before they set up the Trade Boards at all, and they did consider it necessary to set up a Trade Board in order to meet the circumstances which they expected would arise. These circumstances, it is admitted, did arise, and our contention is that they exist to-day; hence the necessity for them to-day. We maintain also that there have been very large profits made out of the jute trade. Until recently, however, we had not the opportunity of knowing anything at all about the profits, because most of these firms were private companies. It was only when Jute Industries, Limited, was set up, and we saw its prospectus, that we got an idea of the real profits that were being made. Previously to that we only knew when a manufacturer died what he was actually making while he was living. Of course, we are prepared to admit that there are good employers as well as bad ones, and all the good ones are not the dead ones—there are some still alive—but it was the good ones whom we had never any difficulty of dealing with. It was the bad ones that we had difficulty in dealing with, and, as I have indicated in my summary here (and Mr. Sime brought it out very clearly in his evidence), there was a very considerable difference in the wages that were paid in the different firms for the same class and the same quantity of work. When the arrangement as to these wages was made, not by the Trade Board, but by reason of the Trade Board machinery being there—that is the spinners' and weavers' rates—it was found that there was a considerable difference in the price that was paid and in the fabric the employers took for a basic price. The consequence was that there was a levelling up in certain respects, and a levelling down in others, in weavers' wages. The main argument upon that is this, that the employers made something and the weavers lost something; it was a one-sided agreement so far as they were concerned.

10,126. Which was agreement was that?—With regard to the spinners' and weavers' rates, to which

Mr. Sime referred, and which I refer to here in my summary.

10,127. If you would give the date of the agreement it would be easier to trace it, because there are so many?—Yes, but these are the rates now in force. "It was found impossible to deal with the trade as a whole, and the result was that different rates of wages were fixed for the same class of work by the different employers. Since the trade has been brought under the Trade Boards Act this anomaly has to some extent been remedied by the adoption of spinners' and weavers' rates." It was done because of the Trade Board machinery, as Mr. Sime pointed out, and there was no getting the manufacturers to meet the employees' representatives previous to the setting up of the Trade Board, with any degree of expectancy on the part of the workers to be any better off; in fact in 1916, even, it went to arbitration. It was turned down at arbitration, and the consequence was an eleven weeks' strike.

10,128. What do you mean by "turned down at arbitration"?—They got nothing through arbitration, and the consequence was that the workers struck work.

10,129. The workers struck against the Award?—Yes, the workers struck against the Award, and they were 11 weeks unemployed, and it was ultimately settled by a representative of the Board of Trade arbitrating between the two, and they got a rise of wages then. Now the question has been asked in regard to the minimum wage. The reason that the minimum wage is so low arises from the fact that from 1914 to 1919 the workers never reached the rise in the cost of living. So far as the jute trade is concerned, their advances in wages were much lower than in any other trade, and consequently when it came to fixing a minimum wage, the employers did their very utmost to keep it as low as they possibly could, and they had the advantage that the wages had not advanced in the jute trade as they had done in other trades. You will see that I quote in my précis from a letter from Mr. Cathro, which he wrote to the Minister of Labour on the 4th February last year. He was writing, of course, on behalf of the Jute Spinners' and Manufacturers' Association, appealing to the Minister to withdraw the Jute Trade Board from the operation of the Act. M. Cathro writes "The employers and workers in the jute trade are highly organised, and before the operation of the Trade Board Acts they were accustomed to come to agreements as to working conditions and wages." What I say with regard to 1916 will indicate to you that we could hardly come together to agree; and between 1917 and 1919 the workers had to appeal for arbitration and an advance of wages six times. The employers never voluntarily gave an advance of wages during the period of the war.

10,130. But did you not go to arbitration by agreement between the employers and the employees?—Whenever the necessity arose. Mr. Cathro says they were accustomed to come to agreements; here the workers endeavoured to meet the employers, but the employers would not grant them an advance of wages, and consequently the workers had to appeal to arbitration for advance in wages.

10,131. Of course, I do not quite know what the position was there, but in some trades it was always necessary to get a formal sanction to an increase in wages, or the Government would not give an increase in the price of material. I do not know whether there is anything of that in your case, but you had to get the formal sanction of the Ministry you were dealing with for the rise in wages before they would increase your prices to that amount. I do not know whether that applies to the jute trade.—What the employers say is that they are not in a position to increase the wages.

10,132. That might have been so, without the sanction of the Government?—But it has always been the same—long before the war. If you go further back than 1906 you find the same thing.

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[Continued.]

10,133. But I want to make it quite clear to you: the employers based their prices for certain materials that I know of on wages, and unless the wage had been sanctioned by the Ministry concerned, they would not give an equivalent rise in prices. What I want to know is, was that the case in the jute trade?—That would not apply in 1917, I think.

10,134. I do not know the particular dates, but it did apply to a considerable part of the war; and I wanted to know whether there was anything of that preventing the employers coming to agreement?—No, I do not think there was. Now, Mr. Cathro, in that same letter, writes: "In a large proportion of cases the operative rate of wages is the effective minimum fixed by the Board." I think I ought to put before you the reason why that minimum was fixed. It was simply because the workers' wages had never come up to the increased cost of living. So far as the manufacturers are concerned, the manufacturers, of course, are highly organised; they have their associations and they have always held the fort, because they have the capital behind them and they have the key of the door in front, and the workers have had a very poor chance, so far as the jute trade is concerned, in going up against them, because the workers' organisations are practically in their infancy. Consequently while the numbers may be strong, the finances are weak; and if you take into consideration that they have been for eighteen months on short time, and a good many of them during that period have been out of employment altogether, you can quite well understand that, from an economic point of view, their organisation cannot be very fit. You asked Mr. Hendry, I think, Mr. Chairman, in referring to the Trade Board and unemployment, how did it affect Ireland—how did unemployment stand in Ireland? There was unemployment in Ireland long before there was a Trade Board at all. Ireland was the first to feel the effects of the war, because the cross-Channel steamers were taken off for service as transports, and a good many factories had to be closed down in 1916 and 1917. I happened to hold an important position in Ireland at that particular time, and in the factory I was in 400 looms were closed down in 1916. Therefore, so far as the unemployment in Ireland is concerned, the Trade Board had nothing at all to do with it.

10,135. My question was not addressed to that at all. It was as to whether there was any considerable variation between the rates in Ireland and Scotland—the actual rates being paid?—No, but I understood you to ask, with regard to unemployment, too, as to how the unemployment stood there; I may have misunderstood you. Now I do not think there is anything further that I want to say except really with regard to these further powers in connection with the Trade Board, but if there are any questions which you would like to put in connection with any point, I shall be pleased to answer.

10,136. You suggest that the Trade Board should have power to ask the employers to disclose wages, costs and profits?—Yes. That is one of the difficulties.

10,137. Do you mean individual firms should disclose them, or the trade as a body should disclose them?—The trade as a body, when the Board finds it is necessary. We have found that the employers make statements which they will not substantiate by figures, and we have often found that both the workers' side and the appointed members have been at a disadvantage in regard to that. The only thing that we can fall back upon in regard to figures is the Trade Report in the local paper, the "Dundee Advertiser." You will observe that the employers say at the present moment that they are losing a great deal of money. It may be so, when the machinery is standing idle, but so far as I am able to make out from the price of cloth and the price of raw material, and the amounts they have to pay in wages, they have still a good margin. Let us take a 10½-oz., 40 in. hessian fabric, which they have based the weavers' wages on. I find it costs them 28s. 7d. for 100 yds or 3½ per

yard, and, according to this Report, which is from the "Advertiser" of 14th January, they are getting 38s. Yet they tell us they are losing money. I have no doubt they told you, when they were here the other day, that they were losing a great deal of money. Now it is just as easy for me to calculate this from the published information as it is for the manufacturers; there is no secret at all about it so far as this is concerned. I have no doubt that with the amount of machinery and work standing idle, they are not making the profits that they are accustomed to make, but at the same time I cannot see where they are losing money.

10,138. That is upon your point that the Trade Boards ought to have powers to get information as to the profits?—Bearing on that point also, Mr. Sime proposed a motion at the Trade Board that the employers should furnish certain information in regard to the wages that were being paid in the trade. They did not give us the wages that were paid for the whole trade in Dundee; they gave us the wages of nine firms, and I have no doubt they selected the firms from which to give us the information. Of course, with the exception of the Weavers' and Spinners' rates, there is no equal pay for a job; you have only the minimum wage to fall back upon. Consequently this document which they issued is no good to us.

10,139. You want the Trade Board to have authority to demand further information?—Yes.

10,140. And those are the reasons you give for it?—Yes.

10,141. Of course we have nothing to do with settling wages. Have you any other points you would like to make?

10,142. Mr. Bell: I do not think you deal with the particular point, but Mr. Sime, I think, deals with the question of co-ordination. Have you any settled opinion with regard to that matter?—I do not know that I have a settled opinion on that matter.

10,143. Supposing you have a woman of 21 or 22 years of age, an adult, working either in a flax mill, or a jute or cotton mill, or a worsted mill, do you know of any reason why, in fixing a minimum wage for a woman of that age, there should be any variation in the rate?—I am not so well acquainted with the Woollen Trade, but so far as jute and flax are concerned, I see no reason why there should be any difference at all. If it is only a minimum wage, I do not see why there should be any difference in any of them, because it is a matter of what will be a subsistence wage. The minimum wage is a subsistence wage; it is not an economic wage, it is fixed really upon what would be the least that anyone can live upon.

10,144. Dealing with the minimum wage that is fixed according to the same subsistence level, do you know of any reason why a woman working in any industry should not receive the same minimum wage?—Certainly not, no reason at all.

10,145. Who do you think should fix that minimum wage?—Well, of course you have got the Boards, but I do not see why all these Boards should not be combined throughout the whole textile trade.

10,146. If you are going to deal with the question of a national minimum—and of course in these replies that is what you are suggesting—covering the minimum in any industry, should not Parliament fix that national minimum?—I do not know that I would go to the length of going to Parliament to fix the minimum. I would leave the different industries to fix the minimum.

10,147. Then you would get variations, would you not?—I do not think you would find very much variation. I think people would come closely to it. Where there is a big difference in the minimum wage, it comes in the industries that were already badly paid and badly organised; and the Jute Industry and the Flax Industry were badly organised. It is only at a recent date that we have begun to make headway. If you have an industry in which a male or female is earning a big wage, the minimum wage does not matter. Here to-day we have heard of the Boot

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[Continued.]

Repairers; their minimum wage is far higher than ours.

10,148. In one of your answers—and it is as well to remember what we have said previously—you said the minimum would be fixed on a subsistence level?—No, I did not say it should be; I say it is, in this trade, fixed on a subsistence level. That is one of the reasons put forward for putting it before the employees' representatives. Both the Chairman of the Trade Board and I were agreed about that.

10,149. Let me put it in another way: supposing you are fixing a minimum wage on a subsistence level, that no adult woman should be allowed to enter into industry unless the employer paid her that wage—that would be a national minimum?—Yes.

10,150. And then leave the Trade Boards to settle anything for increased skill. Would you be in favour of a system of that kind?—I certainly would not have any objection; but, so far as this minimum was fixed, that was fixed at a subsistence level. That was one of the points that Professor Baillie argued very strongly with Mr. Sime, that this was only a wage that would be paid in a very few instances. We took it that this minimum wage, whilst it would be the lowest wage, would be paid automatically to the sub-normal worker; since the exemptions came on the employers have had a lower wage for people that are sub-normal. That is really why this wage was accepted by any of the representatives as a minimum.

(The Witness withdrew.)

(Adjourned till Wednesday, 25th January, 1922.)

TWENTY-SECOND DAY.

Wednesday, January 25th, 1922.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE,
G.C.M.G. (Chairman).
THE RIGHT HON. LORD WEIR OF EASTWOOD.
DAME ADELAIDE M. ANDERSON, D.B.E.
MR. JAMES BELL, M.P.

THE HON. MRS. ALFRED LYTTLETON, D.B.E.
MR. W. T. LAYTON, C.H., C.B.E.
MR. E. L. POULTON, O.B.E., J.P.
MR. A. PUGH.
MR. H. D. HANCOCK (Secretary).

Mr. G. F. MAYES, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

The Brush and Broom Trade Boards (Great Britain and Ireland) and the Hair, Bass and Fibre Trade Board (Great Britain) have been invaluable to brush workers and preparers of brush materials in improving their industrial conditions, wages having been exceptionally low, particularly in the unorganised portion of the industry, prior to the war.

The industry is not well organised, and outside the Trade Union sphere employers had a free hand in fixing rates of wages for all classes of workers.

The establishment of the Trade Boards has resulted in the creation of uniform minimum rates for Great Britain and Ireland.

The result has been, not only to benefit the lowest paid workers, but to materially assist those employers who, by agreement with the Trade Unions, were paying a higher rate of wages.

Manufacturers object to the delay in bringing into operation a variation of existing rates, and in this the workers concur, although under present circumstances the delay does not adversely affect them.

It is generally agreed that the "objection period" is too long and should be considerably reduced. If a

10,151. Dame Adelaide Anderson: You must, in fact, be aiming at something rather more than bare subsistence for your minimum, or you would not ask for information about costs and profits?—That is so, but that is now, after the minimum wage has been fixed?

10,152. Yes?—We want to get at that. We have really got no piece-work basis minimum at all yet; we have only a time-rate minimum.

10,153. Based really on what is the lowest living wage?—Yes.

10,154. Sir Arthur Pease: But you think the minimum rate ought to be fixed, to a certain extent, having regard to what the trade will bear?—Yes, for a normal worker.

10,155. If a trade was doing very well the minimum rate ought to be higher than if the trade was having very severe competition?—Of course, you take me away from the point there, too. You have taken a variation of the minimum wage. That is really what the Trade Board is for—for fixing, varying and cancelling.

10,156. Dame Adelaide Anderson: Partly having reference to the state of trade and what the particular trade will bear?—Yes.

10,157. That is the real reason, in argument, for an individual Trade Board for a particular trade or group of trades?—That is so.

Board confirms rates after considering all the objections, they should operate as soon as notice to this effect can be issued.

The suggestion that has been made that Boards should only have power to fix one rate for the whole of an industry would render the Boards on which we are represented almost useless.

The rate that could be fixed under such limitation would be too high for unskilled workers if sufficiently high for skilled workers. On the other hand, if the rate fixed was low enough for unskilled workers it would be too low to be acceptable to skilled workers.

The brush industry is a piece-work industry, and the Boards, by unanimous agreement, have fixed piece rates for nearly all the branches of the trade, and this has been beneficial to the trade as a whole: the workers know exactly the rates they are to receive, the manufacturers know the rates they have to pay, with the additional advantage of being assured that they are not being subjected to unfair competition.

The work of the Inspectors is simplified, as they have only to compare the wages book with the lists of piece rates and are not required to test workers to ascertain if the rates they receive yield the piece work basis time rate to "ordinary workers."

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Mr. G. F. MAYES.

[Continued.]

The Boards to which I refer have encouraged the introduction of apprentices and learners into the industry by providing for proper instruction at rates below the ordinary minimum rates.

With reference to the evidence of manufacturers who have objected to Trade Union officials representing the workers' interests on the Boards.

Many of the officials referred to have at some time been employed in trades they represent, many of them having served an apprenticeship of five or seven years.

Their membership to the Boards is necessary in the workers' interests and for the general efficiency of the workers, as they have a knowledge of the industry as a whole and by their general touch with the workers are able to speak with authority as to their wishes.

If Trade Union officials are debarred from attending the Board meetings, the workers' representatives will be continually asking for adjournments to enable them to consult their officials as to the general effect of any proposal.

If there is anything in the manufacturers' objection, the workers, on the other hand, could object to the secretaries of Manufacturers' Associations attending Trade Board meetings, but they do not object as they appreciate the fact that their general knowledge also is invaluable to the Boards.

We do not agree that the present voting powers of the Appointed Members should in any way be restricted. Our experience has proved the value of the Appointed Members in their endeavours to bring about agreement, but such efforts would be likely to be futile were it known that the Appointed Members could not vote on the subject before the Board. The full power of voting should be retained, but only exercised as a last resource to bring about a decision.

Our advocacy for the retention of the existing powers of voting is because they strengthen the Boards and tend to agreements being reached on matters under discussion, and is not due to any advantage gained by the workers in the past, as the majority of decisions have been reached by unanimous agreement, very few votes having been taken.

The Brush and Broom Trade Board (Great Britain) has passed the following resolution:—

"It was moved, and unanimously agreed, that the attention of the Trade Board having been drawn to attacks and criticisms which have been made against the methods of regulation of wages by means of Trade Boards, the Trade Board desire to place on record their view, which has been reached after an experience of 18 months of the working of the system, that the Trade Board has proved of great advantage in securing industrial peace in the trade and in the settlement of all questions relating to wages and conditions. The Trade Board further desire to record that, while there are certain administrative difficulties, towards the removal of which steps are now being taken, the establishment of the Trade Board in the brush and broom trade is regarded as an important step towards the attainment of self-government in the industry."

The Hair, Bass and Fibre Trade Board (Great Britain) passed the following resolution:—

"It was moved and agreed that the Board record their opinion that the Trade Board has been of great assistance and utility to the trade both to employers and workers, and that in the opinion of the Board the principle of the Trade Board Acts is sound, but that the machinery of the Boards was in urgent need of radical amendment with the object of giving the Boards greater freedom of action and enabling them to fix and vary rates much more rapidly."

(Signed) G. F. MAYES,
Secretary.

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10,158. *Chairman*: Mr. G. F. Mayes, you are the Secretary of the National Society of Brushmakers, are you not?—Yes.

10,159. Is that a society of employers or employed?—Of the workers.

10,160. Have you a large membership?—Yes; it is large, considering the size of the industry. Of course, it is a small industry compared with many.

10,161. Does it include an important proportion of the workers in the industry?—Yes, quite.

10,162. Is the industry well organised, so far as the workers are concerned?—No, I should say not.

10,163. So that you have not got a large percentage of the workers?—No. It is difficult for us to get the exact number employed in the trade; but I should think there were fully 40 per cent. outside the various unions in the industry.

10,164. *Lord Weir*: Outside of your union?—Yes.

10,165. I mean, there may conceivably be a number of other unions?—I am speaking of outside of all unions. We have the largest membership. The other unions have not a very large membership—only a matter of 200 or 300.

10,166. *Chairman*: What is the view of your society as to the effect of the Brush and Broom Trade Board?—We think it has been invaluable to the workers in the brush industry. Unfortunately, ours was always recognised as one of the lower-paid industries in the country. It had the name for many years of being one of the sweated industries of this country, and first the war and the conditions that prevailed then, and latterly the Trade Board, I am glad to say, have removed it from that position.

10,167. *Mr. Poulton*: Would you say the Trade Board has been valuable also to the industry as an industry?—Undoubtedly.

10,168. So that it is a two-fold benefit?—Yes. It has been invaluable to the employers in the sense that they have known exactly where they stand when they have had to tender for the various classes of work.

10,169. *Lord Weir*: That is, where they stand as regards other brush-making employers in this country?—Exactly.

10,170. *Chairman*: Are you a member of the Board?—Yes.

10,171. I see you have fixed a general minimum time rate. It seems to rise from date to date?—No. We fixed one time rate, and that time rate has remained up to the 2nd of this month, when we reduced it by $7\frac{1}{2}$ per cent.

10,172. I have the schedule here, and it seems to fix one rate as from the 1st January, 1920, another from the 28th May, 1920, and another from the 2nd January, 1922?—Are you speaking of the time rate?

Mrs. Lyttelton: That is the overtime rate, is it not?

10,173. *Chairman*: I am told that some of these rates became effective at different dates?—That may be so.

10,174. And they have all been embodied in one consolidating order, and that is why I find the three different dates?—Yes.

10,175. Then you have also fixed a general minimum time rate for female workers, and a guaranteed time rate for certain classes of female learners?—Yes.

10,176. Also a piecework basis time rate for female workers, and another piecework basis time rate for female pan hands, which is an exception?—Yes.

10,177. Then there are overtime rates for male and female workers, a form of agreement for learners, and there is also a scale for apprentices?—Yes.

10,178. Then there is a form of apprenticeship deed, and in another schedule there are minimum piece rates for a number of classes of workers?—Yes, that is so.

10,179. Those seem to be very detailed; they extend over about 18 pages of the schedule. Then there is another schedule of piece rates for other classes of workers, which runs over a number of pages, and altogether it is a very elaborate schedule?—Yes. I think we can claim that it is elaborate, but, at the same time, it is very clear to the workers and employers.

10,180. Does that embody a previous agreement between employers and employed?—No. All our rates

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[Continued.]

have been arrived at since the Board came into operation.

10,181. *Mr. Bell*: Had you no rates in operation previously?—Yes, we had rates in operation.

10,182. How did you arrive at those rates?—By negotiation with the British Brush Manufacturers' Association.

10,183. And those have not been embodied in the rates under the Trade Boards Act?—They have been embodied, but they have been altered since. I mean the actual rates we have now were not the rates prevailing prior to the Trade Board, but they are based on such rates.

10,184. That is to say the rates have been superseeded?—Yes; they have been altered, and either increased or decreased, as the case may be.

10,185. *Mrs. Lyttelton*: On the whole they have been increased, I suppose?—Yes, they have been increased by a percentage when the cost of living rose after our Board was brought into operation.

10,186. *Chairman*: Have these rates been arrived at by agreement as far as the Board is concerned?—Quite so. I may say that practically everything our Board has done has been done by agreement.

10,187. The Appointed Members have not had to vote?—I do not think they have voted more than five times in a matter of two years.

10,188. *Mr. Bell*: Had you any districts prior to the Trade Board coming into existence, where no agreed rates between yourselves and the employers were in operation?—Yes, I would not like to specify any particular districts, but all over the country, even where we had agreements with employers, rates were paid which were simply rates which the employer chose to pay, and which the workers had to accept, not being organised.

10,189. How did those rates compare with the rates you agreed with the employers?—They were ever so much lower.

10,190. *Chairman*: You have some criticisms, I think, to make upon the machinery of the Act?—I have not much criticism to make except in regard to the delay in bringing the new rates into operation or any revision of rates. As I have said in my statement, it does not particularly affect us to our disadvantage at the present moment, but during the rise in the cost of living, of course, it did affect us. We had to wait for a very long time for advances, and at that time particularly we should have liked to have seen the machinery speeded up.

10,191. I suppose your union was able to get advances even before the Trade Board made an advance?—Yes. So far as the organised workers were concerned, we did get advances by agreement with the association, to which I have referred. Of course, that only applies to a limited few, while the Trade Board rates now apply to the whole of the industry.

10,192. On the other hand, the employer cannot make a reduction until the Trade Board rate is reduced?—Not at the present time.

10,193. And you think the period of two months for objections is too long?—Yes; I think it is quite unnecessary, particularly when a revision of rates has been agreed upon.

10,194. Would a month be a suitable period?—That is the longest, I think. I should think three weeks would be enough.

10,195. Of course, a little time is required to enable the unions and the other associations to consider the proposal for an alteration of rates. It must take a little time to get their members together to thresh the matter out, so that they must have three or four weeks, at all events?—I think it is advisable that they should have some time, but certainly two months is not required.

10,196. Then you say that the suggestion that the Board should only have power to fix one rate for the whole of an industry would be prejudicial?—Yes.

10,197. That means one minimum rate, I take it?—Yes.

10,198. Will you develop that point?—I have done so a little further on in my statement by pointing

out that if the Board are only allowed to fix one rate, it would be such a rate that if it was satisfactory for the unskilled workers it would be useless for the skilled workers; on the other hand, if it were satisfactory for the skilled workers, the employers would think it was too high for the unskilled workers. In an industry like ours we want power to govern the industry. We look upon the Board as being valuable as the governing body of the industry.

10,199. You want a Board which will regulate wages, and, as you say, govern the industry?—Quite so.

10,200. But is that the view which your Board has taken of the purpose of the Acts?—Yes. So far as our Board is concerned, we have been prepared—both workers and employers—to leave the Trade Board to settle any matter in dispute.

10,201. *Lord Weir*: But is that the spirit in which you have applied the Act on the Trade Board?—Yes.

10,202. *Mr. Poulton*: That is, as far as you can do under the existing law?—Yes, as far as we could do. I agree that there are many matters which the Trade Board cannot settle; but employers have sent questions arising out of the list to the Board for settlement, and they are quite prepared to accept the Board's decision, whatever it may be—either for or against them.

10,203. *Chairman*: The Board, as a rule, has been able to settle those matters by agreement?—Yes.

10,204. *Mrs. Lyttelton*: What proportion of your workers are skilled? Is the larger proportion skilled or unskilled?—The whole, I should say, are skilled.

10,205. *Lord Weir*: To begin with, I notice your Board fixes only one rate for female workers?—No; they fixed a whole range of rates according to age for time workers and one rate only for pieceworkers.

10,206. Over a certain age you have only one rate for female workers?—For adult female workers we have only one time rate.

10,207. That is a rate, I think, of about 8½d.—It is 8½d.

10,208. Now you have evidently changed your conception of your duty, because you have fixed a rate which covers skilled workers to the extent of 100 per cent. There is a minimum rate for female workers over 21 up to 1s. 4½d.—That only applies to a special section of workers.

10,209. Yes, but it is so?—Yes.

10,210. What caused you to do that? Was there something insufficient about the single rate?—We were dealing with a special class of skilled female worker doing work similar to that done by men, and the desire was, in certain classes of work, to bring women somewhat to an equality with men in that special section of work.

10,211. I think you say in your statement that the result of the Board has been to benefit the lowest paid workers. You fixed a rate which protected obviously the lowest paid worker?—Yes.

10,212. What actually caused you then to make a change and to begin to protect the highest degree of skill?—The explanation I can give for that is that the work for which we had fixed the higher rate to which you refer is work which has always been mainly recognised in the industry as the work of men. The women do the work in an identical manner, except for one operation, which they physically do not do, to the men, and the Board saw no reason why for that class of work the women should not be paid the same rate as men.

10,213. Has the fixing of that rate had any effect on the employment of women?—It has only been in operation from the 2nd January of this year.

10,214. Do you anticipate it will have any effect on the employment of women?—No, I do not think so at all. I do not see why it should.

10,215. *Dame Adelaide Anderson*: Was it really in part to protect the men?—I think it would be fair to say yes.

10,216. *Mr. Bell*: Was the object in fixing that rate to prevent the men being displaced by women because their labour would be cheaper?—No. I should develop this position: We have realised, of

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[Continued.]

course, that women have been displacing men in this operation, and the Board has arranged, as far as it could possibly arrange it by the fixing of rates, that certain classes of the work should be made by women and certain classes by men. The higher rate that you have referred to may drive that class of work into the hands of the men; on the other hand, where a specially low rate has been fixed for certain classes of that work, it is going to have a tendency to drive that work from the men into the hands of women.

10,217. *Dame Adelaide Anderson*: Do the functions which you desire the Trade Board to be extended to cover include such questions as regulating which processes shall be performed by men and which by women?—If it is to the interest of employers and workers, I should desire it.

10,218. Have you not really in the Act already got the material power when you have power to control wages by fixing minima for different classes, and coupled with that the power to standardise hours?—Yes, I think we have the powers to an extent. I am not particularly asking that the Board shall have any further powers; I am asking that they shall retain their present powers.

10,219. I thought I understood you, in answer to one of the questions, to say that you wanted an extension of the scope of the Board?—If I did say that I really do not want to press it. I simply ask that the present powers shall not be interfered with, because we find the Act as it stands now beneficial to our industry.

10,220. You would say that if you have power to regulate wages up to a point by these minima, coupled with the standardisation powers, you have got the control of the things that most matter?—Yes, I think so.

10,221. *Chairman*: Then I think you have rates for learners?—Yes, we have rates for learners.

10,222. And rates for apprentices?—Yes.

10,223. Do you make different rates for learners and apprentices?—The expression "learner" applies to girls, and the apprentices, of course, are boys. Actually they are the same thing, but we call them by different names.

10,224. You use the terms in that way?—Yes. Of course, they are considerably lower rates to apprentices in order to encourage girls to be brought into the trade and to be taught properly. I am afraid that the system in the past before the formation of Trade Boards has been that, so far as girls are concerned, they have not been given an opportunity to learn the trade.

10,225. Which do you say is the lower rate?—The learners' rate. They are lower time rates than the ordinary rates fixed for a skilled timeworker.

10,226. *Mr. Bell*: Do I take it then that all the apprentices are boys and all the learners are girls?—Yes; so far as the Trade Board Order is concerned, that is how you could separate the two.

10,227. *Mr. Poulton*: In part 3 of this Schedule there is a rate for homeworkers at per hour. Have you any experience of how that works out? How do you get at the number of hours of anyone working in their own home, because I see under the proposed schedule it says that a homeworker is one who works in her own home?—Yes. Our trade in the main is a piecework trade, and all homeworkers are pieceworkers. The class of homeworker that we have in our trade is governed by a list of piece prices. They are paid by list, and there is no difficulty.

10,228. It is rather misleading then to speak of 9½d. per hour, because it is a piece rate?—The 9½d. is a piece rate based on time rate. The list of prices under the homeworkers' work is based on that piece time basis rate of 9½d.

10,229. *Chairman*: You fix your piecework basis time rate and then you fix your piece rates to produce that amount?—Yes.

10,230. *Mr. Poulton*: You think you have enough experience to say that the ordinary normal worker could earn that rate?—Yes.

10,231. *Chairman*: So that really, once you have fixed your piece rates you do not have to refer to the piecework basis time rate at all?—That is so. The advantage of the Brush and Broom Board is that the employer is in the position that for most of the operations we have fixed piece rates. We have no fear whether the rates to be paid do not conform to the Trade Board standard. As long as the employer pays the piecework rates, whether they yield the minimum or not is no concern of his.

10,232. *Lord Weir*: Suppose an employer gets out a new process for some particular operation which is laid down in the Schedule; does he pay the same price?—He pays those rates when the work is done by the methods that those rates are to govern. But if he introduces a new method and he employs his workers on piecework, he would have to pay such rates as would yield the piecework basis time rate.

10,233. That is all?—Yes.

10,234. He departs from the list and uses the guaranteed piecework basis time rate?—Yes.

10,235. *Mr. Poulton*: And so long as it produces that amount of money that you give, naturally the Board would sanction the new operation?—Yes. He could continue to pay at that rate until such time as the list might be arranged for the particular new method of working.

10,236. *Dame Adelaide Anderson*: He could apply under the Act for a special rate?—Quite.

10,237. *Lord Weir*: Have you many cases of that kind?—No.

10,238. Then do you suppose there is much improvement going on?—In the brush industry do you mean?

10,239. Yes.—No, I do not think there has been a great deal of improvement in methods. The piece list we work under now is a list very similar to one that brush makers worked under 120 years ago.

10,240. *Mrs. Lyttelton*: The Egyptians made brushes, did they not?—I believe so. As a matter of fact, some of the rates in 1914 were not higher than those which were paid 120 years ago in this trade. Before the war we had not had an advance in the biggest branch of the industry for 50 years.

10,241. *Lord Weir*: Is there a large export business?—There is a good deal of export work done.

10,242. Is it a substantial portion of the trade?—I am afraid I am not in a position to say what proportion it is.

10,243. *Dame Adelaide Anderson*: Does not the trade vary very greatly in regard to the size of the undertaking? Do you not have brushes made in very large places and in very small places?—Yes, that is the difficulty of our trade, which makes it difficult to organise it. You can have a brush factory in a back room, and of course you have brush factories which employ hundreds of hands.

10,244. In the large factories I suppose they have labour-saving appliances?—They have more machinery in certain classes of work; but there is not a great deal of machinery used in brush making compared with other industries.

10,245. Then I take it in the large factories they would be doing special types of work which lend themselves to sub-division?—Which lend themselves to the use of machinery, but not necessarily to sub-division.

10,246. Is a good brush better made by hand right through?—Yes, it is more reliable. The best brushes are made by hand, such as hair brushes, clothes brushes, toilet brushes, and brushes of that character. I feel confident that the public will always want the hand-made work for that class of brushes.

10,247. Does the brush industry cover all types of brushes from a fine artist's brush for painting water colours, say, to a scrubbing brush?—Yes.

10,248. *Lord Weir*: These rates which are given are, I suppose, standard rates?—Yes, our rates are really standard rates in the main. We have higher rates in certain cases, but in the main you can say that our Trade Board rates are standard rates.

10,249. *Mr. Poulton*: They are piecework rates generally, are they not?—Yes.

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[Continued.]

10,250. So that it depends upon the skill of the operative as to the amount of money earned per week?—Yes. As to our piece rates I am positive that a good many of our workers do not reach the 9½d. basis rate. On the other hand, some earn more. It, however, gives every worker a chance. Whether they are infirm, slow or old, as long as they work at those rates there is no reason why an employer should not keep them in employment rather than discharge them.

10,251. *Chairman*: We have dealt with the important part of your statement. The rest relates, I think, first to the question about trade union officials being on the Board. I gather from your statement that most of the members of your Board who are trade union officials have had experience in the trade?—So far as I know, every member of our Board has had experience in the trade, and the trade union officials referred to have served their apprenticeship of seven years. I was one of them. I would like to add on the question of the trade union officials that there seems to be an erroneous impression that trade union officials desire to be on the Trade Board because they benefit financially from it. I gather that from some of the evidence which has been already given. I should like to say, as regards the trade union officials on the Board with which I am concerned, they have not received a penny from the Government Department since they have been members of that Board, namely, for over two years. Therefore, I should like to correct the impression which has been formed. In the brush trade the trade union officials have not benefited in the way suggested.

10,252. I do not remember that suggestion having been made?—I do not say it has been made by our own employers; but it has been suggested that it might be a good thing if the trade union officials were to make the Trade Board work part of their career.

10,253. All they get, I think, is an allowance for subsistence while they are at work on the Board, and in some cases an allowance for lost time?—If they are full-time officials they do not get an allowance for lost time, but they do get subsistence. So far as the London officials are concerned, I do not think they get any expenses at all—not even a 'bus fare. Certainly I have never received anything as being a member of a Board in England.

10,254. I think you may dismiss that point from your mind as far as we are concerned?—Thank you.

10,255. Then about the Appointed Members, you say they are a useful element on the Board?—We have found them so.

10,256. As a matter of fact, you have not had to trouble them to vote much, but I suppose they take part in the discussions and endeavour to bring about an agreement?—Yes.

10,257. *Mr. Pugh*: What do you think of the suggestion, which I think has come from the employers' side of your Board, that the Appointed Members should be compelled as part of their duty in the case of equal voting, to give a casting vote; and, further, that, while conciliation should play a great part in their duties, the Appointed Members should be compelled to give a decision? Do you think that that is a policy which should be adopted by the Appointed Members? As a matter of fact, it would tend to make your Appointed Members a Court of Arbitration. Do you think that would be preferable to setting up an outside advisory body of some kind in connection with Trade Boards?—I think the Appointed Members should exercise their vote. In one case only on our Board the Appointed Members did not vote. I think, generally speaking, that they should do so. When the matter comes to a vote they should exercise their vote.

10,258. What would be your view as an alternative on the suggestion that you should have a Chairman with two assessors, one from the employers' side and one from the workmen's side, both of whom have definite practical experience in the industry, as against having Appointed Members?—If I give my personal opinion, and not the opinion that I have

gained by general discussion with other members of the Board, my own opinion is that the Appointed Members should remain as they are. But I believe it is the general opinion of other workers' representatives on various Boards that assessors would be an advantage. I rather look upon it as appointing one additional member to each side.

10,259. Your arrangements prove quite satisfactory to your Board, do they not?—Quite.

10,260. Do you think, in addition to maintaining your present arrangement with regard to Appointed Members, it would be an advantage to your Board to have an outside advisory body of some kind to co-ordinate the work of the Boards and to deal with points in dispute which the Boards could not settle, and so on?—I prefer a Board of that character having matters in dispute referred to them rather than that they should be referred to the Ministry of Labour.

10,261. *Mrs. Lyttelton*: You say that your infirm and old workers can be kept on under your rates?—Yes, under our piece list.

10,262. Have you any instances where those rates do not really give them a subsistence or a living wage?—Of course, there are many instances, unfortunately, of that. When workers get old, however good the list, they are unable to earn a subsistence wage.

10,263. And under your rates you feel that they are not quite safeguarded?—They are safeguarded in the sense that they do not lose their employment. The unfortunate thing is that if the employers have to pay them a higher wage it would mean their discharge.

10,264. What I wanted to get at was whether you felt your rates were in the main high enough to cover those cases?—They are not high enough to cover very slow or infirm workers; but they actually do in fact cover them.

10,265. *Dame Adelaide Anderson*: Do you think an industry ought to provide subsistence for gradual infirmity?—Yes. I think it should be the duty of every industry to provide for the old servants.

10,266. By the work they do or by a pension given to them, or superannuation?—If they have been in the service of a firm and have given fair service for a number of years, and then they are unable to earn what is the recognised weekly wage, I think the firm should make them a grant and make their wages up.

10,267. That would make the industry go into the hands of the larger undertakings, would it not?—I suppose it would necessarily.

10,268. Small employers could hardly pension old workers?—They would find a difficulty.

10,269. *Mr. Pugh*: They could make a collective effort in the direction of insurance, could they not?—Yes; it is not an impossible thing to do if all the employers were in their Association and the workers were in theirs.

10,270. *Dame Adelaide Anderson*: That is a different matter; that is recognising it as a different problem?—True; but it is a thing that could be arranged if all workers and employers were in their respective Associations.

10,271. All I meant was that paying a piece rate is not necessarily sufficient to yield a living for the slow and infirm worker?—It could be done by fixing a higher rate, but then they would not be employed.

10,272. *Mr. Bell*: In your particular industry is it your experience where the work is so largely dependent upon the hand that the quickest workers turn out the best work?—I have found by experience that you can do your work as well quickly as you can do it slowly; that is to say, I have always found by experience that the quick workers' work was as good as the slow workers' work.

10,273. But in hand work there is not such a thing as being careful or careless?—Quite; but I think that would apply to slow and fast workers.

10,274. So that in fixing your minimum you have fixed a minimum rate but not a minimum wage?—Not a minimum wage; it is a minimum rate so far as piecework is concerned.

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Mr. G. F. MAYES.

[Continued.]

10,275. So that the question of a man or a woman having sufficient to live upon does not apply in your industry if they are not able to earn it on your minimum rates?—That is so. Some workers, of course, are naturally quick, while others, unfortunately, cannot reach the same position. In that case they work at a list which, unfortunately, is generally based on the faster workers rather than on the ordinary workers as understood by the Trade Board.

10,276. So that the principle of a minimum wage has been departed from entirely by your Board?—No, I should not like to say that. The employers have met us fairly in this matter, and in drawing up this list I do not say we have based it on the fastest worker; but we have endeavoured to base it as equally as we can get it on the ordinary worker.

10,277. *Mrs. Lyttelton*: Still, it is not a minimum wage; it is a minimum rate?—That is true.

10,278. *Lord Weir*: Would it not be desirable if you could fix a guaranteed week?—If you fixed a guaranteed week, it would mean that the worker would be discharged if he or she were unable to reach it. I had to explain to several employers that as long as they paid the piece-list they had no need to get rid of their elderly workers. In fact, I have had to give several of our members a note to take to their employers stating this in order that the workers might be kept in their positions.

10,279. *Mr. Pugh*: Does that mean that your Board has been very successful in dealing with these exceptional cases?—Yes, I think so—by our piece-list.

10,280. It is a difficulty which you have succeeded in surmounting very well?—Yes, and quite successfully. We have not had any serious complaints.

(The Witness withdrew.)

Mr. GURNEY ROWLERSON and Miss F. E. EDWARDS, called and examined.

The Witnesses handed in the following statement as their Evidence-in-Chief:—

STATEMENT OF GURNEY ROWLERSON and Miss F. E. EDWARDS, Members of the Executive Council of the Amalgamated Society of Tailors, Tailoresses and Kindred Works, who desire to give evidence before the Trade Board Inquiry Committee with respect to wages and working conditions in the wholesale and retail bespoke tailoring trade prior to the Trade Boards Acts covering these industries and the effect of minimum rates of wages being fixed.

Qualifications.

(*Gurney Rowserson*): I have been in the trade for 40 years, 35 of which have been spent as a journeyman tailor working on the board. Have also for nearly 20 years been a member of the executive of the above society, which became an amalgamation of local societies in 1866. The last return shows a membership of 35,000 workers exclusively employed in the sewing trade. Members of the council still work at the trade.

Miss F. E. Edwards has been working as a tailoress in the Manchester area in both the wholesale and retail bespoke sections of the tailoring trade for the past 14 years. Has also for the past three years been a member of the executive council of the above society.

Male Workers, Retail Bespoke Section.

Wages and conditions of working prior to the application of the Act.

For many years we found that while in other industries hours had been shortened and wages improved, in the retail bespoke tailoring trade the hours were if anything longer, and wages very little higher than they were 40 years ago; a position being reached that owing to the above-mentioned conditions apprentices would not come to the trade. The result is to-day that on the statement of a member of the executive of the National Federation of Merchant

10,281. *Mrs. Lyttelton*: You are confident that that result has been obtained without too much hardship on the infirm and the old?—Yes, I think our lists have acted fairly. Under present conditions of industry we are not able to deal with a man who has reached that stage when he cannot be as quick as he was in his younger days, and naturally his wages are less. We would like to fix a guaranteed week, but we know what the result would be, and the workers would oppose that.

10,282. *Dame Adelaide Anderson*: Would you say there was a specially large proportion of old and infirm workers in the brush industry—larger than in any other industry? Is it a bigger problem in the brush industry than in other industries?—I should not say so.

10,283. Would you say it was a healthy industry?—No, I should not say that.

10,284. *Mr. Bell*: What would happen suppose you had 100 employees working and you discovered that not 50 per cent. of them were receiving from their piecework rate an amount equivalent to what you regard as your minimum rate per hour?—We should go as a society to the Board and ask for the lists to be increased, owing to the fact that the rates did not afford to a fair proportion of our members a minimum rate.

10,285. *Mr. Poulton*: I think you have made provision for that, because in your agreement you speak of the list yielding a satisfactory rate to an ordinary worker?—That only applies to the ordinary time rate basis. When you fix a piece list it does not matter what it yields so long as the list is paid. We based our list on our previous piecework time rate basis.

10,286. *Lord Weir*: Assuming it to be the output of an ordinary worker?—Yes.

Tailors, 95 per cent. of the work of the city of Manchester is in the hands of aliens, while in the whole city of London, east of the Law Courts, I question if there are 100 British tailors employed.

The above society has over 300 branches in various towns and hamlets, in which the log rates up to 1918 averaged from 4½d. to 5d. per log hour. No increase in wages was received by our members, in spite of the increase in the cost of life, until the August of the above-mentioned year, when about a third of our membership received advances amounting to 20 per cent.

Owing to these low rates men were compelled during the busy season to work very long hours, from 7 in the morning until 9 and 10 at night being the common practice.

The seasonal nature of the trade has been responsible for a position being created by which men got into debt with the employer during slack periods by being paid in advance for work, their hands being tied when the busy time came, thus hampering them in any attempt they might wish to make to improve wages.

Women Workers, Wholesale and Retail.

For years we tried to organise women workers, but found that owing to the low wages they were paid it was impossible for them to pay contributions to a trade union. Prior to the operation of the Wages (Temporary Regulation) Act, wages of fully qualified tailoresses in many parts of the country, particularly in the eastern and western counties, averaged from 5s. to 7s. per week.

In two of the worst sweating towns in the country, Brighton and Portsmouth, it was common practice to pay tailoresses 1s. 6d. per day. The system under which they were employed was for the men to prepare work the first two days of the week, then call in the women and work them at high pressure the remaining four for 6s.

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Mr. G. F. MAYES.

[Continued.]

Learners and Apprentices (Males).

Up to learners and apprentice rates being fixed by the Board, it was impossible to get boys to come into the trade. There is now a desire on the part of parents to put boys into the trade. The employers complain the rates fixed are too high, and this union has agreed to meet the employers and reconsider the present rates, being as anxious as the employers that an agreed satisfactory rate shall be fixed that will again attract British boys to the handicraft section of the trade, otherwise the reputation of first class British tailoring which in the past has been the envy of the world is doomed.

Learners and Apprentices (Girls).

This class of worker in the past has been exploited, many shops in the west country being run by juvenile labour. The fixing of learners' rates has lessened this evil but it still exists. Within the last few months I brought to the notice of the Trade Board a case in Plymouth where an employer in twelve months took eleven apprentices from whose parents he had received in premiums between two and three hundred pounds, and who had no adult labour in his employ to train them.

With respect to this question we are of opinion that the Trade Board should fix the proportion of learners and apprentices to the adult labour employed, in order to ensure effective training. Any weakening of the control at present exercised by the Trade Board will again leave this class of worker to the exploitation of unscrupulous employers.

Conditions of Working, and Wages Paid in various parts of the country before the War.

When war broke out in August, 1914, even the Government took advantage of the unorganised and helpless condition of workers in the clothing trade.

Mr. Lloyd George, when Munition Minister, after promising the Bristol Trade Union Congress that piece rates should not be cut where women labour was introduced, decided the following week, in answer to a question put by myself, that military uniform was not munitions of war. As a result, when other workers' wages were going up by leaps and bounds, we were having reductions forced upon us. In view of this decision we resisted a reduction in Marylebone by a strike, with the result that Inspector Drury pounced on our pickets, taking them to Brixton, and never even brought them before a magistrate for eight days, when they were charged before Mr. Denman with holding up munitions of war. After four hearings before Mr. Denman, McBodding withdrew the charges, admitting that uniform was munitions of war. This decision gave us great help and we were successful in recovering thousands of pounds for sweated women workers under the Temporary Wages Regulations Act.

At this time the Government had no blankets, they bought all the heavy goods they could get from the manufacturers, these were cut in blanket lengths and were given out to sub-contractors to hem. Although workshops were being opened by charitable people for women workers who were thrown out of employment and who could have done this work, the Government gave the work to alien sub-contractors, one of whom, an Austrian, kept an eating house. This Austrian took thousands of these at 2s. 6d. a dozen, again sub-contracting the same to workers at 8d. a dozen, the workers finding their own machines and sewings.

Further, I took a deputation of women workers into the War Office who proved they were making khaki jackets for 1s. 4½d., finding their own sewings, with the result that the contractor was struck off, only to come on again under another name.

One other case in proof of the steps we were compelled to take for the protection of women workers prior to the application of the Trade Board Act.

In the city of Exeter we found a firm employing over 100 women. This firm has created a monopoly in the making of clothes for clergy and church vestments

They were paying two fully qualified male workers 18s. and 21s a week, and two fully qualified tailoresses 5s. a week. As they refused to pay more and the workers were not organised, I waited on Dr. Vincent Cole and the Rev. Carter, of the Christian Social Union, who, after going fully into the case, struck the firm off the white list of the C.S.U. with the result that the firm immediately offered us minimum rates of 18s. a week for girls of 18 years of age and a minimum of 35s. for men in order to get back on their lists, proof that the industry could carry higher wages.

Since the minimum rates have been in force this firm has always paid the top rates, and their trade has enormously increased.

The conditions operating in this firm were general throughout the South-West area, employers always arguing in the towns they could not pay more owing to the competition of firms in the country districts.

Causes of the above-mentioned Conditions in the Retail Bespoke Section.

1. Want of organisation among the workers.
2. The seasonal nature of the trade.
3. The large amount of female sweated labour employed prior to minimum rates of wages being fixed.
4. The introduction of sub-divisional methods of production by middlemen, or sub-contractors, and the competition between them to obtain large quantities of work, which is essential if this system is to pay.
5. The poaching of the multiple shops with false description of work produced.
6. The large number of small employers in the trade without capital.

Administration.

As an organisation we complain that owing to the want of sufficient inspectors the rates fixed have not been enforced and penalties for evasion have not been pressed home.

We are also of opinion that the prosecutions for evasion should be taken out of the hands of local magistrates, who, as employers, are unsympathetic and opposed to the Act, and transferred to the same kind of tribunal as those who were responsible for the enforcement of wages under the Temporary Wages Regulation Acts.

We believe that Trade Boards have done splendid work in the prevention of strikes and the promotion of better understanding between employers and workers, and pay tribute to the work of the Secretary of Trade Boards and his staff.

General Remarks.

Good employers agree that the operation of minimum rates has been in the best interests of the trade as a whole. A large number are opposed to differential rates for rural areas on the grounds that they will re-introduce the unholy competition of the past. The large number of small employers in the trade have always been a menace to the industry, these men having in the past by the payment of sweated wages lived lives of comparative affluence on the output of three or four workers. If the Trade Board Acts are ever repealed it will mean a return to the old rotten conditions, when by strikes or the threat of strikes the workers wrung a halfpenny per leg hour out of the employers when trade was busy only to have it filched from them again when trade got slack. Even now the great bulk of the trade is made by women workers who come under the wholesale rates owing to the fact that they work for sub-contractors who work for three or more shops, the employers, by adopting this method of production, escaping the retail rates of which they complain.

10,287. *Chairman:* Mr. Rowlerson, you are a member of the Corset, Dressmaking, Hat, Cap and Millinery, Retail Bespoke Tailoring, Ready-Made

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[Continued.]

Tailoring and Wholesale Mantle and Costume Trade Boards, are you not?—(Mr. Rowlerson): Yes.

10,288. And you are a member of the Executive of the Amalgamated Society of Tailors, Tailoresses and Kindred Workers?—Yes.

10,289. And Miss Edwards, I think, is a member of that Executive?—(Miss Edwards): Quite so.

10,290. Mr. Rowlerson, you have been in the trade for 40 years, I understand?—(Mr. Rowlerson): Yes.

10,291. Thirty-five of which you spent as a journeyman tailor?—Yes.

10,292. The membership of your Society is 35,000, I see?—That is the figure for last year. Our last figure gives 21,208 males and 14,000 females.

10,293. Before the Trade Board Acts, how did you find wages in the retail bespoke tailoring trade? Were they very low before the Acts were passed?—Very low indeed.

10,294. You remember that yourself?—Yes. I brought up a family on them, so I know.

10,295. Were the wages so low that it was difficult to get apprentices to come into the trade?—Yes; they practically ceased to exist.

10,296. Mr. Bell: What was the real reason why the workers in this industry got no advances?—It was due to various causes. Changes in the method of production affected the handicraft section of the trade, and employers to a very large extent utilised sweated women's labour to the detriment of the males.

10,297. You say you have 14,000 women in your Society. When you refer to sweated women's labour were they women who were sweated members of your Society?—No; that was prior to their organisation. They have only been recently organised.

10,298. What proportion of the women now do you estimate you have in your Society?—There has been a large drop in membership, I believe, in the last 12 months owing to the enormous slump in industry; but we have not got the figures.

10,299. But there would be more than 14,000 in the whole industry, would there not?—Yes, considerably more. The estimate of the employers was that there were quite 200,000 women employed in the clothing industries of this country.

10,300. And your view is that these women were brought into the industry because their labour was cheaper than that of men?—Yes. In many instances it costs nothing for two years of their time.

10,301. Chairman: You have also got a number of aliens in the trade, have you not?—A tremendous number. The method of production adopted by the alien sub-contractors was the top, bottom and middle of the sweating system, for this reason: The dual system of working has always been adopted; that is, so far as the machiners and pressers of the teams are concerned they are always pieceworkers. The tailor of the team is always a weekly wage worker, and the women employed in the teams are also weekly wage workers. The result is that employers, by forcing reductions on the machiners and pressers—the two most important members of the team outside the tailor—always compel the speeding up of the weekly wage workers in order that those pieceworkers can get a week's wages.

10,302. Mr. Poulton: And that also has an effect upon the tailor?—Yes. I have had a good deal of experience of the Jewish movement, and it is still in evidence. Where it has been adopted in indoor working by employers, the system is maintained. The consequence is, if a penny is taken off the machining or pressing of a garment, there is always continual friction in the shop. The presser says: "Unless you give me work to press, I shall have no wages." The consequence is there is a tendency to speed up the tailor.

10,303. Chairman: I suppose that sweating is not possible under the Trade Board?—No.

10,304. From what you have said, the trade might well have come under the Act of 1909, might it not?—Yes; it was partly under it, as you know.

10,305. in regard to the wholesale trade?—And the retail under certain circumstances—the sub-divisional processes.

10,306. There were certain processes under it?—Yes.

10,307. Mr. Layton: Do those figures which you gave represent the whole number of organised work-people in the trade, or are there other unions?—There is another union, but so far as the retail bespoke section of the trade in England and Wales is concerned they have only a very small membership.

10,308. Dame Adelaide Anderson: At the foot of the first page of your statement you say: "The result is to-day that on the statement of a member of the Executive of the National Federation of Merchant Tailors, 95 per cent. of the work of the City of Manchester is in the hands of aliens." That is rather the other way round. The coming in and competing of the alien brought the result of lower wages, did it not? It was not the low wages that caused the influx of aliens; it was the aliens being there and competing when there was no standard to prevent wages slipping down that caused the wages to slip down?—Exactly. So far as the Manchester area is concerned, that statement was made by a member of the Executive of the National Federation of Merchant Tailors, and we have no reason to doubt that the huge bulk of the Manchester trade was and is under those conditions. It was due to the fact that the women were badly paid that led them to introduce them to the detriment of the male worker.

10,309. And that must always be the case if you have an influx into any centre of an industry of a body of fairly competent workers with a lower standard of life?—Exactly.

10,310. It must always come if you have not a level fixed below which they shall not fall?—I quite agree.

10,311. Lord Weir: You referred to the conditions which prevented British apprentices coming into the trade?—Yes. I say that British apprentices practically ceased to exist owing to the fact that when out of their time the conditions under which they would be employed as adults would be so bad that no woman with any respect for her boy would put him to the trade. I have six boys myself, and I never put them to the trade as the result of my experience.

10,312. Dame Adelaide Anderson: Was that going on at the time that aliens were already coming in to the industry?—That has been going on for years.

10,313. The two things were happening at the same time?—Yes.

10,314. Mr. Poulton: Was not the tailoring trade one of the few trades to which aliens gravitated immediately, and they were taken advantage of by their friends who knew something of the language, while they themselves were entirely ignorant of the language and were entirely at their mercy?—Yes. They were known as "greeners."

10,315. Mr. Bell: According to your statement, there could not be much sweated labour in the employment of Britishers?—They were very lowly paid, but that was largely due to other causes—principally the seasonal nature of the trade and the development of home working and outdoor working.

10,316. You see the statement is made here that only 5 per cent. of the trade in Manchester is not in the hands of aliens?—Yes.

10,317. So that the aliens must have been the largest employers of sweated labour?—Agreed.

10,318. Chairman: The hours were long, I suppose?—The hours were abnormally long. There was no leaving-off time in many of the sub-contractors' shops. Taking the East End of London, for example, it is the same as in Manchester. I point out in my statement that there are not a hundred British tailors employed east of the Law Courts in the whole of the City of London. The whole trade is in the hands of the Jewish sub-contractors. There was no leaving-off time, except that brought about by ex-

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[Continued.]

haustion. I have known them to work 90 and 100 hours a week.

10,319. On a weekly wage?—No, on the system that I have pointed out. The fights that used to take place at the Jewish end of the sub-contracting were generally over the machiner and the presser, because whatever reduction could be forced upon the two keen men of the team operated on the whole team.

10,320. As far as speeding up the work goes?—Yes.

10,321. But you say some workers worked as much as 90 hours in the week. Would they be working by piece or by time?—By piece; but the piece rates were so low that they compelled them to work these hours.

10,322. And the time workers would be also working?—Yes.

10,323. Would they be paid overtime?—No. Overtime was unknown.

10,324. Therefore, the time workers were working on a weekly or daily wage?—Yes—or quarter-day in slack time. The system was, and it still exists even now, that on Monday the team turns up at the sub-contractor's premises. He may tell them that there is not sufficient work for them to start, because it is essential that there should be a large amount of work before the team pays the sub-contractor. If there is any shortage of work the machinery of the sub-divisional system gets out of running order. The consequence is the sub-contractor says there is no work. They may come again on Tuesday and on Wednesday. On Wednesday he may have sufficient work, and he will say: "You can come in for a quarter of a day," and they would be paid a quarter of a day's wage and then go out again. That is common in slack seasons. It is common to-day owing to the slump existing.

10,325. *Dame Adelaide Anderson*: In fact, in those days the only limit to hours at all was owing to the operation of the Factory Act?—The Factory Act did not operate amongst the Jewish workers.

10,326. It did not affect the men, but it affected the women, did it not?—No, not the women. I have had practical experience of that. I have been at these places all hours of the day and night.

10,327. *Mr. Bell*: Even under the Factory Acts there was constant evasion?—The exceptions were where the Act was observed. As a matter of fact, it was never observed.

10,328. *Lord Weir*: Does not that apply largely in the same districts to the Trade Board regulations to-day as regards the evasions?—The evasions are still taking place in places like the East End, owing to want of inspectors.

10,329. *Chairman*: And then, I think, an attempt was made to organise the workers in the tailoring trade?—Yes. We put in a tremendous amount of work for this purpose of trying to organise Jewish workers, and we were successful at one time in organising about 12,000 of them. We found by experience that they were not amenable to the discipline of the British trade union movement, and we ceased to attempt to organise them as the result. We found they would not obey the ordinary trade union laws and that they were not amenable in any shape or form to the British trade union movement, and we were in constant trouble with them, with the consequence that we ceased to make the effort.

10,330. *Mrs. Lyttelton*: Were the greater part of the employees Jewish?—The women were generally British.

10,331. *Chairman*: Were you able to organise the British women workers?—Since the Trade Board Act we have been successful in organising them to a great extent, until this slump came about. There has been a genuine effort on the part of women to take up the Trade Union movement generally since the Trade Boards Act. Before that there was no chance of organising them. They could not afford to pay contributions to a trade union owing to their poverty.

10,332. Now that the work has fallen off so much there is, I suppose, a difficulty in paying them?—Yes. The argument has been adduced generally to

the women that it is the result of the wages position created by the Trade Boards Act, which, in our opinion, is absolutely untrue.

10,333. *Mr. Pugh*: Would you attribute the increased extent of unemployment to the general slump rather than to the effect which the Trade Boards have had on trade?—I do not think the Trade Boards have had anything to do with it. I can give you an instance. A contractor in Plymouth had about two or three thousand pairs of knickers to make. He approached the women and said that if they were prepared to accept reductions on the present rates, he could get repeats of the same order, and they would find continuous employment to a very large extent. The women accepted the reduction, and the knickers were made. Afterwards the women were locked out, and there has been no more work. The wages had nothing to do with it. It is the general conditions as the result of the aftermath of the war.

10,334. *Mr. Bell*: What have you found to be the general attitude of these employers who employ sweated labour when you have attempted to get their employees into the trade union?—They have always been antagonistic to any organisation on the part of their employees, and so far as women workers are concerned they have been terrorised, particularly in areas where there is no possibility of transference of their work. That is one of the difficulties with which we have been faced. In the Midlands and northern areas, at places like Kettering or Northampton, where machinists can transfer from the tailoring to the bootmaking trade and *vice versa*, as they in fact do, there is the possibility of the women maintaining some sort of a standard. But in places like Brighton, Portsmouth, Exeter, or right through the west country, where there is no opportunity for the women workers except in the clothing trade, they are helpless. Take Portsmouth in particular. In the corset trade there were 8,000 women employed prior to the war, and their wages were a disgrace. So far as other employers in Kettering, Bristol and Manchester are concerned, they always complain that the unfair competition of the Portsmouth employers was due to the sweated wages which were paid to the workers.

10,335. *Dame Adelaide Anderson*: It is a great gain if you can develop a variety of industries in any centre, is it not?—I agree.

10,336. *Mr. Poulton*: The standard set up in the Midlands was in danger of being knocked down by the other people, I take it?—Yes.

10,337. *Mr. Layton*: You referred to the effect of wages on trade. You would not go so far as to say that wages have no effect on trade, would you?—No; but I say the present wages have no effect.

10,338. When you are talking of that, are you referring to wholesale as well as retail?—Yes.

10,339. Is there not a very great difference in the prices charged to-day, for instance, in London, for men's suits and that kind of thing?—In the City of London, do you mean?

10,340. Yes, in London?—Do you mean as between shop and shop?

10,341. Yes?—There is a difference.

10,342. What is the explanation of that? Is that in any sense due to evasion of the wage rates, or are they universally observed?—There are many causes for that. Take the West End first-class trade as an example. The garment produced demands the skill of the handicraft worker, and coupled with that is the fact that he produces garments for people who patronise firms of high repute. They have to pay not only for the skill of the worker, but also for the skill of the firm.

10,343. *Mrs. Lyttelton*: And the rent of the premises?—Yes.

10,344. *Mr. Layton*: But you can see in the Strand, for example, suits advertised at pre-war prices?—Yes.

10,345. Are they all produced under proper conditions?—Largely, they are now. But the false description is a thing which the retail bespoke tailor

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[Continued.]

fully understands. He has complained to the employers about it. Take a multiple shop. Their garments are produced by factory methods, but they advertise as being bespoke tailors and lead the customer to believe that he is an individual customer and dealt with in that way; but he is not.

10,546. *Lord Weir*: That is a very big development, is it not?—Yes, it is.

10,547. Do you associate that development in any way with the increase of rates?—It has nothing to do with it.

10,548. Not even as applied to the rural tailor?—Not at all.

10,549. *Chairman*: Is it the fact that the rates for learners have been considered to be too high?—Yes; but last week we agreed to meet the employers, and an agreed position was arrived at by which a reduction was agreed to. We are as anxious as the employers to again get the British boy and girl back into the trade.

10,550. Then there may have been ground for thinking that the previous rates were too high, and prevented learners from being taken on?—That, I think, was due to the fact that in the past they were paid nothing. In the west country the general condition was that a girl got nothing the first year; she might get 1s. a week the second year, and at the end of her time she might get 3s. 6d. When fully qualified she might get 7s. or 8s.

10,551. I think you have on the Board a system of rates for learners, according to experience?—We are anxious to discourage learners altogether. Both the employers' and the workers' sides are anxious to re-introduce the apprenticeship system, in order that the workers may be thoroughly trained.

10,552. And for that purpose you allow a somewhat lower rate of wage to be paid to an apprentice than to a learner, in order to encourage the taking of apprentices?—Yes. We are anxious to develop that still further, in order to attract apprentices, both boys and girls, who will be efficient workers at the end of their time.

10,553. In the case of apprentices, the wage grows as time goes on?—Yes.

10,554. But I think in the case of a learner who is not an apprentice, then the wage increases according to experience?—Yes. But, of course, under an extended sub-divisional system of working such as has been adopted in big towns, where the volume of trade allows it to be brought into existence, it means that some workers who are learners from that point of view are never efficient workers from the tailor's standpoint; they are always cogs in the wheel.

10,555. You mean learners who are not apprentices?—Yes. They are never able to make a garment, and they are as a consequence always at the mercy of the employer, because they can be replaced.

10,556. You have no actual piece rates, have you?—No. We have been advised to fix general minimum piece rates, and we are now meeting the employers for that purpose.

10,557. The work is paid by the log, which has to come up to the piecework basis time rate?—Exactly.

10,558. *Mr. Bell*: I understand that both employers and workpeople are desirous of attracting apprentices rather than learners?—Yes.

10,559. Do you think it attracts apprentices rather than learners if you pay the learners a higher rate of wage than the apprentices?—I think there is a desire on the part of the better class workers that their children should learn the trade, and they are self-sacrificing enough not to take the higher wage of the learner in place of the lower wage of the apprentice, in order to get the greatest skill.

10,560. But you may have parents and children sometimes taking the short-sighted and selfish view. Are they not rather inclined to look at the present good of the higher wage than the future good of the apprenticeship system?—That there are people of that

character there is not the least doubt. I cannot deny that.

10,561. *Chairman*: I thought you said the employer was more willing to take the apprentice?—Yes. We are acting with the employers in this matter. We are fully agreed.

10,562. *Mr. Pugh*: The point is that you are able, as the result of your Board machinery, to settle these matters satisfactorily, whereas you were not able to do so before?—That is so.

10,563. It is a great help to you in protecting the workers?—It is a very great help.

10,564. *Mr. Poulton*: As a result of your experience on the Board, would you say that Trade Boards have been advantageous to both sides?—Absolutely. They are in the general interests of the industry, and in the best interests.

10,565. And should be continued?—Undoubtedly. In fact, any difference in the position, so far as altering the powers as they exist in the retail bespoke trade is concerned, would be a tragedy in my humble judgment. It would mean reverting to the old sweating conditions.

10,566. And as you say, you have known the trade now for more than 40 years?—Yes.

10,567. So that you have full knowledge of it right through?—I have full knowledge of it.

Chairman: I think, incidentally, we have dealt with your general points. May I come now to the question of administration with which you dealt on page 5 of your statement?

10,568. *Mrs. Lyttelton*: Might I ask one question on this section first? You say that the Trade Board rates have not had any influence on the turning of the trade more towards the multiple factory-made clothes?—I do not think that has had anything to do with it.

10,569. Then I wanted to ask you whether you thought the tendency towards the factory-made garments is an increasing one, or whether it has reached its apex now?—I believe that the circle of the displacement of the handicraft worker has reached its limits. There is always a class of customer who demands the better class of garment produced by the highly skilled handicraft worker. There was an apprentice shortage even before the war with that class of worker, and there was a Committee set up under the County Council to induce boys to come into the trade again. That was due to the efforts of the West End employers themselves in order to attract boys again. They were willing to subsidise the position in order to attract the boys back to the trade. There was an absence of the highly skilled workers. They are just as short in the teams in the factories. The employers want them there as well. The highly skilled handicraft worker is essential in the factory. In the making of the highest grade ready-to-wear garments they are more valuable and have been better paid. They were attracted from the retail bespoke trade by the higher wage.

10,570. But you do not consider the tendency is an increasing one?—Not at all.

10,571. *Dame Adelaide Anderson*: There are two types of production, are there not? There is the general one, to fit a great many people, which is rather cheaper, and the better-class production?—Yes. They meet the different demands.

10,572. The handicraft production is slightly a luxury now, or it tends to be?—I do not say that it is a luxury; it is an essential to the well-dressed man. But in the early part of the war, of course, the circumstances of the case for a time largely killed the industry. The hoardings were placarded with bills saying that you were unpatriotic if you bought clothes; and the fact that we were considered as not essential to the winning of the war resulted in the authorities taking everybody in the trade who was able to go into the Army. In our Portsmouth branch, for example, they took our president, our secretary, our trustees, and our Committee into the Army, with the result that I was sent down to fetch the books.

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10,373. The factory development enabled the State to introduce far better conditions as regards hours and hygiene; it was more possible to raise the standard of health in those cases than if there was a larger number of small places?—In giving my reasons I omitted to give one essential reason, and that was the absence of workshop accommodation in the trade. For 20 years we have been moving, through the labour movement generally, by resolutions at the Trade Congress, asking for compulsory workshops in this industry. I see that in other sections of the trade evidence has been given to this Committee that the Trade Boards Acts have lessened the evil of home-working. In the retail trade it has increased it tremendously. Employers have taken advantage of the home worker by reason of the fact that he can work any hours, and in that way they have escaped the payment of overtime.

10,374. *Mr. Poulton*: Because there are no hours set?—Exactly.

10,375. *Lord Weir*: How do you look after the home worker just now on your Board? What protects him just now?—Only the basis piece rate.

10,376. Which must be very difficult to apply, surely?—It is very difficult.

10,377. But how do you attempt to apply it?—Only by organisation.

10,378. I do not quite see how you can do it?—We have done it in many places.

10,379. *Mr. Poulton*: You have book rates, have you not?—They work on the same log as the in-workers. Take, for instance, Oxford as an example; that is an out-working town. Every man in Oxford is a member of the organisation I represent. Every man was asked to keep his records and to work the hours of the Trade Board. Every man has loyally abided by the decision of his executive and done it, and the records of his time and earnings are in the hands of the Department.

10,380. *Dame Adelaide Anderson*: But you can also do it by inspection at the place where the work is given out and taken in, and by examining written statements?—Yes; but there has not been in administration sufficient inspectors to administer the Act.

10,381. All I meant was that it is practicable if you inspect at the point of giving out and taking in, if you have a modicum of inspectors?—Yes.

10,382. *Lord Weir*: You still look upon it as an unsatisfactory method of protecting home workers?—It is unsatisfactory.

10,383. If you take them as really protected by a piecework basis?—We want a general minimum piece rate, which is what we are out for now. If we get something like what was mentioned in the last witness's evidence, which fixes exactly the price for an operation or for the making of a garment, then the position could be administered satisfactorily.

10,384. *Chairman*: For home workers?—Yes. We are now as a Board concentrating on that position. We are sitting in sub-committees both for the fixing of agreed piece rates which will govern the sub-divisional method of production, and also as to the position of the log worker and the conditions of labour that will apply to log workers.

10,385. *Lord Weir*: Those piece rates, of course, exist to-day?—Yes.

10,386. But you find it difficult to administer them?—The difficulty is that, supposing we have an agreed position with the employers as to the log rate to be paid in a certain town, an employer, although a party to that agreement, can escape the agreement by sending his work to the East End of London and getting it made up by the sub-contractors under the other position.

10,387. *Mr. Poulton*: Who in their turn become sub-contractors?—Certainly.

10,388. *Chairman*: But they have to pay the Trade Board rates?—They have to pay the Trade Board rates if they are found out.

10,389. It is really a question of enforcement?—Yes.

10,390. *Mrs. Lyttelton*: And they employ chiefly home workers, I suppose, which makes it extremely difficult to enforce the rates?—No, they run workshops of their own. The size of the workshop depends on the number of the teams. It is a one-machine team or a two-machine team or a three-machine team.

10,391. Then, in your opinion, it is largely a question of having sufficient inspection?—That is largely so.

10,392. *Lord Weir*: The difficulty in settling a scale of piecework rates is due to the existing scales varying in the different areas or different towns?—There is a difficulty in that; but the fixing of general minimum piece rates will immediately remove that. If general minimum piece rates are fixed, those rates will apply. They can be differential rates in different areas to meet the requirements of the trade, and we are meeting the employers again for the purpose of agreeing differential rates in rural areas.

10,393. You are a believer in differentiation?—I am not personally. I am appalled at the difficulty of administration. Take Messrs. Gieves, Ltd., the naval and military outfitters. I think they trade in about 18 different towns. They trade in Edinburgh, in London (Bond Street), in Sheerness, in Chatham, in Devonport, in Portsmouth, in Aldershot, and they are just opening a business in Woolwich. They are also in Winchester.

10,394. *Mrs. Lyttelton*: And Harwich?—Yes; and they have agencies abroad. If you have differential rates in rural areas, what is to prevent Messrs. Gieves taking orders in Bond Street and doing as they did in the past, namely, make the garments up by sweated labour in Portsmouth? If there is a differential rate of a low character fixed for any particular area in which they trade, what is to prevent the transference of the orders to places where the rate is low, although the customer thinks he is getting his things under West End conditions?

10,395. You think the differentiation ought to be by agreement, and that you should fix a general minimum and then have higher rates fixed by agreement?—Yes, that is my opinion. We are meeting in the 14 different areas of this country. I believe the main objection to differential rates will come from the employers, because, after all is said and done, in the country areas the tailor's shop is the market place. If you go to such places as Newton Abbot or Barnstaple, you will find the tailors on market day at the market ordinary sitting shoulder to shoulder with the farmers. After all, the market place is largely the tailor's shop in the country.

10,396. *Lord Weir*: They tell us now that they do not go to the market place, but they go to the nearest county town and order a ready-made suit?—Who told you that?

10,397. I think that is the general trend of the evidence?—I deny it from my knowledge of these country towns, and I have a very large knowledge of them. I believe that some of the best trade in the country is made in the country towns. Take a hunting centre like Cirencester, for example. That is purely an agricultural area, and I say that the best tailoring is done in Cirencester; it is the highest class and the highest paid for. Take places like Cheltenham or Bath. The highest class trade is done there for which the employers obtain the highest money. In the past the complaint of the employers, when asked for adequate wages for the skill of the employees they employ, has always been: "How can I pay more when I am competed with unfairly by somebody who pays a lower rate in the immediate neighbourhood?" They have said on hundreds of occasions that they were willing to pay more.

Chairman: I see; the old excuse for London that you must go and see your tailor is obsolete now!

10,398. *Mrs. Lyttelton*: If you live in Cirencester, anyway—Bath always paid higher than Bristol. The Bath employers, when I asked for an increase, referred me to Bristol, and said: "How can we pay more in Bath when they pay less in Bristol?"

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Go to Bristol and deal with them first." We did that, and we got a higher rate there than we had in Bath. Then I went back to Bath and said: "We have done as you said; we have gone to Bristol and they are now higher than you, and we ask you to pay the same as Bristol." The reply was: "Look at the years we have paid more than Bristol."

Chairman: Are there any other questions which the Committee desire to ask?

Witness: I hope you will make a note of the fact that the absence of the workshop accommodation has been largely responsible for the difficulties with which the industry has been faced, and for the bad conditions which apply.

10,399. *Chairman:* I am afraid that hardly falls within the scope of our inquiry; but you have made the statement. (*To Miss Edwards:*) Have you anything to add? I think you have had personal experience in the trade?—(*Miss Edwards:*) Yes.

10,400. And you were for 14 years a tailoress in the Manchester area?—Yes, and I am still working.

10,401. Both in wholesale and retail?—Yes.

10,402. Have you anything to add to what has been said by Mr. Rowlerson?—I think not, except that I would like to emphasise that prior to the Trade Board coming in there were very varied rates which existed amongst the workers, principally in the retail section. I come from Manchester, and I have worked in the Northern area the whole time, and I have found since that the conditions in the North, bad as they were, were the best conditions that existed in the whole of the country at that time. The usual custom was that an apprentice started in the trade for nothing in the retail section; she might serve two years for nothing; the third year she might possibly get 2s. 6d., and the fourth year about 5s., and after that, after the 5s. rate, it was a question of what the employer paid you, and up to the time of 1918, which was the first time there were any rates fixed whatever in Manchester, it varied from 5s. up to about 16s. at the very top.

10,403. Is that for learners—for young people, or adults?—For fully experienced girls, girls who were in many instances turning out the same work exactly as the men. It did not matter whatever system you worked on, and the retail tailoress has the advantage of the girl in the wholesale and factory system to this extent, that she takes, we will say, one garment, and she goes through the whole of the operations until she turns it out completely. In a good many cases she does not only take one garment, but goes straight through, and the small employer has this advantage, that he can take a girl, and she can take any garment whatever that she is given, whereas in the case of the large employer he will just take a girl for whatever garment she can make. In the factory the girl of course depends upon what ever operation she is taught. In 1918, which was the first time that there were any rates whatever fixed, even then it did not work out satisfactorily, because, as you will see in the statement, the Merchant Tailors' Federation at that meeting made the statement that 95 per cent. of the trade was out of our hands, and it meant this, that although there might be a rate fixed by the trade union which the girls could demand, for every girl there were 95 that could come in and work for the under-payment; and when the Trade Board came in that was where we found the advantage, because although the Trade Board did make very little difference to us in the question of rates, yet it stopped the competition of the unorganised workers. It did more than that. When there was a rate fixed, it meant that with regard to any employer who was not in the Federation—and there were hundreds of unorganised employers who said that that rate had nothing whatever to do with them, although we had organised the workers—there was nothing left for us except the strike weapon, to bring the workers out on strike or else make the employers pay the rates. This, I think you will admit, was unsatisfactory. There is just a further point I should like to deal

with. A question was asked about the Factory Act and the hours. Now the usual custom was this in the past, that if you went into any workshop there was the Factory Act up, and the hours for that workshop were always put to the full extent of the time, which was usually from 8 in the morning till 8 at night, making 12 hours. I am not going to say that those hours were always worked, but still in a large number of cases they were, and it meant that the employers could enforce that number of hours on the workers; they could compel the girls to stay in the workshop 12 hours a day. Usually it was about 11½ or 11, but those were considered the universal hours. But there was more than that. Throughout the busy season they used to apply for overtime papers by means of which they could work the girls 2 hours a day extra for three days. This was always done in all cases. The girls never received any extra payment, even if they received the ordinary minimum time rate, and that rate which was paid to them, the weekly wage, usually covered in the season practically 70 hours a week. Then in the winter, owing to the seasonal nature of the trade, the girl was dismissed. The coming of the Trade Board Act has again favoured us by being able to enforce after the average hours the payment of that overtime. It has also done what is in my mind a great deal better, for it has in some cases, unless the overtime has been absolutely necessary, abolished the overtime; because previous to that, when the employers could work the girls without paying them at all, or just giving them perhaps the ordinary time rate, it meant that they have worked them when there was never any necessity for it, and that again is why I say that the Trade Board has done a great deal, for it has helped to bring about the average working week for the working tailoress. I do not think there is anything further that I should like to say, except this, that there have been statements made by the employers about the people who are on the Trade Board not being practical people; that they have been simply trade union officials. I should like to say that as far as our Board is concerned at any rate, on the workers' side they are practically the only practical people. It is more the other way, if anything. I have no complaint whatever against the employers, because, taking them on the average, they are fit to come to any working agreements whatever; but I do deny that the trade union officials who are on our side of the Board are not practical people. I myself have fought tooth and nail for the tailoresses right through, and I have taken the trade right through from start to finish, until at the place where I work at the present time I am recognised as on a parallel with the male tailors, and I receive the same rates. (*Mr. Rowlerson:*) I should just like to supplement, if I may, the fact that the rates of the Retail Bespoke Board are the proposals of the employers. They were not even voted for by the workers.

10,404. *Mr. Pugh:* You are a member of the Board, are you not?—Yes.

10,405. And you have 40 years' experience?—Yes.

10,406. *Mr. Bell:* Can you tell me if you have ever had a shortage of workpeople in your industry?—(*Miss Edwards:*) Yes, there has been. At the time when there came the great influence of the military work into the tailoring trade, it meant that the rates were considerably higher in the factories, and they took not only girls who had perhaps never been in the tailoring trade at all, but most of the retail tailoresses went into the factory, because they were receiving very much higher rates.

10,407. You mean they went on munition work?—Yes.

10,408. But, altogether apart from the war period, have you ever had any shortage of workpeople in the trade?—No, I do not think I can say that in my experience I ever remember an actual shortage—only in the seasonal time, at any rate.

10,409. When the girl who entered the trade had to wait, say, four, or five, or perhaps more years,

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before she got either no wage at all or a very small wage, what was the attraction which induced the girls to come into the trade at all?—Well, speaking for myself, I think that the attraction in the tailoring trade—speaking personally, and from the personal knowledge of girls—is this, that it has been an attraction because at the end of the time they were able to have something at their fingers' ends which perhaps, when they would not be in any trade at all, was going to be useful to them.

10,410. You mean that being able to make their own clothes, or perhaps their children's clothes, or may be their husbands' clothes, would be an attraction to them?—Yes.

10,411. *Dame Adelaide Anderson*: There is one little point which I should like to clear up. Did I understand you to say that you thought 70 hours was permissible under the Factory Act?—No, I did not say 70 hours; I said 70 hours in the workshop. If you take from 8 o'clock in the morning till 8 o'clock at night, that is 60 hours—and it was 8 to 4 on Saturdays—

10,412. But the Act prescribes meal times—pauses from work?—Yes. I said 70 hours in the workshop. I am including in that the meal time; and I also said that in the season it was common to claim the three nights a week till half-past 9.

10,413. Yes, I quite understand. You think that the Factory Act could be amended with advantage with regard to the limiting of hours?—Well, I do not think it could be to this extent, as I pointed out, that that is putting a maximum on the time, and it was my experience that the maximum was always the minimum.

(The Witnesses withdrew.)

Mr. W. RINES, J.P., called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

The Witness will state:—

That he is a journeyman tailor, with upwards of forty years' experience in all branches of tailoring trade and that for the greater part of that time he has been associated with retail bespoke and handcraft tailoring.

That he was a member of the first Tailoring Trade Board and has been a member of the Retail Bespoke Tailoring Trade Board since its establishment.

That he is a member of the Executive Board of the Tailors' and Garment Workers' Union, having been elected to that position by ballot vote to represent the handcraft section; that the membership in the "journeyman tailor branches" of the Union he represents forms a district embracing England and Wales.

That similar branches in Scotland also form districts for purposes of representation on the Executive Board.

That, although those branches are termed "journeyman tailor branches," there is a very considerable percentage of tailoresses who are members of the Union and to whom the continued existence of the Retail Bespoke Tailoring Board is of vital importance.

On behalf of both sections of workers he will submit:—

1. That legal regulation of life is recognised in all sections of life, sanitary, social, commercial.

2. Past experience shows that wages regulated entirely by supply and demand results in payments which are insufficient to provide the bare necessities of life. This results in the supplies being obtained through irregular channels—Poor Law relief, charity and even less commendable means.

3. To support life it is imperative to provide sufficient food, housing accommodation, rest, and recreation. Any wage inadequate to the supply of these is a menace to society as well as to the workers concerned.

10,414. That was the effect of the regulation by limitation of hours to a fixed period from the morning till the evening?—Yes, that was my experience, that it was always the case. You never went into a workshop and found the hours they might work—

10,415. But that did not aim at being a standard; it was an outside limit, was not it?—Yes.

10,416. And the outside limit under the Trade Board Act was 48 hours?—Yes.

10,417. Under the Factory Act the net outside limit was 60 hours?—Yes.

Dame Adelaide Anderson: That is deducting meal times.

Chairman: There is no outside limit to the Trade Boards Act.

Dame Adelaide Anderson: I mean a standard, 48 hours.

Chairman: That is not under the Act.

Dame Adelaide Anderson: Oh, it is left to the Board, but practically all of them have fixed a 48-hour week, I understand.

Chairman: Most of them have, yes.

Dame Adelaide Anderson: All I meant was that, beyond the time fixed by the Board, it is overtime.

Chairman: After the 48 hours.

Witness: After the 48 hours, yes. (*Mr. Rowlerson*): It is very difficult indeed because, as is pointed out in our statement, the men and women are in pawn at the end of the slack time, and they have to redeem themselves before the end of the busy season.

Dame Adelaide Anderson: I only wanted to clear up that point—that it was a 60-hours week under the Factory Act.

4. Tailors and tailoresses being skilled workers should receive a wage in excess of this basic wage so as to enable them to participate in some of the good things of life, for special welfare of children, holidays, provision against sickness, unemployment and old age.

5. Tailoring being a season trade, wages must be so adjusted as to provide a good average. An allowance of 15 per cent. to 20 per cent. should be made for slack or idle times.

6. Tailoring has hitherto been invariably associated with the worst forms of sweating. The operation of the Trade Board has considerably improved its character in that respect and helped it to occupy a more dignified position.

7. The tailoring trade being very difficult to organise Whitley Councils are not possible, hence the Trade Board is the only alternative.

8. The apprenticeship system had practically died out in retail bespoke tailoring; the Trade Board has drawn up an admirable scheme which, if given a fair chance by the employers, will re-establish a sound system of training and produce a body of highly skilled men and women in the trade. Complaint has been made that the rates fixed by the Retail Bespoke Board for apprentices and learners are too high, but we submit that the ensuring of a reasonable wage will attract a better standard of youth. Education and refined taste are essential to the production of the best classes of tailoring.

9. Much has been made by witnesses on behalf of the merchant tailors of the hardship of a general minimum wage. For many years past in all negotiations they had complained bitterly of the practice of the union in permitting different rates under the log system of payment. We submit that it is the skill and experience of the worker that should be assessed in the setting up of a minimum rate and not a locality. We are in favour of maintaining a general national minimum, leaving it to collective bargaining between the associations of employers and workpeople to settle outside that minimum any questions of superior skill and payments. We urge that

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a general minimum places all employers on an equal footing, prevents unscrupulous employers securing lower cost of production than the fair and good employer.

10. The Committee has been told that "the tailoring trade is fairly well organised." It is, unfortunately, a very badly organised trade, and a trade in which no amount of activity on the part of the unions can maintain a given or uniform standard of organisation. Wage agreements with employers have very little stability, nor have the Merchant Tailors' Federation much control over their members in honouring an agreement when it has been made. The Committee will have gathered that much from the statements of witnesses on behalf of the Merchant Tailors.

We disagree with the statement that the operation of Trade Board rates has caused, or materially added to, unemployment amongst journeymen tailors and tailoresses: it is a permanent feature of the trade—not more than six months can be classed as busy.

The joint tribunals consisting of employers and union representatives, which the Committee have been told had been operating for over 20 years in wage settlements, were never very successful in agreeing to a wage rate that raised the position of the worker above the sweating level. I have looked up some of those agreements and find that, just prior to the war, a large number of tailors in various towns were working for 3d., 4d. and 4½d. per hour. It must be remembered that these rates were the result of negotiations that generally ended with the formula "accept or strike." The state of organisation was such that the union dare not accept the latter alternative with any great hope of success.

Towards the end of the war period—in the spring of 1918—a trade journal, "The Tailor and Cutter," sent out a circular to secretaries of branches of the Amalgamated Society of Tailors and Tailoresses asking for particulars as to the rate per hour then in operation. Replies were received from 23 centres in England, the average rate per hour being 5½d. Wales returned particulars from 7 centres, the average rate being 4½d. Taking the 30 centres of England and Wales, the average rate works out at 5½d. per hour. Scotland, which has always been considered to be somewhat better organised than England and Wales, made a half-yearly return of wages from January, 1914, to the end of June, 1914. Sixty-two centres are comprised in the return: the highest rate was 6½d. per hour, the lowest 4d. The average rate per hour for the whole of Scotland was the same as England and Wales in 1918, viz., 5½d. In the 1918 returns 16 centres in Scotland show an average rate of 7d. These are log hour rates.

12. In the West End of London high class tailoring and the organisation of the working tailor and tailoress is fairly well centred, and provides perhaps the best example of organised handicraft workers to be found anywhere in England and Wales. Two unions are in existence in the West End, viz.: the Tailors and Garment Workers' Union and the Amalgamated Society of Tailors. The former union represents at least two-thirds of the organised workers, and until pressure was exercised by the Ministry of Labour they were expressly excluded from the Conciliation Board spoken of by representatives of the Association of London Master Tailors. I understand those gentlemen speak of 50,000 employers in the trade. The Association of London Master Tailors comprise somewhere about 100 out of that number. I would like to refer to a subject touched upon by one witness when dealing with apprentices. He complained that his employees would not take apprentices on account of the high rates fixed by the Trade Board. That statement does not in any way reflect the attitude of the journeyman tailors on the apprenticeship question. The complaint of the journeymen is that employers shirk the responsibility of apprentices as they largely do in the matter of workshop costs, by throwing it back upon the

workmen. Those workmen are pieceworkers very often without work for days, and even weeks, together: they cannot accept the responsibility to pay a wage to an apprentice when they may not have work or wages themselves. We hold that any apprentice scheme which is to be of value to the boy or girl must be a concern for the firm to deal with, and not a fellow employee whose very existence in the firm is at all times precarious and uncertain.

Much of the seeming difficulty that has arisen on the Retail Tailoring Board has been the result of unwillingness on the part of employers' representatives to recognise any ordered Government regulation in the industry. Right away from early 19th century times the trade has been in a chaotic state. Employers seem anxious to maintain that state. We on the workers' side gave them every opportunity to frame definitions dealing with various classes of workers suitable to the conduct of their business. We did agree especially in respect of female rates, but immediately they made the definitions abortive by altering workshop practices and flooded the Board with questions and objections.

I understand employers' representatives have made much of what is termed the "long-established habits of the trade, that piece-working tailors are the freest workmen in the world," &c. These alleged facts have been advanced as a reason why Trade Board determinations and regulations cannot be carried out in retail bespoke tailoring.

The workmen generally have no desire to perpetuate those free and easy and demoralising conditions that did undoubtedly exist 25 or 30 years ago. The workmen are anxious to raise the status of the trade to a level they and their descendants might be proud of, and to the honour of many employers throughout the country, it must be said, they have co-operated with the workmen in remedying many evils in the conduct of their business.

The term "the customs of the trade" was a favourite plea used by employers in Police and County Courts when wage actions came up for settlement, and so varied and evil were the customs generally, before the advent of Trade Boards, that anything might be excused under that plea. In point of fact, those sitting in judgment in those courts gave decisions so conflicting that the journeyman tailor and tailoress was practically robbed of their citizen right of wage recovery under the law.

I understand it has been stated on behalf of the Scottish Merchant Tailors' Federation that female rates were fixed upon the requirements of London and large towns. The rates fixed for the skilled tailoress was not fixed for "girls," but for highly-experienced female tailors. The 1s. 0½d. so fixed by the Retail Bespoke Board was and is still considered too low by the workers in the trade, even in rural areas, considering their skill and experience in the trade.

Bearing upon this class of female worker, I understand a statement has been made to the Committee that the same class of labour for which the retail bespoke employer pays 1s. 0½d., the wholesale and ready-made employers pay 8½d. per hour. The class of skill for which the 8½d. per hour is paid is not in any sense so highly skilled or experienced in garment making as that possessed and exercised by those female tailors for whom 1s. 0½d. was set up by the Retail Bespoke Tailoring Board.

Our Conclusions.

We are satisfied that the Trade Board system is a good one and that it has worked to the benefit of all concerned in the tailoring trade. What delays and confusion have resulted from the operations of the Retail Bespoke Tailoring Board are less the fault of the machinery than the desire on the part of employers to maintain a vicious, chaotic, and anti-control position.

That the setting up of differentiating rates will tend to perpetuate the evil conditions from which the journeyman tailor has always suffered. That it will also perpetuate the under-cutting and evasions which employers have at all times complained of.

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[Continued.]

That prevailing rates, even in rural districts, are not too high for the skill and experience demanded under the Board's determination, for in many of those county towns and areas you approach much nearer to old-time handicraft methods than in many of the larger towns. This was undoubtedly in the mind of one of the witnesses for the Association of London Master Tailors when he spoke of "rural areas whence we obtain our sartorial recruits." Machine work plays a minimum part in garments made by West End tailors.

We are of opinion that no Conciliation Board, district, or area system would be so beneficial or satisfactory in its operations as the present Trade Board system. Improvements brought about by the first Tailoring Trade Board in wholesale and sub-division workshops left the highly-skilled handicraft tailor and tailoress the last remnants of neglected and sweated workers in the clothing industry.

We are satisfied the officials of the Board and the Department have grappled with a century-old problem and its accumulations of chaotic evils in a manner that reflects great credit upon all concerned. We have no complaint to make against the continuance of the system of appointed members on the Board.

We believe that with slight overhaul and alteration the machinery of the Boards can be made a blessing to all concerned.

10,418. *Chairman:* I think you are a journeyman tailor with upwards of 40 years' experience in the tailoring trade?—Yes.

10,419. And you have been associated chiefly with retail bespoke and handicraft tailoring?—Yes.

10,420. You were a member of the first Tailoring Trade Board?—Yes.

10,421. And you are a member of the Retail Bespoke Tailoring Board?—Yes.

10,422. You are a member of the executive board of the Tailors' and Garment Workers' Union?—Yes.

10,423. In the handicraft section?—Yes.

10,424. How many members has that union?—The last returns show between 80,000 and 90,000. The handicraft section of that number would be somewhere between 10,000 and 11,000.

10,425. Are your members wholesale workers, or retail?—The large proportion are wholesale. You see, we are taking several branches of the clothing industry; the total membership of the union would be between 80,000 and 90,000, and the proportion of the handicraft section—the journeyman tailors' and tailoresses' section—would be between 10,000 and 11,000.

10,426. Then the majority of the members of the union would be workers in the wholesale trade?—Yes, coming under Boards other than the retail.

10,427. You also have branches in Scotland?—Yes, we have somewhere about 60 or 70 or more branches in Scotland.

10,428. Have you women members?—Yes.

10,429. You submit a statement on behalf of both sections of workers. We will print this, if we may, as part of your evidence—as your evidence-in-chief?—Thank you.

10,430. You first deal with general considerations, which fill the first three paragraphs. You say it is imperative to provide sufficient food, housing accommodation, rest and recreation. Then you say: "Tailors and tailoresses, being skilled workers, should receive a wage in excess of this basic wage so as to enable them to participate in some of the good things of life"?—Yes. Well, unfortunately, the conditions that have prevailed in our trade have not provided them with those.

10,431. You mention that, and you confirm the statement that the apprentice system had practically died out in the retail bespoke trade?—Yes.

10,432. Then you say that the Trade Board has drawn up a scheme which you say will re-establish a sound system of training. You approve of what has been said, that it is a good thing to allow the apprentice to be paid a little less than the mere learner, on condition that he is taught the trade?—

Personally, I think the more attractive you can make the industry the better. It is the parents, I claim, that you have got to influence in the early stages of a child's life, in order that they will take the children into the industry that you are interested in, if you want them there at all; and the conditions generally prevailing have been such, as you heard Mr. Rowleson say, that even tailors themselves would not put their children to the trade. I am not at all favourable to the point of making the remuneration for learners higher than for the apprentice. As a matter of fact, the terms are so confused in the retail bespoke tailoring trade—the terms "apprentice" and "learner"—that one hardly knows what they mean when they speak of the two, and frequently you have to get from them whether they mean apprenticeship in the ordinary acceptation—that is, under an indenture, because in most of the tailoring trade there has been no indenture, even if they have got apprentices; they have only been taken on a very flimsy kind of contract—

10,433. I was looking at the Order of the Board, where the two are, I think, plainly distinguished?—Yes, they are.

10,434. The apprentice is the young person who is taken as an apprentice under an indenture for a term of years. The learner is the young person who is simply taken in?—Yes. That, of course, was adopted by the Retail Board to conciliate the views of the employers' side of the Board, as they claimed that in dealing with apprentices they had to have more care and attention, and consequently were not so remunerative to them as the learners might be. That, very likely, is a sound argument from one standpoint, but we, who are anxious to establish a real apprenticeship system in the industry, fear that the inducement on the employers' side will be to take the learner rather than the apprentice, and that we shall perpetuate the system which has unfortunately prevailed of a sort of semi-trained lad or girl in the trade, without getting the real craftsmen that we want.

10,435. You prefer the apprentice to the learner?—I do personally, and our section of the industry also, I think.

10,436. Why do you say that the inducement to the employer will be to take the learner rather than the apprentice?—Because he claims that they can be made more remunerative, and in that sense it means they are only trained to a certain point.

10,437. I do not understand you. Why does the employer claim that the learner can be made more remunerative than the apprentice?—I do not know why he does, but the employer does claim that.

10,438. The employers who have been before us have claimed the opposite—I do not know what they have said before this Committee, but I know their arguments.

10,439. *Mr. Pugh:* But you have a proper form of indenture for apprenticeship, as part of your Trade Board arrangements?—Yes, we have that arrangement.

10,440. Is that not being given proper effect to?—It has not had time to operate at all yet; it has only just been recently adopted.

10,441. But as it is a joint arrangement between the employers and workers on the Board, you anticipate that some good results will accrue from it?—Yes.

10,442. The tendency then would be rather to take apprentices than to take learners?—We think that if there could be something attractive offered to parents to put their children to a trade, we may hope that will be so.

10,443. Attractive after the period of apprenticeship is over?—And attractive even at the period of apprenticeship, because I think we must take into consideration the circumstances of the family for a very large part even of the early years of the lad's or the girl's life so far as any little income that the family may take is concerned, in order to help to keep them.

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[Continued.]

10,444. In that respect the learner would be a big competitive factor against the apprentice?—Yes, against the apprentice; that is our point.

10,445. *Lord Weir*: Surely the factor that Mr. Rowlerson spoke of—that is, the tendency in bespoke tailoring towards the sub-division of operations—requires people of the nature of learners, where they specialise in an operation and where you cannot give them proper apprenticeship training. Surely that is a factor?—That applies to the lower grades of tailoring.

10,446.—There are two divisions in your industry now, one of which would require learners, and the other, the old craft department, would remain where you could employ your apprentices?—Yes. We are anxious to resuscitate, if possible, the craftsmen of the trade, and at any rate to keep alive those establishments which deal with that particular section of the clothing industry; and it is in order to have a good, attractive scheme, and a sound training under some recognised governmental authority, that we are anxious to retain the Trade Board, so that a scheme may, if possible, have some chance of operating.

10,447. But alongside of that you have growing up this other new division of your industry where you do not really require many apprentices; you want to specialise in what I think is called machine people?—Yes, that is the tendency; it has unfortunately been the tendency.

10,448. Will not that grow?—Yes, I am afraid it will grow. Many of us think it has grown to the fullest extent that it can without really wiping out the higher class trade; but there are many of us who are hopeful that that element of industry will always maintain with those who can afford and desire to be well dressed.

10,449. *Chairman*: This is the point that I want to get from you, and I have not got it quite clearly yet. You say the learner gives the employer rather less trouble than the apprentice?—In training.

10,450. And therefore that the employers would rather have the learner than the apprentice. To meet that you allow them to pay the apprentice rather less; that is the effect of your Order?—That is the position as it stands.

10,451. Do you approve of that?—Personally I do not approve of it, but as a Board we have carried it.

10,452. But why do you not approve of it; that is what I cannot see?—Because I want to see the apprentice well catered for in the matter of wage conditions and conditions of trade.

10,453. Yes, but if you want the employers to take the apprentice rather than the learner, is not it good policy to say, "Very well, he is more trouble to you, you can pay him rather less wages," and so encourage the employers to take the apprentice?—No. Personally I feel the other way. I feel that the situation as far as the trade is concerned necessitates some inducement being held out, and, as I said before, it is the parent that you have got to induce.

10,454. *Mr. Bell*: Then it is your view that the payment of a lower rate to the apprentice as against the learner is an attraction to the employer?—No. I say he takes the learner because his argument is that in a shorter time the learner is more remunerative to him, although he pays a higher rate at the commencement.

10,455. Yes, but the fixing of the lower rate makes it more attractive to the employer to employ the apprentice because of the lower rate?—I am afraid that that does not operate, and I am afraid that it will not operate.

10,456. I want you to answer that question, because I am going to follow it with another: Does it increase the attractiveness to the employer to allow him to pay a lower rate to the apprentice than to the learner?—Personally, my own opinion is that the policy of the employer is less in the direction of apprenticeship than in the direction of learnership, and the point, in order to get the learners, is to make the wage payment higher at the commencement

to induce the influx of learners as against the apprentices. That is my conception of the move.

10,457. Then it is your view that the people who need attracting are the parents and the children who are coming into the trade, and that if you want them to come in as apprentices you must make the wage at least equal, if not more?—That is my point.

10,458. *Mr. Poulton*: Are not you talking rather about two different sections of your trade, because the West End trade is an entirely different thing, and is in an entirely different category; that is to say, they are generally recognised—at least, I understand so—to be the finest tailors in the world, and therefore the people who enter that trade must be taught under a very exact method to maintain that high standard of craftsmanship which I am sure you want to maintain?—But I hope we shall not confine the idea of tailoring to the West End only.

10,459. No, I do not want to do that, but I am only using that as an example?—In all the big centres in this country the better class firms are famous all over the world.

10,460. We have heard Mr. Rowlerson's evidence on this point; no one would question Mr. Rowlerson's statement about it?—I do not want to confine apprenticeship to the West End of London only.

Mr. Poulton: No; but you referred to that in your evidence, and that is where the evidence came from about that.

10,461. *Mr. Bell*: Should I be right in saying that the difference between an apprentice and a learner is that the apprentice comes in to learn the trade, and that the learner may become little more than a general labourer?—Unfortunately that is the tendency, I am afraid.

10,462. That is, that the learner can be put to any kind of occupation—running errands, sweeping up, or anything?—Yes, and trained to certain sections of work.

10,463. Is that why you think that some employers prefer the learner rather than the apprentice?—That has been the position up to now.

10,464. *Chairman*: But does it not follow that you ought to encourage the employer to prefer the apprentice rather than the learner?—That is what I want to do, but I say you have also to consider the parent, and I think that a differentiation in rates as between learners and apprentices is a wrong policy.

10,465. But what encouragement do you propose to give to the employer to take an apprentice rather than a learner?—The earning capacity to the firm of a skilled worker, whether of two years or three years or more, and the ability to produce better class work, is the employer's return.

10,466. Yes, but according to you he does not believe in that, and he still prefers the learner. How are you going to persuade him?—That has been the policy of the trade, and I say that differentiation between the rates seems to me to tend to perpetuate the system which has already prevailed.

10,467. *Mrs. Lyttelton*: Do you mean it has not been so much a policy as a fact that it has been much easier to get the learners than the apprentices?—Yes.

10,468. *Dame Adelaide Anderson*: You mean, perhaps, that it is the supply of young workers which determines the thing?—Yes.

10,469. That the parents forcing their children in, or offering them freely, really determines whether they shall become learners or apprentices?—There is no doubt that that operates; undoubtedly it does.

10,470. *Mrs. Lyttelton*: Therefore it is more important to consider the parents as regards the apprentices than the employers?—I say they are the determining factors as to who comes into the trade.

10,471. That is what I meant?—And it is in a very large way the remuneration which is offered to the parents which induces them.

10,472. *Mr. Bell*: But there is, at the same time, the guarantee of learning the trade; that is an

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[Continued.]

important factor?—It should be an important factor with the parent.

10,473. *Chairman*: Now perhaps we may pass on in your statement. You say this, paragraph 9: "We are in favour of maintaining a general national minimum, leaving it to collective bargaining between the associations of employers and workpeople to settle outside that minimum any questions of superior skill and payments." That is your view, is it?—That is so.

10,474. Your point is that a general minimum places all employers on an equal footing, and prevents unscrupulous employers securing lower cost of production than the fair and good employer?—That is so; that is our position exactly, as against the endeavour to set up some other arrangement against the Trade Board.

10,475. So far as the minimum is concerned?—Yes.

10,476. Do you agree with what was said by Mr. Rowlerson about local differences? We were told that in his trade, at all events, the minimum should be a national minimum, and that there should never be differential rates in different localities. You agree with that?—I agree with that, yes.

10,477. *Mr. Pugh*: But is that a practical proposition?—Would you not in actual practice have to make some differentiation between different districts?—Well, we say—or at least I think I have said here in my statement—that we claim that it is the skill and experience of the worker concerned that ought to be assessed, and not a particular district. I also say—and I think that Mr. Rowlerson very largely bore that out—that the more closely you approach to those country towns and rural areas, the more closely you approach to the old-time methods.

10,478. You would have to take those factors into account, but I am just looking at it from the practical point of view, as to whether it is a practical proposition for you to have a uniform minimum rate in your trade?—We think it is, and we think that the Trade Board minimum, with a fair amount of inspection and enforcement, would be the genuine, sound method of controlling the matter.

10,479. Have you got it now?—Yes. We have set up our national minimum, and the great difficulty has been the lack of inspection and enforcement. That is, if I may say so, the sole complaint we have to make.

10,480. Then your Board has practically agreed that it is a practical proposition?—Yes.

10,481. *Mr. Bell*: I gather that in the rural areas you are contending that your tailors are amongst the most skilled in the country—in the rural districts?—Yes, they are, very largely. They are not permeated with the sub-division ideas, and they are not trained to them. They are trained up and worked upon the older methods of the trade—the handicraft methods of the trade.

10,482. You know the argument is advanced that in the rural areas a lower minimum should be fixed?—Yes.

10,483. Do you not agree with that?—I do not. I say that what I want is what the Board has done, to fix a minimum which shall govern the whole country, and then we are anxious that, where those higher elements of skill come in, the trade union, if circumstances will permit, may obtain the higher remuneration for them.

10,484. And the sweating that has taken place in your industry has not been in the rural areas, but in some of the larger towns?—Yes, mostly in the larger towns. Of course, there are circumstances in which establishments have been set up in what may be termed rural areas, but it is not the prevailing system.

10,485. But you have found in your experience, have you not, that there have been employers in the country who have evidently been on the look-out for some district—it might be Brighton, or it might be Blackpool, or some other seaside place—where

they thought there were a large number of young females without a suitable occupation?—Yes.

10,486. Are those the places where you have found the lowest wages being paid to females?—No, I have not. I think since the operation of the Wholesale Board they have received protection, and in that way they have been cared for, because the organisation of our union and others has centred upon those individuals who were brought under that condition; but so far as that element obtains, it is not the prevailing element that I speak of in my statement.

10,487. *Mr. Poulton*: Did you read any of the evidence that we had before us of complaints, particularly from far away and remote places in Scotland, complaining of this rate that you had fixed in view of their cost of living there and the cost of living, say, in Glasgow, which they themselves stated?—Yes, I have heard Stornoway brought into question.

10,488. As far as your statement as to the national minimum is concerned, have you considered whether you would be running any undue risk if you had one minimum—whether that minimum would be fixed upon those rural districts, and thus would be a detriment to the town worker?—Not if it is the character of labour which is brought into assessment; I mean to say, if you have got the question of a factory-made garment as against the handicraft garment, then there is no difficulty, I think. If the handicraft tailor is called upon to supply a certain number of years of training and experience in the trade, I think wherever he works that minimum ought to operate.

10,489. You still think, despite that, that there should be one minimum for the whole of the country?—Yes, based upon that consideration.

10,490. *Chairman*: Do you think they should be paid in Stornoway just as much as in Glasgow?—Decidedly. It is quite possible that the man in Stornoway will be called upon to produce a more handicraft garment than the man in Glasgow may be, and it frequently happens.

10,491. You think the Stornoway fisherman requires as good a cut as the Glasgow merchant?—Yes, I mean to say, so far as hand work goes, I have worked and made garments for fishermen and merchant captains and men of that sort which required a greater deal of sewing and hand-work than a garment for yourself might do.

10,492. But you do not have regard to the cost of living at all, or rent, or matters of that kind?—The main regard, as far as I look at it, is to establish some condition of life for the worker who is called upon to give his skill.

10,493. That is not very definite. Do you have any regard to the cost of living in one place as compared with another?—Well, we have got to have that regard under present circumstances, and in that sense it has been the plea which has brought wages down to a very low level.

10,494. *Mr. Poulton*: That is why I put it to you whether you had considered the effect that might have upon the town worker who is in a very serious position?—Yes, but there are difficulties whichever way you try to approach this matter.

Chairman: That is quite right.

10,495. *Lord Weir*: You remember the Order of the original Tailoring Board?—Yes, for about the last two years of its existence; not, I think, from the commencement of it.

10,496. Did that Board fix minimum rates for nearly all grades of skilled labour in your trade?—Yes, but the particular section with which I am dealing now was not under the operation of that Board.

10,497. I am speaking now entirely of the trade which was covered by the old Board?—Yes.

10,498. Suppose you take adult males, to what degree did it differentiate in skill?—Well, of course, it is split up into more divisions than in the particular industry with which I am dealing, but each one has its amount of skill, and the rates were based, of course, upon the fact that they had had so many

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[Continued.]

years' experience in the trade, and were at certain ages.

10,499. Did you start with that right away on the old Board?—I do not know about what they started with right away.

10,500. When you were a member?—I only came in at the later stages.

10,501. Did it exist then?—When I went on they were based upon age and experience.

10,502. You mean the young people; I am speaking of adult males. How many rates had you for adult males?—I could not say particularly; there were cutters, and machine hands, and people of that sort; all the grades were fixed.

10,503. They were all protected separately?—They were all on a minimum rate.

10,504. They were all separately protected?—Yes, and of course the particular section, the journeyman tailoring section, were not under the operations of that Board. They never had any protection, even under the ordinary Factory Workshop Act. They received no protection of any sort which was beneficial.

10,505. *Chairman*: I will now come to your conclusions, if I may; I have read the statements. You are satisfied that the Trade Board system is a good one and has worked well?—Yes.

10,506. You say that "what delays and confusion have resulted from the operations of the Retail Bespoke Tailoring Board are less the fault of the machinery than the desire on the part of employers to maintain a vicious, chaotic, and anti-control position"?—Yes; there has never been any control in our particular industry for a century other than can be won to-day by a strike or a lock-out, and that went away again within a very short period because of the lack of organisation to keep it in force.

10,507. Then you say "that the setting up of differentiating rates." I suppose that means different rates in different areas?—Yes.

10,508. "—will tend to perpetuate the evil conditions from which the journeyman tailor has always suffered. That it will also perpetuate the undercutting and evasions which employers have at all time complained of." Then you say "that prevailing rates, even in rural districts, are not too high for the skill and experience demanded under the Board's determination"?—That is so.

(The Witness withdrew.)

(Adjourned for a short time.)

Miss A. LOUGHLIN and Mr. A. HEADON, called and examined.

10,515. *Chairman* (to Miss Loughlin): You are a member of the Dressmaking Trade Board, the Hat, Cap and Millinery Trade Board, the Ready-Made Tailoring Trade Board, the Shirtmaking Trade Board, and the Wholesale Mantle and Costume Trade Board?—(Miss Loughlin): Yes.

10,516. (To Mr. Headon): You are a member of the Ready-Made Tailoring and Shirtmaking Trade Boards?—(Mr. Headon): That is so.

10,517. (To Miss Loughlin): Are you a member of any union?—(Miss Loughlin): Yes, I am the National Organiser of the Tailors and Garment Workers' Trade Union, but I am here to-day on behalf of the Shirtmaking Trade Board. I have been appointed to attend here.

10,518. For the workers' side?—Yes.

10,519. Will you first of all tell us something about the general circumstances obtaining in the shirt-making trade before the establishment of the Board?—The position may be described as being deplorable, or something considerably worse. The circumstances were such as permitted the most extreme form of what is understood by the term "sweating." One with any general knowledge of the trade knows full well that Hood's "Song of the Shirt" did not contain any form of exaggeration of the circumstances in which women worked in the shirt trade in days gone by.

10,509. That refers to the skilled rates?—Yes.

10,510. Then you say "that no Conciliation Board, district, or area system would be so beneficial or satisfactory in its operations as the present Trade Board system"?—That is our belief, and we have experience behind us to justify that statement, we think.

10,511. *Mr. Poulton*: I understand you have had experience, not only of the 1918 Act, but also of the 1909 Act?—Yes.

10,512. So you have experience extending over a series of years?—A good many years, yes. If I may, I should just like to deal with a point which has been dealt with in regard to the sub-division system and the way it has undermined the wages. As a matter of fact, the operation of the first Board so raised the position of the sub-division worker that the highly skilled tailor was very much below, and is still very much below him even to-day, in his earning capacity. I do not say that exactly from the standpoint that the system allows itself to give the other section of the trade more work during the year, because we have to consider that in the particular section with which I am dealing now six months in the year is as much as you can say is anything like a busy time; and under those circumstances, even under the Wholesale Board, those who have been working under the sub-division system have been able to obtain by their organisation, outside the rates fixed for them, a very much higher lever at the rate per hour than the ordinary journeyman tailor, when the point of skill required is in no sense commensurate with that which the other man has to supply.

10,513. But it has raised his status as a citizen wonderfully?—Yes, as a citizen. If I may, I should like to elaborate one point for a moment. I give you some figures with regard to statistics sent in as to the rates per hour which were in operation prior to the war in 1914, and also in 1918.

10,514. *Chairman*: I noticed that. We have had that information so fully from other witnesses that I think we are quite satisfied that the rates were exceptionally low.—I have no desire to add anything to that, as long as the point is quite clear.

Chairman: That is why I did not wish to press you on that point.

10,520. What is the date of the "Song of the Shirt"?—It is many years ago.

10,521. I know.—But until comparatively recently the shirtmaking trade was in a very chaotic condition.

10,522. *Mr. Poulton*: By "chaotic" do you mean also that it was in a very bad condition regarding wages?—Yes.

10,523. Wages were low?—Previous to the Trade Board being established. In the Shirtmaking Trade you have a large centre in Manchester, and you have also large centres in Glasgow and London; then you have the West of England; and anyone who has any knowledge of the trade knows full well that it is quite easy to commence a shirt factory and that the state of wages, particularly in the West of England and Wales, were very deplorable indeed. The girls were working for very low wages.

10,524. *Chairman*: It was piecework, I suppose?—Yes, piecework.

10,525. So much per garment?—Yes. (Mr. Headon): Per dozen garments.

10,526. That continued more or less until when?—(Miss Loughlin): It continued until the establishment of the Shirt Trade Board. It is within my knowledge that there has been a general and gradual improvement, both as regards the conditions of labour, organisation of factories and unfair com-

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[Continued.]

petition as between the types of employers that may be described as fair and otherwise. One concrete instance which I should like to bring out is that in the Lancashire area the employers got together following the 1909 Act being passed and the Shirt-making Trade being scheduled under the Act, and compiled a uniform piece rate list with the assistance of Trade Board inspectors from the Department in London. The trade in Manchester and the Lancashire area was in such a chaotic state that inspectors had to be brought in to assist the employers to form some kind of uniform piece rate to prevent the unfair competition of which the employers were complaining.

10,527. Has your Board fixed a piece rate?—Yes. The conditions in the Shirtmaking Trade for girls have always been piecework.

10,528. *Mr. Bell*: Can you give us any idea what were the wages which were paid before the Trade Board came into operation?—You had varying wages, the finishing end of the trade, was the worst-paid branch of the female section of the industry; wages varying from 5s. to perhaps 30s. per week for adult women.

10,529. What was the reason of the variation?—I do not exactly follow your point.

10,530. I suppose you are speaking of adult women?—Yes.

10,531. Why did some women get 5s. and others 30s.?—That, of course, depended upon the town that they worked in. For instance, in Manchester some of the employers paid much better piece rates than the employers in the West of England.

10,532. *Dame Adelaide Anderson*: Because of local competition with the textile trades, partly?—Perhaps that would not be the whole answer. Wages in the agricultural areas, or perhaps in the West of England, were lower generally than they would be in Manchester.

10,533. *Chairman*: You told me that you fixed piece rates. Is that so? You fixed a general minimum time rate and a piece-work basis time rate, did you not?—Not under the 1909 Act. The general minimum piece rate was fixed under the new Act, the 1918 Act. Under the 1909 Act we had only one time rate, and the piece rate had to yield not less than the time rate.

10,534. I am well aware of that, but I think your answer was not quite correct when you said that you had fixed piece rates. What you had done was to fix a piecework basis time rate?—What I was referring to was that, following the Shirt Trade being scheduled under the 1909 Act, the employers in Manchester got together and fixed a uniform piece rate list to cover the whole of the employers in the area.

10,535. My question referred to the Trade Board, not to the employers.—We had no piece rates covered by the Board.

10,536. You have not that to-day?—Only a piecework basis time rate of 1d. in addition to the time rate.

10,537. That is what I wanted to get quite clear. 8½d. is the ordinary time rate and 9½d. is the piecework rate?—Yes, that is right.

10,538. *Lord Weir*: Have you many homeworkers?—There was a considerable number of homeworkers previous to the trade being scheduled under the Acts, but it has gradually done away with the homeworking.

10,539. Has it almost killed it?—It is almost non-existent to-day.

10,540. *Mr. Bell*: Can you tell me what would happen to a woman who was working on piece rates if she did not obtain 8½d.?—To-day we have a piecework basis time rate of 9½d. per hour for the ordinary worker, and if you had a woman who did not earn the 9½d. per hour and the inspector thought that the rates in that particular factory were quite all right, the employer could not be touched in any way, even if the woman was only receiving 6½d. per hour.

10,541. *Chairman*: That would be the result of her own slow working?—Exactly.

10,542. *Mr. Bell*: So that in the shirtmaking industry you have what you would describe as a minimum piece rate, not a minimum wage?—Yes, we have a minimum time rate for girls employed on time work, and we have a minimum piecework basis time rate to yield to the ordinary worker not less than 9½d. per hour.

10,543. Who decides which are the ordinary workers?—It has always been very difficult to define who is an ordinary worker. I do not know anyone who really has been able to give a very complete definition, but the Trade Board inspectors, if they visit a factory, would define whom they would consider to be the ordinary worker: a person who was not suffering from any physical disability and appeared to be quite normal.

10,544. If a woman, say, of 30 years of age were to all appearances quite normal and she did not receive 9½d. per hour from her piece rate, what would happen?—If there were a complaint made the inspector would decide as to whether the person of 30 years of age was an ordinary worker or not, and whether the employer's piece rates yielded to the ordinary workers the proper rate of wage.

10,545. So that if she were what is generally described as a slow worker she might have a considerably less wage than you would describe as a living wage?—Yes.

10,546. So that to that extent a minimum wage would not be in operation?—No, only in so far as the ordinary worker was concerned. (*Mr. Headon*.) Might I say that there is no such thing in the shirt trade as a minimum wage; it is a minimum rate that is in operation either per hour, or per hour piecework basis; and it is quite immaterial what are the earnings of the worker providing that the rates in the factory are proved by the inspector to be adequate to yield the rate according to the Trade Board Schedule.

10,547. To an ordinary worker?—Quite so. May I be permitted to say at this juncture that as a worker in the shirt trade for 33 years it was my privilege, prior to the setting up of the Trade Board, to be brought very largely into touch with the workers—the indoor and the outdoor workers—in the Manchester area, who were working under most terrible conditions as far as actual conditions of labour and rates of pay were concerned. It was then found on investigation by someone in authority at that time that the actual average rate of the shirt worker prior to the operations of the Trade Board Act worked out at something about 2d. per hour. When Trade Boards became a recognised thing and the Shirtmaking Trade Board was established in 1914, the first rate which was fixed by the Board itself was that of 3½d. covering outworkers and indoor workers, but by the instrumentality of the Trade Board operations the rates had been increased from time to time, so much so that the workers as a whole look upon the Trade Board undoubtedly as machinery by which a certain amount of safety is granted to them with regard to their rates of pay.

10,548. The unions, I suppose, assisting that process of getting the rate gradually raised?—With the assistance of the Trade Board, naturally.

10,549. I think we are quite convinced of the fact that the wages in this trade were exceptionally low; indeed, they were proverbial. You have something to say about the want of inspection?—(*Miss Loughlin*.) Yes. I think this is the most important of the attacks on Trade Boards. I think within the first 12 months of the Trade Boards being established under the 1909 Act dissatisfaction was witnessed and protests made in respect of the absence of sufficient inspectors. For instance, when Trade Boards were under the administration of the Board of Trade, deputations waited upon Mr. Sydney Buxton, Mr. Gladstone, and, I believe, Mr. Winston Churchill, calling attention to the inadequate number of inspectors appointed or available to attend to the enforcement of the decisions of the Trade Boards established under the 1909 Act. Resolutions were moved and

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adopted unanimously at Trade Union Congress after Congress, demanding the appointment of the necessary number of Trade Board inspectors whereby the determinations of the Board, small in number in those days, could be enforced, and I think in every case when deputations met the Board of Trade the invariable reply was to the effect that economy must be practised, and that the expense of additional inspectors would not be sanctioned by the Treasury.

10,550. I suppose these workrooms were visited by the factory inspectors?—Yes.

10,551. Do you see any reason why the factory inspectors should not be asked to consider the question of minimum wages also?—I have no knowledge of the number of factory inspectors, but I think that you want people who specialise on Trade Board determination who would be "able to state to the employer whether the employer was paying the proper rate of wages or not."

10,552. Dame Adelaide Anderson: The factory inspector inquires, does he not, into particulars as to pieceworkers?—I mean whether written particulars are being given to the pieceworkers?—I have no knowledge of any factory inspector ever going to girls on piecework or even to men on timework, and asking them what rates were being paid.

Chairman: That is not the question.

10,553. Dame Adelaide Anderson: The point is that the Order requires that pieceworkers shall have written particulars of the rate which they are going to work for, under the Factory Act?—Yes.

10,554. Do they have those particulars given to them?—They are usually hung up near where the girl receives her work. The girl goes to the table and receives her work, it is numbered, and at the side of the table there is usually a typewritten statement stating what the number is and how much pay she is going to be paid for the garment.

10,555. But the duty of the inspector is to find out that the girl is getting the information?—The information is always there.

10,556. But then she needs to have the clue with her work?—Yes, and it is there, too. She gets it even with her work as well as it being hung up—usually typewritten; but even if she knows how much she is going to receive for a particular garment, either for one garment or per dozen, it does not follow that she is going to receive at the end of the week what the Trade Board has determined she should have.

10,557. Not at all; I did not mean to suggest that. I merely meant to ask you whether the factory inspector did already inquire whether that Order is or is not carried out?—Yes.

10,558. Chairman: I think Dame Adelaide's point, and mine also, is that the same inspector who sees to that might also be authorised, by Act of Parliament or otherwise, to inquire as to the question of the rate of wages. Do you see any objection to that? I know it is not part of his duty now, but is there any reason why it should not be made part of his duty?—The Act would have to be so amended whereby the factory inspector would have to specialise, because I do think that it takes a special inspector to deal with the complications, particularly when you are dealing with piece rates.

10,559. I suppose no one is a factory inspector who has not a great deal of such knowledge?—I have no doubt they have.

10,560. Mr. Bell: Are you aware that demands had been made time after time for an addition to the number of factory inspectors on account of their already having more work than they could attend to?—Yes, I have heard from factory inspectors themselves that they are overworked.

10,561. So that if this work were put on to the factory inspectors it would still mean an additional number of inspectors, would it not?—Yes.

10,562. Have you thought of any other means by which the rates fixed by the Trade Board could be enforced?—You will have to have inspectors, and additional inspectors to the ones who are already appointed, if you are going to have the determinations

of the Trade Boards carried out effectively, because while you have the present state of trade in industries, particularly amongst the unorganised women, who have no redress unless you have thorough inspection.

10,563. The workpeople themselves generally know whether they are or are not receiving the correct rate, do they not?—Yes.

10,564. Have you thought of any method by which the workpeople themselves could complain and supply the evidence to anyone so that the necessary proceedings could be taken?—They do that now, particularly those that are organised. They will go to the trade union secretary and complain that, instead of their piece rate yielding, say, 9½d. per hour it is only yielding 8½d. per hour, or 7d. per hour, and the trade union secretary in the ordinary way interviews the employer, and usually, without complaint being made to the Trade Board and an inspector brought in, the position is rectified; but you have under the 1909 Act thousands of women who are unorganised, and it is those women that want looking after.

10,565. I am addressing myself more to the position where the rate is satisfactory but where the rate is not paid—not a rectification of the rate at all, but where the rate is not paid?—(Mr. Headon.) But where the rates are satisfactory?

10,566. Yes; the rate posted up in the mill or in the workshop may be the Trade Board rate, but the employer may not be paying it. Have you any method to suggest whereby proceedings could be instituted against the employer even without an inspector?—(Miss Loughlin.) Not unless the people were organised. You would have to have an inspector to discover that the employer might have the schedule hung up in the factory but was evading paying the rates of wages.

10,567. Chairman: Of course, if the girl were a member of a union she would go to her union?—Yes, if she is a member of her union she does report that she is not being paid the rate, but if you have an employer who has a number of unorganised people, if they do not complain, the only method that you have of finding out is through inspection. (Mr. Headon): May I say at this point, as an illustration, that at this present moment there is a case in London—or shall I say just on the outskirts of London—where the Trade Board notice is exhibited in the factory; the girls are unorganised, and naturally they believe, by the fact of the Trade Board Bill being put up in their factory, that they are under its operations, and that they are receiving the consideration due to them by the administration of that Act; and I find women of ten years' experience in the trade working 49 hours and receiving the miserable rate of £1 1s. 6½d. That came to me quite accidentally.

10,568! That is under the Trade Board rate, is it?—They are supposed to be receiving the Trade Board rates, and according to Mr. Bell the firm are not recognising that. The only thing that I can do with that case as a representative of the workers is to put it into the hands of the Trade Board officials for inspection. That is being investigated at the present time. It was quite accidentally that we got hold of the matter, from an unorganised centre.

10,569. Lord. V'oir: Assume that the worker was unorganised: Do you see any reason why she should not go to the local Labour Exchange, which is the representative office of the Ministry of Labour who administer Trade Boards, and complain and make them take it up?—The difficulty is in persuading the workers to take up that attitude. You have the greatest difficulty in persuading them to do it.

10,570. What is the difference between an organised worker going to her union and an unorganised worker going to the Labour Exchange?—(Miss Loughlin): If I may be permitted to answer, you usually get the most intelligent section of the workers organised, and therefore they usually have some knowledge of what they should be paid; but as regards going to the Labour Exchange, when you are dealing with unorganised people they often have really no knowledge of what they should be paid, and they would be the

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last people in the world to go and complain. Therefore, from the employer's point of view, it is unfair that one employer should pay the rates while another employer is evading paying the rates.

10,571. Therefore you suggest that the only way is to have an inspectional body?—Yes.

10,572. That can only be altered by inspection?—Yes.

10,573. *Mr. Poulton*: What you mean is that there should be a sufficient inspectorate to go round to the factories entirely independently of any complaints a union may make?—(*Mr. Headon*): Quite.

10,574. So that they shall see the list, and then go to the employees and say: "Are you receiving those rates?"—Yes.

10,575. That is what you really mean?—Yes.

10,576. *Dame Adelaide Anderson*: So that no worker appears in the attitude of a complainant against her or his employer in that particular place; it is an independent official enquiry?—Quite so.

10,577. Are there many factories in which there are no organised workers? I can quite understand that some shops are much less organised than others, but are there many places in which there are no trade unionists?—(*Miss Loughlin*): It would be mostly in the smaller towns or outlying districts. If you take the larger industrial towns you will find them more or less organised, if not the whole of the factory, a portion of the workers; and you see if you get a complaint from one or more of them actually an investigation takes place, because you yourself are endeavouring to find out whether the employer is evading paying the rates to the whole of the workers, and you may only have 50 workers out of 200 unorganised in the particular place.

10,578. The enquiry of a trade union official is always weaker where there is very little organisation?—Yes.

10,579. *Lord Weir*: Would it be altogether unreasonable to throw the responsibility on the worker for knowing what he or she should be paid? Do you think that is unreasonable?—Personally, I may not think it is unreasonable, but it is a statement of fact that you have a number of workers who do not know that they come under any Trade Board, and are perhaps not sufficiently interested in their every-day life to find out exactly what the employer should be paying to them.

10,580. Do you not think that understanding will grow very rapidly?—Of course, the Trade Boards are comparatively new, or the larger proportion of them. Do you not think that it could be reasonably anticipated that within a very short time 99 per cent. of the workers would learn what they ought to be paid? Would it not be a reasonable view to take?—From experience, we find that the girls under the Wholesale Tailoring Board and the Shirtmaking Board, and the old Boards that were set up under the 1909 Act, gradually became accustomed to the Boards, and they themselves know exactly what they should be paid; but even in those circumstances, and particularly during the slumps in trade, these women want some measure of assistance and protection, there is the fear of being dismissed, and some of them will not make complaints even to their own secretaries, because they are afraid of being thrown out of employment; and you have got to have some kind of protection for women.

10,581. *Mr. Layton*: There are two points raised. I think *Mr. Headon* quoted a case just now of a woman working 49 hours for 2s. 6d. Do you suggest that in fact that woman was not aware of the piecework basis time rate and what she ought to have had at the end of the week?—(*Mr. Headon*): You ask: Do I mean to imply that she would take that in ignorance of what the rates were?

10,582. Yes; I think that is the suggestion. There are two quite separate points: One is that the workers do not know, and the other is that they are afraid to take action. I think you suggested that sometimes many of them did not actually know what they ought to earn.—(*Miss Loughlin*): Yes, that is so.

(*Mr. Headon*): I am not in a position to say whether the usual custom of booking the piece rate for the garment on the worker's book is actually carried out at that establishment or not.

10,583. But the point is that the piecework basis time rate must be on a notice in the factory?—Per hour, yes.

10,584. She knows how long she has been in the factory and what she ought to earn?—Yes.

10,585. Would it be possible for a worker consistently to be taking home a wage below that fixed by the piecework basis time rate without knowing it?—Yes, I think so.

10,586. You think it would be?—Yes.

10,587. It seems a very astonishing thing?—(*Miss Loughlin*): It is quite correct, nevertheless.

10,588. *Mr. Bell*: You stated just now that if you had, say, 50 out of 200 who were members of the Trade Union, and they came and complained about the rate, you might visit the place without the inspector being called in and get the correct rate put into operation?—Yes.

10,589. What would happen to the back pay?—The back pay is paid, too. The Trade Union always has a way of testing piece rates. Usually we have some first-hand knowledge of piece rates, and if you have a complaint we call a shop meeting, and get the girls who have complained to give, as far as they are able—and often they have their wage books—their wages for a period of weeks; and turning over their wage book after wage book you probably find repetitions of similar numbers, and you know that for a period of months, probably, these girls have been engaged upon this particular work, and their piece rate has not been yielding the proper rate of wage. It does not follow that you go to the employer and tell him that you have only 50 workers. You go on behalf of the whole of the workers, organised and unorganised, and you state that the piece rates for a period of months have not been yielding the Trade Board rate, and if he does not alter the piece rates, and if he does not pay the back money to which the workers are entitled, you will have to report it to the Trade Board. In nine cases out of ten, particularly when trade is normal, the employer at once states that he is not responsible, and probably he did not know exactly what was being paid, or the organisation in his factory is wrong, and he puts the matter right and pays to the workers, without it being taken to the Trade Board, the money that is due to them.

10,590. *Chairman*: That is an excellent effect of organisation?—Yes.

10,591. I suppose it comes to the knowledge of other workers, and I daresay members of the union, of course?—Yes.

10,592. *Mr. Bell*: So that in those cases, or under those circumstances, there is no need for any additional inspectorate?—Perhaps you might have 10 employers who would pay up, and then you might have another 10 employers who would refuse point blank, and say: "Take it to the Trade Board. I am not going to pay the Trade Board rates"; and it is for those employers, perhaps, even when you are dealing with organised and unorganised workers, that you have got to bring the inspector in; and the inspector has a right which we have not: the right to request the employer to give him the books, and he himself can go through the books for a period of weeks or months and find out what is due to the workers.

10,593. *Mr. Poulton*: I take it that your point is that there should be a sufficient inspectorate altogether apart from trade union activity or trade union inspection?—Yes.

10,594. They should be able to go to the factory and independently go and see from the books that the workers are having their proper rates?—Yes. I venture to suggest that most of the attacks and propaganda against Trade Boards are partly due, or wholly due, to the lack of inspection. You have a body of employers who, when the 1915 Act was being talked about, welcomed the idea of some machinery

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so that they would be able to utilise it to prevent unfair competition; but, owing to the fact of the lack of inspection, the very employers who welcomed the 1918 Act have been its most bitter opponents, because they say that they want to pay certain rates, and the employer, perhaps next door to them, is evading paying the rates which they are willing to pay. It is from that point of view, I think, that you get most of the attacks.

10,595. *Mr. Bell*: I want to put another position to you. The appointment of the additional inspectors may be resisted on the ground of expense. Suppose, as a trade union official, you get sufficient evidence that a certain employer is not complying with the orders of the Trade Board, do you think it would be effective if you could then take your evidence, say, to the Chief Constable, who might send an officer to ascertain whether the evidence which you had supplied was correct or not, and a prosecution might then ensue?—It certainly would assist, but I do not think it would be as effective as having additional inspectors.

10,596. Of course, you are well aware that the ordinary police machinery is used for seeing that the

(The Witnesses withdrew.)

Sir ALFRED HOPKINSON, K.C., called and examined.

10,602. *Chairman*: You are the Chairman of the Aerated Waters Trade Board, of the Cotton Waste Trade Board and of the Laundry Trade Board?—Not now of the Laundry Trade Board. I was for a time, until the first period expired.

10,603. You have been asked to deal with certain points affecting the administration of Trade Boards, and first as to the fixing of a minimum rate. Is your opinion that the fixing of rates trade by trade is the right process?—Yes, so far as I have seen. I do not see any other way, subject to this: that it may be right also to have differentiation according to districts in some cases.

10,604. That may be very desirable in distributive trades, but what do you say as to the productive trades?—Take one case, the laundry trade. There, I think, was a strong case, on the evidence which was before us when I was a member of that Board, for having differentiation of districts. We had piteous letters from Stromness in the Orkneys saying that the rate that had been fixed for London was inapplicable there. Inspectors were sent down, and I have little doubt that those complaints were well founded. That is not a distributive trade nor yet a productive trade.

10,605. But it is nearer the distributive than the productive, because it is not a national trade; it is really a local trade?—That is so, but, on the other hand, we did find considerable difficulty with aerated water in having a different Board for Scotland from England because, in the North, the two Boards were in competition, and it was unfair to the English maker to have a higher rate than the Scottish rate, or *vice versa*.

10,606. That is a productive trade?—Yes, of course, that is a productive trade where English and Scottish makers are in competition. I think the whole point is: should the trades be in competition in different localities.

10,607. *Mr. Layton*: Will you pursue that a moment? Do you think that wages in the aerated water industry of Scotland and of England were different before the Trade Board was set up?—I do not know; I do not remember whether they were different before that or not; but still, in one case the law steps in and says to one set of people: "You must pay so much for your wages," and it may affect the price in the border districts.

10,608. You would agree that it is not at all unusual—in fact, it is common all over industry all over the country—that you will get competition between industries from different districts whatever

Weights and Measures Act is applied and that correct weights and correct measures are used?—Yes.

10,597. Do you know of any reason why the same people should not look after correct wages?—I would naturally welcome any suggestion or any additional methods of enforcing the rates of wages already in existence.

10,598. *Chairman*: Then you have some suggestions for more efficient administration. Have you anything to say on the point of inspection other than what you have said?—No. With regard to administration I support the majority report, and I regret that the Ministry of Labour has not seen its way clear to put that Report into operation.

10,599. What Report is that?—The Majority Report. I think it would have gone a long way towards overcoming our difficulties.

10,600. That is the Report of Mr. Wolfe's Committee, as we call it?—Yes, exactly.

10,601. (To *Mr. Headon*): Have you anything to add?—(Mr. Headon): No, I think Miss Loughlin has covered it all, and it is no use reiterating.

Chairman: Thank you; we are much obliged to you.

different rates of wages prevail?—Yes, but it is better to avoid it if you can, where the article is definitely in competition and can be easily carried from place to place. In the case of the laundry trade, of course, you have to do it on the spot, and in certain other cases the work done on the spot—

10,609. Would you consider the fact that industries compete at a given line tends to equalise the wages in different districts serving that neutral territory?—I think it would be much better to put it all under the one Board in those cases where there is possible competition, and to leave the matter to be dealt with by District Committees of the same Board or for the Board to deal with it on the report of District Committees, not two quite independent Boards in those cases; whereas there are other cases in which two Boards for England and Scotland would be a positive advantage, where there is no competition and very different conditions.

10,610. *Chairman*: On the question of the minimum rate, have you had occasion to consider the basis upon which the minimum rate should be fixed?—In fixing it by the Board, do you mean?

10,611. In fixing it by the Board?—Yes, a good deal; and in one Board the suggestion was made to make the rate vary automatically according to the index figure. I do not think that is quite satisfactory. For one reason, there are administrative difficulties; another thing is that the index figure is not by any means the only element arising; there is the condition of trade, and all sorts of things; and although it is a very important element, it is not the sole element in the case. There are other elements that come in.

10,612. In the case with which you are familiar, how do you fix your minimum?—Take one case, say cotton waste. We consider the fact of the cost of living; we consider the rates which are paid in similar employments as near as may be, and all the other elements of the case; and then the parties talk it over, and in the result, after talking it all over together, we have in that case arrived at what we thought was the fairest minimum rate, ultimately adopted by agreement of employer and employed. Then afterwards, when the index figure of the cost of living, which had been one element in the case, fell very largely, the point was raised again, and the wages have been reduced, not exactly in the same proportion, but to some extent, owing to the cost of living having been reduced, and also owing to the fact that the trade, instead of being prosperous and well able to pay, had become exceedingly

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unprosperous. Both elements came in, and the wages were reduced in that case by agreement after two discussions, in steps.

10,613. Take a case like the laundry trade; I suppose it is a fact that the cost of living differs in different places?—Yes, very much.

10,614. It is higher in one place than in another?—Very much.

10,615. Upon which of those places do you base your minimum wage, so far as it is influenced by cost of living?—There we did the best we could; that is about the long and the short of it. The cost of living varied very considerably, but not as one would have expected, *a priori*. We tried at one time to get up a scheme, dividing the country into areas, and I think we got a fairly good scheme; but you cannot carry out that kind of scheme unless there is something like general agreement about it, because you can always point to anomalies in some individual cases, because you must draw the line of area somewhere; and the thing broke down.

10,616. In the end, upon which cost did you base your rate; was it on the cost of living in the area where the cost was lowest, or did you take some other figure for your minimum rate?—For the whole country?

10,617. Yes.—It is difficult to say when the thing is settled by agreement. The Appointed Members do not act as arbitrators, and where it is a question of agreement I may say at once that one is not always sure what are the elements which have resulted in a certain vote. It is a different thing in the case of an arbitration; an arbitrator knows why he does it, but I should say, so far as one can, although it is really guesswork, that the tendency was to go according to the sort of average, as near as you could. It operated hardly in some cases upon employers and also upon customers where the cost of living was very low, and perhaps a little hardly on the operatives where the cost of living was high. The laundry case was, in my opinion—I may be wrong—a strong case for differentiation of rates; it was one of the strongest; but I am told that it has not come off. I do not know.

10,618. *Lord Weir*: In dealing with these principles, or perhaps lack of principles, in fixing minimum rates, have you in view a single minimum rate, or are you speaking of all your minimum rates?—Do you mean according to area or according to age, or what?

10,619. Take male adults, for example?—Take male adults; I think the same would apply to fixing the rate for male adults or female adults.

10,620. That is not exactly what I meant. What I meant was this: You have explained the principles under which you fixed your minimum rate. Was that for the lowest grade of labour the lowest minimum, or for each a different minimum?—I see, according to the character of the work done?

10,621. Yes.—In the two Boards with which I am now concerned—and I think from recollection it was the same in the Laundry Board—we fixed according to the lowest scale for everybody and did not fix graded rates according to the character of the employment. Do I make my point clear?

10,622. Yes. You refer merely to a single minimum for adults, say, over 21?—Yes, for adults. In the Boards with which I am concerned—I believe it is different in others—we have not fixed different rates according to the grade of work.

10,623. You have not attempted to regulate wages?—No, we have not attempted it, and as far as I remember, I do not think we have been asked on either side to do so. It is owing to the character of the trade, I suppose.

10,624. You did not consider it your duty under the Act to regulate the wages?—Not unless it was raised. I think it is very important that Appointed Members as a rule should await the initiative from some of those engaged either as employers or workers, and we have not had it brought up, as far as I recollect, on any of the three Boards with which

I have been concerned; but I believe that it is different in other cases.

10,625. *Chairman*: Yes, it is.—I would rather not offer an opinion, although perhaps *a priori* one would think that it was a good thing to do; but it has not been brought before us.

10,626. *Dame Adelaide Anderson*: A question which I want to ask is simply whether in the laundry trade, which has been referred to repeatedly, the conditions are really very much the same in the long run as in productive industries as regards a general rate instead of local district rates? The clients do choose one district or another according to the cost. If you did it more cheaply in a place not very far from London the laundry work would certainly go out there?—There is a difficulty there, and we had that difficulty to face.

10,627. It is the same in almost any part of the country. It is only partial, because those who are very poor, and who are in the locality, would use the local laundry although other laundries some distance away might have cheaper rates?—Working it out in practice one got, I think, a fairly satisfactory kind of scheme of differentiation varying partly according to living and also based on this, that if prices are much raised you might have a village where people would not send their things to a distance or even to any laundry, but would do them at home, which is different from London conditions.

10,628. It is, in fact, only the distributive industries where you can very well fix local district rates without upsetting the balance of trade?—I should like to try it in any individual case. In the laundry case I think we did work it out fairly well, but, as I said, I think it is quite possible in any one of those areas to find that you would have some glaring anomaly, and if there were disagreement on any one Board in fixing it originally, they would use that to discredit the whole thing. It is just the case that one suggested about the area a little out of London. You will do this injustice if you apply it, but you may do a bigger one if you do not vary the rate, and I think you would in some trades; but I do not think that that would apply in the case of cotton waste or in aerated waters, as far as I have seen. There has been no demand of either side for differentiation in either of those cases, except as regards Scotland in the case of cotton waste; and in Scotland the aerated water trade is under a separate Board.

10,629. *Mr. Layton*: Was your scheme on the Laundry Board based on the difference between town and country, or did you take counties or groups of areas in the country?—Areas, not counties. Counties would not do a bit. Take Birmingham, for example: there are places in Warwickshire, Staffordshire and in Worcestershire, which are within the Birmingham area. We took areas and carefully settled them according to the evidence as to the cost of living and general conditions.

10,630. What sort of areas? Did you cut the country up into 50 or 5 areas?—It would depend upon the thickness of the population. Take Manchester as a centre: you have a large area round Manchester; and you might take the Eastern Counties as one. I forget the exact details, but we worked out the scheme after a good deal of trouble; but it never came into operation, and never could in the face of strong opposition, because the anomalies, as I pointed out, would appear so unanswerable.

10,631. Were those objections from individual people?—I think there was a general feeling amongst the workers in favour of a uniform rate throughout the country. We did fix a differential rate for the London area, but whether that has come into operations or not I do not know. I forget how many miles round London it was, but enough to take in the suburban areas and the sort of district which would be served by motor from London.

10,632. Do you consider that the agricultural districts were fully represented on either side of the

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Board?—I should say not in that case, if you are speaking of the Laundry Trade Board.

10,633. Yes. I am?—With regard to the Aerated Water and Cotton Waste Trade Board, cotton waste is a very concentrated industry.

10,634. I am speaking of the laundry trade?—No, I do not think they were.

10,635. Might that not be one of the reasons why this differentiation was turned down?—Quite possibly; it is very likely indeed; but I think it was also because of the general feeling against it on the part of the workers, who felt that there should be a national rate. I think that is the general idea. They were against the rates, and then the practical detailed difficulties of settling it were so great that you could not force the thing through against that opposition. But I do not think that the problem is insoluble in a case like that.

10,636. *Chairman*: Then you have been asked about rates being enforceable, and you say—and I am not surprised—that the minimum rates ought to be enforceable, but as regards rates above the minimum you have no personal experience?—No, I have not had anything to do, on our Boards, with cases where there are higher classes of workmen or workwomen who expect a higher rate. I believe in many cases they get it.

10,637. Undoubtedly—I mean they get it by agreement; and of course any fixing of minimum rates does not in the least prevent that.

10,638. Obviously not. Then as regards time, you think, agreeing I think with every witness whom we have heard, that the time which it takes to vary a rate is too long?—Quite too long. There is a good deal of feeling about that. It was quite right when fixing the rate originally to give plenty of time to turn round, but variations are often quite small, and the time is definitely too long and could be shortened now.

10,639. Then as regards the need for appointed members, you think them essential?—Yes, quite. There is one point there. I am afraid that my short answer has been omitted, about the number of appointed members actually sitting. Three are much more effective than a larger number. We talk together, and we know where we are; and you cannot with a bigger body than that. There would be no harm in having a fourth to be appointed as a sort of extra man to come in when required. Sometimes it is awkward for the chairman to be sitting alone; other members may be occupied with some engagement elsewhere; and it would not be at all a bad thing to have an odd man out who could be put in as a substitute; but not more than three should sit at once.

10,640. You mean what is sometimes called an alternate?—Yes, one to come in as a substitute. The three can talk together, and three are much more effective than a larger number.

10,641. Then you would rather have three than one, I suppose?—Very much. We have a lady sitting with us regularly; and in cases where there is a large number of women engaged I think that is important. Then there may be somebody who is a really good economist, who is of great help to a person like myself, who is only a lawyer. It is useful for three, but no more, to act together.

10,642. *Mr. Pugh*: What do you think of a Chairman covering a number of Boards? Do you think that a sort of permanent Chairman covering a number of Boards is better than a Chairman operating only on a single Board?—I think a man is better if he has two or three Boards. I do not know that it need be a large number, but I think that certainly the experience in one helps with another. He gets a different type of people; he sees different classes of problems; and I think he is a better man for the job if he has two or three Boards. It does not matter to a rigid number. But there I was going to raise a point, if I may do so, which I think is somewhat important. I think from what I hear and from

what I have seen that it would be a highly desirable thing to group a little more. We are having a great many awkward questions about the scope of the Boards—under which Board a case falls. I will mention one monstrous case, if I may, and it is this: Take the Aerated Water Board; if you carry on beer bottling in conjunction with the bottling of aerated waters you come within the Board, if the employment is interchangeable. If that beer bottling is going on on the other side of the street you do not come within the Board if it is a separate thing, although not carried on by the beer manufacturer at all. It is a very great hardship if A B on one side of the street is under a Board, and C D can pay any wages he likes on the other side of the street for doing exactly the same work. Also there is the same inconvenience in allied trades. The shopmen, I am told, may have a dozen different Boards to go to. You want some grouping—some better means of defining the scope of operations of Boards. At present the Minister sends to the Board, and the Board sends in its advice, no doubt often very good, but there is no very satisfactory body for determining the scope of the Board, and if we could have the Boards more grouped to avoid variety and also to secure less varying rates for similar work, it would be a very good thing. The Boards want sorting.

10,643. *Mr. Pugh*: What about a central authority for that purpose—some sort of central court representative of Boards which would co-ordinate and deal with these particular questions of scope?—There are two things that are allied, but one rather wants to keep them distinct; one is fixing the character of the Board at first and defining the extent of the order which determines the jurisdiction of the Board, and the other is after the Board is once constituted, and its scope defined—to determine the judicial questions which arise afterwards, namely, for example, is a particular trade or a particular operation within the scope of the Board; there ought to be more uniformity of decision. That is when the Board is constituted, to guide the Board. There I think the work which is done by the Ministry confirming, and some of the work which would be done by magistrates, would be a great deal better if you could get, as is suggested, a kind of uniform tribunal with such a person as an experienced chairman of Trade Boards who is a lawyer acting with a couple of other people, say, and possibly with two representatives of workers and of employers as sort of assessors. To take an example, there is one thing with which we have to deal quite constantly in that sort of judicial way, that is to say, cases of people who are debilitated and who ought to get some different rate of wages from the minimum fixed by the board. Applications are made for permits, and I have found that sitting with a small committee of three or five representing the workers and the employers, with one Appointed Member, we usually get through those permits without any friction whatever, and they are treated perfectly judicially; and I believe that that sort of working together does a great deal of good. The workers' representatives see the employers treating it quite fairly for the benefit of the men, and *vice versa*, and those tribunals get through their work very quickly, and without any friction whatever as far as I have seen.

10,644. *Mr. Poulton*: You look upon that as very valuable?—Quite valuable. It has a good moral effect, and also it does its work.

10,645. *Mr. Pugh*: The point is that, based upon your experience of that type of machinery for dealing with those local questions, you think that an outside similar body as a central authority might be useful for larger and more general questions which the Board has to deal with?—Yes, I think so. I think a body of that sort might be very useful indeed, especially if it would keep in touch with the officials at Chancery Lane—or the Old Bailey now. From what I have seen there, I believe that those who come there inexperienced, as naturally a chairman often does find the greatest advantage from

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consultation with the officials there, who know their work down to the ground. They are not obtrusive, but you can rely upon their work as being thoroughly well done, and upon their advice as being thoroughly sound, and that helps to secure a certain amount of uniformity; but it is not enough.

10,646. *Chairman*: Have you the same favourable opinion about the accommodation at the Old Bailey as you have about the officials?—It is on the right-hand side of the street going north. The situation is all right, I think; and the accommodation is not very bad.

10,647. We have had some attacks upon it.—I should not like to commend it too much, but I have seen worse.

10,648. *Dame Adelaide Anderson*: Some people are much more sensitive than others to lack of air?—Yes, and I think meetings of our Board sitting in that building have not been very prolonged, as a rule; we have got through fairly quickly. Certainly the help given by the officials is very great.

10,649. *Chairman*: It was after your time that a member of the Laundry Board, it was said, was carried out of the room?—Yes, I was saying that my two Boards now sitting are as a rule short. The sittings of the Laundry Board were not short, and I must say were a little exhausting at about half-past 7, after being in a close room all day; but still, it was difficult in the nature of things. I have sometimes found the Courts worse.

10,650. I think we have taken you through most of your other topics. You say at the end that the influence of Trade Boards on the whole has been good?—I think so. I think the people get together, some of the trade union workers and some of the employers, and they see at once that they are both really out for doing the best they can for the workpeople; and I think both sides see that they are doing their best; and I think that a third party coming in sometimes does help in that way.

10,651. *Mr. Pugh*: Have you anything to say on apprenticeship schemes?—I am sorry I have not, because I really do not know enough about it to give anything which to a Committee of this sort would be of value. As to the age question, we have had a good deal of discussion about whether there should be an apprenticeship period, and upon that I do not think that there is any general rule laid down.

10,652. You have just discussed it?—We have managed to get a sort of working system, decided in that case by vote of the appointed members between the view taken on each side. We had to get it through on a vote.

10,653. *Mr. Bell*: In arriving at a minimum on the Boards with which you have been connected, have you aimed at a minimum wage, or a minimum piece rate?—A minimum wage in the two Boards which I am on now. We had the question of a minimum piece rate a good deal discussed at the Laundry Trade Board, but upon the Boards which I am on now we have been dealing principally with a minimum wage, practically an hourly wage.

10,654. There is one other question that I want to ask you, and it is contained in paragraph 6 of your statement: "The Minister's position as the rate-confirming authority." You state: "Apparently necessary to maintain this, but if the Board are agreed, and indeed in any event, the Board's decision should very rarely be interfered with." Do you know of any reason why the Minister should have any option in the matter at all but to confirm if the Board are agreed—if the representatives of the employers and the representatives of the workpeople are agreed?—I would not like to say off-hand that there could not be such a case, but in a case of that sort what I mean is that he should have the case set up, and he or his advisers should take the papers at once and say, "That is done," unless there is some reason to the contrary, and he should pass it at once without hesitation.

10,655. *Chairman*: What about the consumer; is he not to be considered at all?—Yes, I say that there might be a case, but on the evidence which comes up

before the Trade Board it would be very difficult to get the consumers' view properly represented.

10,656. *Dame Adelaide Anderson*: Did not the old trade guilds rather come to pieces over that?—Over running it up?

10,657. Over running it up as against the general welfare of the whole?—I think the point there would be that the two parties are rather a check on each other, and they will not have the trade killed by too high wages.

10,658. Their interest is really that of the consumer at the bottom?—The consumer will then take care of himself as a rule.

10,659. *Mr. Pugh*: Then really there is no difference between an agreement between the two parties on a Trade Board and an ordinary Board in another industry?—Yes, I would not like to shut the door. I think there might be a case in which the Minister might be allowed to interfere; there might be a case where really he saw that the two parties were together, and had got the consumer by the throat, if it were a matter of providing water, or some necessity of life.

10,660. *Dame Adelaide Anderson*: Or milk?—Yes, quite so; and therefore those rare cases, I think I should keep the Minister's powers of intervention; but I should make it clear that instead of leaving the thing to be considered for a fortnight he should, if there were an agreement of the Trade Board, and unless there was some special reason to interfere, endorse it at once as confirmed.

10,661. *Mr. Bell*: The only thing, I think you will agree, which would have an effect upon the consumer would be the fixing of an unreasonable rate. Are employers ever likely to agree to an unreasonable rate being fixed?—I think it is possible. There are cases in which I think it is possible, although I have not come across one. I think they would be rare, but the two which have been mentioned are cases in point.

10,662. Have you ever come across a case where the employers have agreed to an unreasonable rate in a well-organised trade, altogether apart from a Trade Board?—I have not come across one. I do not know, but there may be cases. I like to be on the safe side if it does no harm.

10,663. *Mr. Poulton*: I take it from your summary, in reply to Question No. 10, that on the whole you are satisfied that the Boards have been for the advantage of the community?—So far, I do not mean by that that they ought to be extended; I do not mean to say by that that they ought to be indefinitely continued even. But so far as I can form an opinion upon a limited experience, I think they have done good—good to the worker, and I do not think any harm to the good employer in the trades with which I have had to do; and I think a good feeling has been created rather than the reverse, speaking of the two Boards upon which I am now.

10,664. It is an advantage, surely, to bring about a better understanding?—Yes, distinctly. One feels on both sides that these are men who will act judicially; they know their job; and the Appointed Member, if he knows his, is guided very much by them when the employers and workers are agreed, and they see each other's point of view, and act fairly in the main.

10,665. *Mrs. Lyttelton*: I wanted to ask whether you could tell me at all how far the minimum piecework basis time rate has produced applications for exemption—whether under the ordinary wage rate you get more exemption applications than you do under the piecework basis time rate?—I have not enough information to give you any information which is worth having upon that.

10,666. You deal almost entirely with wages?—It is a matter upon which anything I said would really have no value. It would be rather guess-work than experience.

10,667. *Lord Weir*: There is one point which I should like to ask you about grouping which would

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help us a little. You gave us an example of a beer bottler and an aerated water bottler?—Yes.

10,668. How would you deal with a question like that in grouping? Would that not tend to lead you towards an occupational rate?—I would say there a bottling rate.

10,669. Would that not destroy the whole edifice of the present system of Trade Boards?—No, I think it would help it. These things have grown up quite haphazard; you have found a few cases where there was scandalous under-paying and sweating, and a Board was created; then another, and then another, almost at haphazard. Now the whole field ought to be surveyed, and you ought to divide your trades and group them, so as to have men doing similar work receiving the same minimum wage as far as possible.

10,670. *Dame Adelaide Anderson*: You would have to have a rate for the bottling of beverages?—Yes.

10,671. Because otherwise you would have warehouses, and all kinds of different occupations, brought in?—This question of scope we are constantly considering, and constantly deciding, or giving our opinion upon, and I am not quite satisfied with those opinions sometimes. I think they are the best we can give, and I think they are as sound as anybody could give, but—

10,672. *Lord Weir*: What I want to get at is this: whether you seem to discern the final outcome of this to be division by occupation, or whether, if we go on as we are going on to-day, you will arrive at purely arbitrary divisions?—And it gets worse with every new Board you establish.

10,673. Yes. Each new Board complicates the position of the next half-dozen Boards?—If I chose—but it would take up your time for too long—I could give you curious conundrums which arise as to the scope of the Board. Those might be got rid of. Our decisions are by no means always satisfactory, but we have to act according to the wording of the Order. Those Orders ought to be reconsidered, and they ought to survey the whole ground, and the Government ought to say, "If you are going to continue Trade Boards at all, these trades should be dealt with by the Boards"—to see which trades are suitable for that

(The Witness withdrew.)

Mr. W. H. STOKER, K.C., called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

STATEMENT OF W. H. STOKER, K.C., Chairman of Corset, Fur and Made-up Textiles Trade Boards, and Appointed Member and Deputy-Chairman of Paper Bag Trade Board.

In this Statement I am confining myself in the first instance to answers to the various points set out in the margin.

1. *The principles of minimum wage legislation.*
 - (a) *National Minimum wage;*
 - (b) *Legislation trade by trade;*
 - (c) *Legislation district by district.*

I am not in favour of one national minimum wage for the whole of the trades covered by Trade Boards, but think that legislation should be trade by trade, that is to say, the Trade Board for the particular trade should legislate for the trade belonging to it. This comprises my answer to (a) and (b). As regards Legislation district by district (c), I am of opinion that it may be necessary in some trades to have district rates of wages fixed by the Trade Board concerned, but my view is that instead of establishing a district Trade Board, the rates should be fixed by the Trade Board dealing with the whole of the particular industry. The power already existing of setting up district Trade Committees, in my opinion, sufficiently meets the position, where such Committees are necessary. At present District Committees if and when appointed report to their Board their recommendations as regards rates of wages for their particular district, which are then considered

purpose. Having got them, you group your Boards according to the character of the occupations.

10,674. *Mrs. Lyttelton*: In fact, you think that the bottling is more important than what is in the bottles?—For that purpose very much more important. I mean one is quite equally willing to consume ginger ale, or the ale which is not ginger, but why on earth the poor person who does one is paid at one rate and the person who does the other at a different rate, I cannot see.

10,675. *Chairman*: But still, you would not include all bottling of any kind?—No, that would want defining; but there is a clear case, and a startling anomaly, and a practical injustice done.

10,676. *Mr. Pugh*: Do you claim that the Board is the most competent machinery to settle that question, and, granted the responsibility of the Board, it should have full autonomy with regard to settling the scope of its operations?—No, I would much rather keep two things distinct. There is the scope of the Order creating the Board, which ought to be dealt with by the Ministry on a survey of the whole of the facts, and then, having got that Order, whether a particular case comes within it is a matter for judicial determination, and I should think that there the Board ought to be consulted; but I do not think that it will be at all a bad thing to have a determining tribunal for determining all these judicial questions. A magistrate's clerk cannot do it satisfactorily as a rule.

10,677. Such as you were mentioning just now?—Yes. To take questions of this kind before the average magistrate's clerk, however good he may be, is not very satisfactory.

10,678. *Chairman*: You would have a central authority, such as Mr. Pugh described a short time ago?—Yes, keeping the two things quite distinct—the selection of the Board and definition of limits of scope and the judicial decisions as to the meaning of the Orders and their effect after the Board has been created.

Chairman: Thank you, we are much obliged to you for coming.

by the Board and can be given effect to if approved. The Board no doubt has to take a broad view of the industry as a whole in the country, but has a duty to consider the conditions also of the particular district and the recommendations of a Committee. The particular Trade Boards of which I am a member have not hitherto, with the exception of one district Committee. In the case of this Board one has been set up for Scotland, mainly at the instance of certain members representing the trade in Scotland. I think that the reasons underlying this were mainly that it was desired to secure a somewhat lower rate for Scotland, and that the Jute and Flax and Hemp Boards, the trade of which is somewhat allied to the made-up textiles, had their meetings as a Board in Scotland where those industries were principally carried on. The rates fixed for these Boards were somewhat lower than those proposed for the made-up textiles industry. No rates have yet been finally fixed in the made-up textiles industry, but when the Board met to consider the proposed rates and also the recommendations of the Scottish District Committee, which had recommended lower rates for male workers than those proposed for the county generally and 1d. per hour lower rate for the lower section of female workers, the Scottish members agreed to the same rates for Scotland as had been originally proposed for both countries, upon the workers' side agreeing to meet again in two months' time to consider proposals for variation of rates generally. There were some rather peculiar circumstances as regards the Scottish meeting, at which, after a somewhat prolonged

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sitting, both sides suddenly came to an agreement, which was in the nature of a compromise. This was the first meeting of the Scottish Committee, and I do not think that the result can fairly be regarded as a proof that such Committee was a failure or that District Committees if appointed by other Boards are likely to lead to similar results. I am of the opinion that District Committees may prove of great value. Even if their recommendations are not adopted by the Board, yet a useful purpose will have been served by the ventilation and discussion of local conditions. On the other Trade Boards of which I am a member there appeared to be no desire on the part of the Board to have District Committees set up, probably for the reason that in the Fur Trade Board the industry was very largely confined to the metropolis, and there were no allegations of any special local circumstances elsewhere which called for differentiation in wages rate. There is a somewhat larger distribution of trade in the Corset and Paper Bag Trade, and I am not able to say exactly why there was no desire to set up District Committees, but when the subject was first brought out it was dismissed by the members of the Board as unnecessary in the trades, at all events at present. All these Boards are young Boards.

2. *The principles on which minimum rates are settled by Trade Boards.*—As regards the principles on which minimum rates are settled by Trade Boards, my experience is that a variety of considerations enter. The employers generally propose some rate which is less than they are prepared to pay, and the workers' side proposes some rate which is higher than the one they are prepared to accept. What is eventually settled as a minimum rate is generally based on mixed considerations, the rates generally paid by employers where there is a certain amount of organisation amongst the workers which has had the effect of raising rates, the rates paid by the more liberal employers, by those less liberal, the rates previously fixed by other Boards in comparable trades, the rates of wages paid prior to August, 1914, considerations as to what extent this was too low a wage, the rise in the cost of living since then, the general state of the trade and of employment, etc., etc. All the above considerations enter into it, not one of them by itself determines the matter, but it is a case of weighing all considerations and getting a result which does justice to the worker and also to the employer. This sounds somewhat ideal, but I think it represents the general principles on which the Trade Boards, of which I am a member, have acted or tried to act. There is, of course, always a certain amount of give and take, as in married life, and sometimes one party is less dissatisfied than the other.

3. *The method by which Trade Board rate settlements are reached, e.g., how far such settlements are reached by complete agreement between employers' and workers' representatives: how far they are reached by*

(a) *The influence;*

(b) *the votes of the Appointed Members.*

The method by which rate settlements are reached is indicated to a certain extent by the foregoing remarks as to principles. It is seldom that they are reached by complete agreement at the outset between employers' and workers' representatives, but they are often reached after a process of bargaining and consultation between the parties without the influence of the Appointed Members. In some cases they are reached by the aid of the influence or views of the Appointed Members, and sometimes by the direct influence of the Appointed Members. It sometimes happens that the Appointed Members, whilst not prepared to vote for one side or the other, yet feel that their views are nearer to one side than the other. In these cases the Appointed Members see the two sides separately, and thus bring about a compromise. In extreme cases they sometimes suggest to the side to which their own views are nearest, that if they can bring themselves to coincide, they, the Appointed Members, will vote with them. The side to which

the Appointed Members are nearest in their views will then amend their proposals accordingly, and the rate is fixed with the aid of the vote of the Appointed Members. It is, however, only after prolonged discussion and careful consideration by the Appointed Members of both sides of the question, and after the Appointed Members have formed their own views clearly that this takes place, and the decision of the Appointed Members is analogous to that of an impartial arbitrator. It is conceivable that another position may arise, in which either the Appointed Members' views are too far apart from those of either side, or the side nearer to the views of the Appointed Members will not budge. This would probably lead to no rate being fixed at all at that meeting. This has not actually happened on any of the Boards of which I am a member, but on one or two occasions there has been an adjournment to the next day, to give the parties a further opportunity of consideration and approach. As regards the Appointed Members, these have always been unanimous in vote, but there have been interchanges of views and sometimes small compromises between them after discussion, I do not think it is correct to say, as has, I observe, been stated in evidence, that the employers' representatives have given way or agreed from sheer weariness. At all events, not on my Boards, or by undue pressure by the Appointed Members. I have discovered no signs of weariness on the part of either side, nor any enforced surrender. The fact that on more than one occasion the rate has been carried generally on quite a small difference, by the vote of the Appointed Members, is evidence that both sides are game to the last. Any representative or body of representatives who agree merely from sheer weariness are obviously abrogating their duties and functions.

4. *The present rate-fixing powers of Trade Boards. Are the present powers*

(a) *adequate;*

(b) *excessive?*

As regards the question whether the present powers are (a) adequate or (b) excessive, I am of opinion that they are adequate so far as their powers to fix rates are concerned, but it is open to question whether they are adequate so far as concerns the getting of information as to all factors which require to be taken into consideration. For instance, employers may, and frequently do, urge a depressed condition in the industry as regards prices, markets, competition profits, or losses, on which it is quite impossible for the Appointed Members or for the workers or, indeed, the Board as a whole to come to a satisfactory conclusion. The employers alone know what their profits or losses are, and know more about the selling conditions of the trade than the workers or the Appointed Members. It is not suggested that an inquisitorial investigation would be possible or advisable into the position of individual firms in this regard, and it is very difficult to formulate any method by which the position of an industry as a whole can be correctly ascertained. But the workers' side naturally largely discount the employers' statements when unfavourable, and sometimes without real cause, and on suspicions which at present go undisplaced by actual evidence.

I do not think that the present powers are excessive, but I think that some variation is advisable, so that the present permissive powers of the Boards to fix piece-work rates and minimum time-rates for the higher grades of workers should not be exercised by a Board except on the agreement of both sides to consider and fix them, and even then they should be agreed rates. I am assuming, in going so far as this, that the employers' side of the Board contains adequate representation of the smaller employers. I am of opinion that a minimum time-rate should be fixed in respect of each sex. The other rates, if not fixed by consent as aforesaid, should be built up upon these by agreement or contract outside the Board. The minimum rate should, I think, be a

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rate for the workers at the industry itself. It is probable that it may be necessary to also have a minimum time-rate for the workers appended to the industry, such as porters, messengers and the like. This would mean a special separate minimum rate for that class. The alternative would appear to be by permit to allow employers to pay to that class wages below the minimum rate for operatives (in the manufacturing trade) and counter-hands (in the distributive trade).

5. *The sanctions behind Trade Board rates. Should State enforcement be*

- (a) *maintained;*
- (b) *restricted in respect of any rates or classes of workers?*

I am of opinion that Trade Board rates, if and when fixed, should be enforced as at present, and that with the safeguards already mentioned as regards fixing the higher class rates the enforcement should not be restricted. It may be open to doubt whether the ordinary magisterial tribunals at present hearing these cases are suitable. The adjudication in this class of case requires rather special qualification, and the ordinary magisterial courts have not always the knowledge, time, or inclination to deal with them. It might be possible to revive for these cases the tribunals which dealt with cases under the Wages (Temporary Regulation) Act. I believe the personnel of these tribunals still exists, and the chairman of the Courts of Referees under the Insurance Acts would still be available. Whilst on this subject I would like to refer to the question of the adequacy of the inspecting staff for the discovery, investigation and prosecution of breaches of the law as regards rates paid and otherwise. This has already been referred to, I believe, by other witnesses. On one of my Boards (the Fur Trade Board) both sides are convinced the evasions and contraventions go on to a very large extent and escape discovery and punishment, which is unfair to the workers and also to employers who are observing the law, and they feel very strongly about it, so much so that one of the leading employers' representatives of the Board is disposed to resign unless the Act is more generally and rigidly enforced.

6. *The Minister's position as the rate-confirming authority.*—As regards the final confirmation of rates fixed by the Trade Boards, I was at one time inclined to hold the view that the proposed rates should become absolutely fixed upon confirmation by the Board, letting the Board bear the full and sole responsibility, reaping the fruits of its own errors, if any, and rectifying them itself, if necessary, on fresh proposals. But I have come round to the view that, for the present, at all events, it is desirable to maintain the check and protection of the Minister's confirming authority. Apart from the above, other considerations come in, such as the interests of the public, and other industries.

7. *The need for Appointed Members.*

- (a) *Chairman;*
- (b) *Additional Appointed Members;*
- (c) *Voting powers.*

As regards the Chairman and Appointed Members, and their voting powers, I have no fault to find with the present system. I think that it is absolutely necessary to have some deciding factors on the Board unconnected with either side. It might, however, be considered whether it would not be as well to add somewhat to the number of Appointed Members on the larger Boards, and even on the smaller Boards. There are sometimes unavoidable absences during the whole or part of the proceedings, and it is undesirable that the Board should be left, as sometimes has been the case, with one Appointed Member in the chair only.

8. *Provision for special local conditions. Possible differences to which regard must be had in making such provision between manufacturing or wholesale and retail distributive or making-up trades:—*

- (a) *Settlement of district rates nationally.*
- (b) *District Committees.*
- (c) *Possibility of grouping retail distributive and making-up trades by districts.*

My evidence under Question 1 has, I think, dealt with the question of provision for special local conditions. I think district rates should be settled by the Board, with the assistance of District Trade Committees, where such exist. I think those should be set up more generally than at present, but no hard and fast rule can usefully be laid down either as to distinguishing between manufacturing and distributing trades nor as to grouping by districts, though probably more feasible in the distributing trade. I have had no experience of Trade Boards in these trades.

9. *The value of the special powers of Boards in regard to juveniles:—*

- (a) *The fixing of rates on a pure age basis.*
- (b) *The fixing of rates on an experience basis.*
- (c) *Apprenticeship schemes.*

As regards juveniles, I think that rates should be fixed on a mixed age and experience basis. It is not very easy to devise a completely satisfactory scale, but it is possible, given sufficient time and attention, and with recourse to a committee or committees for that purpose. One of the difficulties as regards matters requiring prolonged consideration is that sometimes too much is crammed into one day's meeting, which is natural when many of the parties come from some distance.

Apprenticeship schemes are, I think, a good thing in the more highly-skilled trades, but learnership systems generally answer the purpose in the others.

10. *The influence of the working of Trade Boards on relations between employers and workers.*—I think that the working of Trade Boards improves the relation between employers and workers. Some employers, even in these advanced days of trade unions, object to and resent the intrusion of trade union officials into their relations with their workers. But their association under a scheme of meeting, to which they have been parties, and upon which they have been consulted in regard to its establishment, and in the presence of neutral persons, is quite a different thing. So far as my experience goes on the Boards of which I am an appointed member, the relations of employers and employed, so far at all events as their representatives are concerned, appear to improve at every meeting. This cannot but influence and reflect on employers and workers generally in the trade, and employers find that the Trade Boards protect them from unfair competition.

10,679. *Chairman:* Mr. Stoker, I think before 1914 you were first Attorney-General and then Judge of the Supreme Court in the Colonial Service?—Yes, I was.

10,680. And your experience of labour questions dates from 1915?—Yes.

10,681. When you were appointed Chairman of the General Munitions Tribunals and assigned to the North-East Coast?—Yes.

10,682. And then from 1916 to 1920 you acted fairly continuously as an Arbitrator and Chairman of Arbitration Boards and Courts?—Yes.

10,683. And during the last three months of the existence of the Interim Court of Arbitration and of the Wages (Temporary Regulation) Act you were one of the chairmen under that Act?—That is so.

10,684. I believe you began your Trade Board experience in 1919?—Yes.

10,685. Then you were appointed Chairman of the Corset Trade Board?—That is so.

10,686. You have since become Chairman of the Fur Trade Board?—Yes. That was towards the end of the same year.

10,687. Then you became Chairman of the Made-up Textiles Trade Board in 1920?—Yes.

10,688. And Deputy Chairman of the Paper Bag Trade Board in 1919?—Yes.

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10,689. You have been good enough to give us a statement of your views on certain points which you will allow us to print as part of your evidence?—Yes.

10,690. First you say you are not in favour of one national minimum wage for all the trades covered by Trade Boards?—That is so.

10,691. And you think that legislation for the fixing of rates should be trade by trade?—Yes.

10,692. Will you kindly give us your reasons for that view?—I think that to fix one minimum rate for all of the trades which are covered by the Trade Boards of the country would not work equitably in all cases, either for the employer or for the employed—certainly not for the employers. The rates of wages which have been paid hitherto in some industries have been lower than in others, and there is some difference in the class of worker working for the industry.

10,693. *Mr. Bell:* Suppose a man is a labourer. Is there any reason why he should get a different wage in one trade as compared with another?—The question depends very much on the particular industry, and on whether it is working on a very small margin of profit or not. Also to a certain extent I think it depends on the wages which have hitherto been paid to the worker in the industry and on the class of work that he is doing. In some industries, for instance, as regards male workers, the work is very much heavier than it is in other industries and entails a very much greater amount of physical labour. In some other cases, as regards the minimum-rated labourer, there may be a certain degree of semi-skill involved, which might not be the case in other industries. I think also it would be rather unwise to suddenly establish one flat minimum rate of wage for all the industries in the country covered by Trade Boards. It might gravitate towards that in the end, but to do it in the first instance would, I think, be a mistake.

10,694. *Mr. Pugh:* Is it really a practical proposition to have no regard at all to the different conditions which operate in different trades?—Is it a practical proposition?

10,695. Yes—not to have any regard at all to the different conditions which exist between one trade and another?—You would have to do that.

10,696. *Mr. Poulton:* Is it a question of developing?—Yes.

10,697. *Chairman:* Each trade has its own history and conditions?—Yes.

10,698. *Mr. Bell:* You are aware that in some respects organisations have attempted to set up a minimum wage for the same class of work no matter which trade the man happened to be working at. Take the general labourer. A man might be a labourer in an engineering shop or in a cotton mill. If he was a member of the same trade union, the same trade union rate might be brought into operation. Do you see some objection to that?—I think there is a difficulty in legislating as regards the same rate of wage for all workers per trade union that they belong to, and that because they happen to belong to a particular trade union they should be paid different rates of wages from those paid to workers who either do not belong to a trade union or who belong to a different trade union.

10,699. But you see my point: if all the labourers happened to be organised in the same labourers' union, the same rate would be brought into operation?—Is that not a condition which could not possibly arise? Could the whole of the workers in all the industries covered by Trade Boards belong to one general union?

10,700. That is the object?—Yes, but it does not exist at present.

10,701. *Lord Weir:* As a matter of fact, there is an extreme variation in the rates of wages in the different trades paid to labourers belonging to the same trade union, is there not?—I was not aware that the difference was very great. Of course, I have only an intimate knowledge—or what should

be an intimate knowledge—of the rates of wages in the Trade Boards of which I am a member. But, speaking generally, I do not think there is a very great difference in the rates of wages in the different trades that belong to Trade Boards. There may be a difference of 1d. or 2d. per hour. I am speaking of the minimum rate. I do not think the difference is very great.

10,702. I am speaking really in connection with Mr. Bell's question?—I grant that is so.

10,703. I said that as a matter of fact the labourer's rate varies very considerably in the different industries?—I agree that is so. But I think that has been rather a recent development during the war, because some industries have been very much higher paid than others, and the labourers' rates have followed.

10,704. *Mr. Layton:* In the answer you gave just now, explaining why there must be different minima in different trades, you said that in some cases the work might be harder and that in a sense the lowest grade of labourer might be semi-skilled. I think that is what you said?—Yes—or approaching to semi-skilled.

10,705. Do you think it is the function of Trade Boards to fix their minimum in some relation to the character of the work done, and not merely in relation to the least skilled kind of worker?—I think that is one of the considerations which should, or does, enter into the fixing of minimum rates on Trade Boards. Of course, the Board in the particular trade consists of people who are familiar with the trade and are familiar with the wages which have been and are being paid and with the general conditions, and I think that is a state of things that they do or should arrive at.

10,706. To take the matter one stage further, you think that the Trade Boards with which you are concerned should fix more than one minimum?—We fixed several minima, but we fixed one minimum for the lowest grade of worker and then worked up on that. Every Trade Board is obliged to fix one minimum time rate for both male workers and female workers. In most of them, and certainly in all on which I have been, they have proceeded after that to exercise their permissive functions by fixing minimum rates of wages for workers as they go upwards, beginning perhaps with the semi-skilled and going up to the top skilled rate.

10,707. *Mr. Poulton:* But that is the minimum rate for the particular section, is it not?—It is a minimum rate for the particular section.

10,708. And does not preclude them paying above that rate if they think right so to do?—No, it does not.

Chairman: We will come to that later. I think you have no district committees on your Boards?—Only on the Made-up Textiles, and that is quite a new district committee.

10,709. That is for Scotland only, is it not?—Yes.

10,710. *Mr. Pugh:* What is your opinion of the value of district committees?—I have had a very slender experience, but I am inclined to think that it would be advisable to exercise that power a little more generally and to set up district committees in more of the Trade Boards; not necessarily that you get a different rate of wage, but it gives the opportunity of more effectually and completely considering local conditions and variations, if any. In Scotland I have got the figures. The Scottish District Trade Committee, as regards the skilled male worker, have suggested 1s. 2½d. per hour as against 1s. 4½d. which the Trade Board have proposed to fix. As regards the lowest unskilled male labourer they have suggested 1s. per hour as against 1s. 1½d. So that it will be seen there was a difference of 1½d. per hour in the case of the more skilled male and 1½d. in the case of the lowest worker. But that recommendation was not given effect to with the consent of the Scottish members, and the proposal was carried for one rate for the whole of the country, including Scotland.

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10,711. It means that the proposal of the district committee was not adopted by the Board?—It was not adopted. There were rather peculiar circumstances about it. At the meeting the male workers were only represented by one member, and I think there were three ladies representing the female workers. The male worker was rather anxious to get the female workers up to the same rate as the male workers, and the female workers were rather suspicious of his motives in doing so. There was a great deal of discussion, and the representative of the male workers did not fight very hard for the same rate. He did not mind getting them down a little bit, but his fear was to displace them by the female workers.

10,712. *Lord Weir*: It is more important to have these district committees in at the fixing of the original rate. That is the more important time at which to have the district view, is it not?—Yes. In this particular case the Scottish District Committee had met after the original proposals by the Committee. They were set up rather late in the day. Perhaps it would have been better if they had been set up at the outset.

10,713. *Chairman*: They are consulted, are they not, after the proposal has been made?—In this particular case they were. They came into being, I think, rather late in the day. It would have been more useful if we had started immediately with the District Trade Committee.

10,714. The Act only requires that they shall be consulted before the rate is fixed?—Yes, that is so.

10,715. And I think many Boards do not consult them until after that. They frame their proposal and publish it and then consult the District Committee. Would it not be better to consult them before the proposal is put forward?—I agree that is so.

10,716. *Mr. Pugh*: If that were done it would probably save some time after the Board had come to an arrangement?—I think so. In this case we might just as well have not had a meeting of the District Committee in Scotland for the Made-up Textiles. It might have been more useful if it had been set up at an earlier stage.

10,717. *Chairman*: As to the basis on which a minimum rate is settled, I do not think you put forward any very definite principle. You say the minimum rates are generally based on mixed considerations?—Yes.

10,718. You say: "The rates generally paid by employers where there is a certain amount of organisation amongst the workers which has the effect of raising rates, the rates paid by the more liberal employers, by those less liberal, the rates previously fixed by other Boards in comparable trades, the rates of wages paid prior to August, 1914, considerations as to what extent this was too low a wage, the rise in the cost of living since then," and other matters are considered. On a general view of that might you arrive at your general rate?—That is how it is got at. The members on each side generally come to the meeting after a side discussion and consideration by each of their proposals. The employers make their proposals. They do not tell us on what principle they make the proposals. The workers' side also make their proposals. They do not enunciate any theoretical principle on which they base them beyond that they think that is a wage which is the lowest living wage which should be paid to the worker.

10,719. Paid to the lowest grade of worker in the trade?—Yes.

10,720. *Mr. Pugh*: You have had a good deal of experience on wages questions outside Trade Boards, have you not?—Yes.

10,721. Would you say that the general considerations which govern the fixing of wages in other trades also govern the fixing of rates by Trade Boards? There is no material difference, is there, between the considerations which govern the discussions for the fixing of wages under a Trade Board from those under the machinery operating in other industries?—I think they are the same practically.

10,722. *Chairman*: Is there not the difference that the Trade Board is fixing the lowest figure and the other bodies are fixing what would be the standard figure?—Yes; but I think what Mr. Pugh had in mind was that the principle underlying it is more or less the same, except that in the case of these other industries they are adding something for the amenities of life. I think that the original object of Trade Boards was anti-sweating, so that there should not be a sweated wage, but there should be a subsistence level.

10,723. *Mr. Pugh*: What I am thinking of is that with all bodies of people with a practical knowledge of the trade they are dealing with, the tendency is to consider every factor affecting the trade and to fix wages which they feel the trade can bear, and that they are not so much impressed with the idea of fixing the lowest wage as to fix something which is consistent with the conditions of their trade?—I think in the Trade Boards the tendency has been latterly to get nearer to standard wages. But I think the real intention is to fix a living wage; perhaps on not too narrow a basis, but still to fix the living wage. That is what I think our Boards have kept in view.

10,724. What I want to get is this: Of necessity it seems to me the tendency must be towards the regulation of the wage rather than the mere fixing of an absolute minimum, and that you cannot get rid of that, whatever kind of machinery you have?—It undoubtedly has been the tendency of the Trade Boards, since I have been on them, to get more near to the conditions to which you have referred.

10,725. *Lord Weir*: Do you mean that the spirit which originally was protection for the lower paid worker has really been departed from?—I would not like to go quite so far as that, but the tendency certainly has been in the direction of getting a little bit above the bare subsistence or anti-starvation level.

10,726. *Dame Adelaide Anderson*: A slight modification?—Yes, but at the same time we have rather avoided—at least the Boards I have been on have—putting it as high as a standard wage. For instance, in the Made-up Textiles Board we have had instances of a general range of wages stated in the north western part of England and that neighbourhood—wages which are being paid, which are appreciably above those we proposed to fix.

10,727. *Mr. Layton*: You said just now that the two sides, when they brought their suggestions before the Board, did not say the principles on which they made their proposals?—May I correct that and say: Not exactly the theoretical principles. They set out the principle that it is the proper wage to pay, and so on, but they do not go into economic theories on the subject, as a rule, at the outset.

10,728. But they have to put before the Appointed Members the same kind of information that you are accustomed to get if you are acting in an arbitration, so as to enable the Appointed Members to come to a conclusion of their own as to what the district can afford to pay?—When there is not an agreement, they do. The views of both sides are stated. But generally, in fixing the wages at the outset, my experience has been that both sides have, by a series of side consultations and meeting with each other, agreed on a figure.

10,729. So that the question does not arise?—The question does not arise really. It is when they are in difference on the subject that all these matters are gone into; and when it is a question of proposing variations in rates, very often the whole ground is gone over then.

10,730. *Dame Adelaide Anderson*: When you speak of a standard wage, do you interpret it in the same way when you apply it to a woman as you do when you apply it to a man?—Yes; we are thinking of the same thing as regards both.

10,731. Something that affords more than the strict minimum living wage?—When I say the standard wage, I mean rather the wage which is generally

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paid by the employers by contract with their workers or voluntarily, which is frequently above the Trade Board minimum rate when fixed.

10,732. A sort of rough average?—It is a rough average.

10,733. Of what the average employer would pay?—Yes. Some employers may pay above the standard rates for particular reasons of their own, or because they have got a specially good lot of workers.

10,734. Then does that tend to bring the wages of the women up more? Do they get rather more from their standard wage as individuals than a man would get?—I think as regards the women that perhaps the tendency has been more in the direction of elasticity in the standard wage for men than for women. I think there has been rather less tendency to add a bit to the women's wage to make a standard wage.

10,735. Rather less tendency?—Yes. I mean the tendency has been rather to give it to the men than to the women.

10,736. In the Trade Boards of which you are Chairman, the majority of the workers concerned are women, are they not?—Yes. I think the larger number of workers would be women. I do not think that is so in the made-up textiles or in the fur trade, but it certainly is so in the case of the corset trade. I think the proportion of male and female workers has been set out in some evidence given here. I think they are nearly equal in the fur trade; nearly equal, but rather more women, in the made-up textiles, and considerably more women in the corset trade.

10,737. *Chairman*: When you refer to women, you mean standard wages fixed outside the Trade Board?—Yes. Of course, we hear what the standard wages are. They are very often quoted, but I think in regard to the difference between the standard wage and the minimum wage in the case of women, the tendency is for it to be less than it is in the case of the male workers.

10,738. *Dame Adelaide Anderson*: I thought you said that the tendency was for the Trade Board wages to come nearer to the standard than to the bare minimum?—I do not think that is so in the case of women.

10,739. *Lord Weir*: When you fix a women's rate, it is really more nearly a standard rate than in the case of the males, is it not?—I do not think there is very much difference, because I think we appreciate the fact that the women's standard wage is not so much above the subsistence level as the men's is, and therefore, when we come to fix a minimum Trade Board rate, we rather try to give the women back a little bit of what they have lost in the difference as compared with the men.

10,740. *Dame Adelaide Anderson*: Assuming that in the majority of cases, or in a great many of them, the woman has no dependents?—I am afraid that question is not gone into directly very much. It is a very difficult question to regulate wages according to the number of dependents.

10,741. But I suppose the minimum for a man must take that into account?—Yes, I think it does. I think one assumes that the men have people dependent on them mainly—that they have more dependents than the women have.

10,742. *Chairman*: Then as to the process by which settlements are reached, I have nothing to ask you beyond what is in paragraph 3 of your statement. And as to No. 4 I have nothing to say except that in the second paragraph you say: "I do not think that the present powers are excessive, but I think that some variation is advisable, so that the present permissive powers of the Boards to fix piece work rates and minimum time rates for the higher grades of workers should not be exercised by a Board except on the agreement of both sides to consider and fix them, and even then they should be agreed rates. I am assuming, in going so far as this, that the employers' side of the Board contains adequate representation of the smaller employers. I am of

opinion that a minimum time rate should be fixed in respect of each sex. The other rates, if not fixed by consent as aforesaid, should be built up upon these by agreement or contract outside the Board." That is your view?—Yes, that is my view.

10,743. That is, you would confine what I may call the power of the Board to act by a majority to the anti-sweating functions?—Yes.

10,744. To fixing the minimum of the lowest grade?—Yes.

10,745. Leaving it to them to consider and agree upon any rates above that minimum?—Yes, that is my view. I think the practice of Trade Boards, having fixed the minimum wage, has been rather as a matter of course to then proceed to consider the higher rates of wages, that is, the rates of the higher grades. I think there should be more deliberation about that, unless the Board, as a Board on both sides, are agreed that they should fix them.

10,746. Would you require a unanimous vote, or would you say that it should be governed by the majority?—I mean without the Appointed Members. I do not think I have had any experience of cross-voting. You see, the equality of the sides is preserved. As a rule, it means that you have an agreement practically between both sides that such rates shall be fixed.

10,747. But if they are agreed, then you would make them compulsory?—I would make them compulsory if the rates themselves are so agreed. The Board might say: "We have agreed to consider them," and then one side might regret that they had agreed on account of a rate being carried which they thought was not right.

10,748. *Mr. Pugh*: Is that not what happens now?—No, I think the higher rates are sometimes carried by the votes of the appointed members, and I think it should be by agreement. I do not know whether the Committee would like me to give my reason for that.

10,749. *Chairman*: Yes, certainly—My reason really is that there is an approach to standard rates, which I do not think is right as regards the true functions of the Trade Board, as being an anti-sweating Trade Board. You may get rates which are either standard rates or approach them, which it might be hard on smaller employers to be compelled to pay.

10,750. *Mr. Pugh*: I do not understand that you are expressing any adverse view. Why does that not apply to a high rate fixed by agreement?—I am assuming, of course, that the smaller employers are adequately represented. I do not think the trade should be compelled to pay Trade Board rates as regards the higher rates unless they have agreed on those conditions.

10,751. *Mrs. Lyttelton*: You mean you would make it a condition of their being enforceable that they were absolutely agreed?—If they were agreed rates.

10,752. Then other rates which were not fully agreed you would not have enforceable by law?—That is so.

10,753. Beyond the minimum?—If they are not carried and there is not an agreement to consider them, they are not Trade Board rates.

10,754. *Chairman*: Suppose the Trade Board agree that 80s. or 90s. a week is a proper rate of pay for certain skilled work. Then you would make it compulsory?—Then I would.

10,755. On what principle would you make that compulsory?—On the ground that the Board is supposed to be representative of the trade and workers, and that they have solemnly, and after due consideration, agreed that certain rates are the proper minimum rates to be paid to this higher grade of worker.

10,756. But the same applies to rates agreed outside by unions and associations, yet they are not enforceable in the sense of being enforceable by law?—But then those are really standard rates.

10,757. Would not these be standard rates?—Not necessarily.

10,758. Not the skilled rates?—Not necessarily. They are not really standard rates. The tendency is

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rather for them to approach towards standard rates, but they are not standard rates. In the case of associations outside Trade Boards—for example the Whitley Councils—they are standard rates.

10,759. *Mr. Layton*: But have you evidence that in the case of these skilled rates there are people who are paid rates different from those, because that is the only test, after all?—Of course we have had objections from individual employers against some of these rates.

10,760. That would be that they want to pay lower rates?—Yes.

10,761. But is it common to find employers paying higher rates by agreement?—That is by no means uncommon.

10,762. *Chairman*: Higher than the skilled rates?—Yes.

10,763. *Mrs. Lyttelton*: But in the case of the higher skilled rates, it is not almost always the fact that the employees are organised and therefore they have the power?—Not universally.

10,764. *Mr. Pugh*: May I suggest that that is the fundamental distinction between the machinery in organised trades and that of the Trade Boards?—In the well organised trades you have the means of enforcement which you have not in the other case unless you apply the compulsory powers under the Trade Boards in respect of the particular trades?—Yes.

10,765. Therefore you must have something to take its place?—Yes. In the case of the Whitley Councils you have got the organisation behind them. In the case of the Trade Boards you have in some cases, but the whole idea of setting up a Trade Board is that the industry as a whole is either unorganised or incompletely organised.

10,766. *Dame Adelaide Anderson*: Does that not militate against the principle of unanimity in the case of some of the rates just above the minimum in certain industries which are low grade right through as regards payment? You might have a difference of opinion as to some of the upper rates?—It may be that I am rather influenced by the fact that there is a tendency in Trade Boards to approach towards the standard rates, and that the original idea of Trade Boards was, and I think still is, anti-sweating.

10,767. To get anti-sweating you might sometimes have to fix the upper rates?—You cannot say that a higher skilled rate, although it may be a low rate, is a sweating rate. I mean the worker has the means of livelihood, and it is a sufficient rate for livelihood, although it may be a poor rate for the class of work that he is doing.

10,768. *Mr. Bell*: Is not one of the ideas why Trade Boards should take the place of, say, a Joint Board, that there is not already adequate machinery for fixing wages which would be above the sweating level?—I think that is one of the circumstances which has to exist before a Trade Board is set up; it is only one of others. The main idea, I think, is that the class of work is paid a wage which is unreasonably low as regards the cost of living. I do not remember the exact words of the Act, but I think there are dual or more considerations which have to exist before a Trade Board is set up in an industry.

10,769. Take the whole experience throughout the war. Would it be fair to say that the whole work on which the boards have been engaged has been rather in setting up standard wages than mere anti-sweating minima?—I think that has been their tendency.

10,770. Then following upon that you get the 1918 Act which provides for an extension of these powers under conditions where there is not sufficient organisation to establish proper machinery. Does not that seem to carry with it that you should get somewhere beyond merely fixing an anti-sweating minimum wage?—I think you have got slightly beyond that. I have not got the Act before me. (*A copy of the Act was handed to the Witness.*)

10,771. *Mr. Pugh*: Under the old Act it is where the wages are exceptionally low. Under the second Act it is want of organisation and having regard to

rates?—I see it says: "Having regard to the rates of wages prevailing in the trade, or any part of the trade, it is expedient," and so on. I think that rather points to what is mentioned in the principal Act. I do not think that the latter Act means that you have got to set up a Trade Board because the trade is unorganised.

10,772. Of course, you have legal experience, but it says: "If he is of opinion that no adequate machinery exists for the effective regulation of wages throughout the trade, and that accordingly, having regard to the rates of wages prevailing in the trade, or any part of the trade, it is expedient that the principal Act should apply to that trade"?—Yes. I think that continues the principle of the first Act, and that therefore the dual considerations do come in still. I speak subject to correction as regards that, but that is my own view about it.

10,773. And there is the custom and practice as established during the five years of war which has to be taken into account in the application of the 1918 Act which was passed subsequent to the custom and practice existing?—Of course the war conditions are transitory; at least, we hope they are. I do not think we have simply got to have regard to the war rates of wages and to the fact that no organisation exists, and upon that we have got to build up the functions of the Trade Board. I think you still have to consider the principle of the earlier Act, and that in fixing the higher rates of wages you should not, as a Trade Board, fix standard rates of wages.

10,774. *Mr. Layton*: You would agree, would you not, that the experience of fixing standard rates of wages during the war, which was in fact done in a very large field of industry under conditions in which the cost of living was largely under the control of the Government, is in fact no criterion of the conditions which obtain to-day?—Roughly speaking, I agree with what you say as regards that.

10,775. *Chairman*: May I take an allied point which interests me very much, and which you raise? Going back now to the lowest minimum—the real minimum rate—you say: "It is probable that it may be necessary to also have a minimum time rate for the workers appended to the industry, such as porters, messengers, and the like." Now that is departing to some extent from the anti-sweating principle, is it not?—Yes, I think I must admit that it is to a certain extent. The trouble, in my mind, was that if you fix one minimum rate that would be a rate which would be applicable to people who were porters and messengers and the like, and if you paid the worker at the industry, the same rate as that of the porter you would not be dealing quite fairly with him, because my view is that the worker at the industry should have a higher minimum rate than that of the mere appendage to the industry.

10,776. But would he not get that by process of bargaining?—He would with some employers, but not with others.

10,777. We were told by one witness that if you gave the trade a bottom rate all workers who were above the lowest grade would secure something more?—Well, I doubt it with employers as a body. I think if you were to fix a minimum rate which was rather low for the worker at the industry, but which might be sufficient for the porter and the messenger, and so on, there might be a difficulty in getting a good many employers to pay more than the minimum rate.

10,778. *Mr. Pugh*: Is it a practical proposition in the case of different workers of different skill, or different responsibility, or different extent of physical effort required in carrying out their jobs, to fix an absolute uniform minimum and just leave it at that and imagine that the machinery had fulfilled its functions? Would you not immediately have to say what should be paid in addition to this or that man because of extra skill or labour? Is it possible for the Board to confine itself merely to fixing the minimum and leaving it at that?—I am obliged to suggest that other rates are fixed by agreement. But I see the force of your suggestion that in default of agreement you would only have one rate fixed—that

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is the minimum rate—and not any higher rate for the higher grades of labour.

10,779. *Mr. Layton*: Is that not what was done by the 1909 Act in fact?—Yes, that would be what was done.

10,780. That is exactly what it did?—Yes. I should think there would be less difficulty in getting the higher rate for the higher class of labour. I do not think that presents the same difficulty as the case of the ordinary unskilled worker, who might have forced upon him the very lowest minimum rate which one had in one's mind for messengers and porters. I think the higher skilled workman, or the semi-skilled workman, would have less difficulty in getting by contract or agreement with the employer a rate of wages above the minimum rate.

10,781. *Mr. Pugh*: Can we consider what was done in the first instance under the 1909 Act a satisfactory criterion for what must apply now that you have got a great many trades brought under the Trade Boards Act of an entirely different character involving a considerable number of different grades of labour? Is the 1909 Act, or what was done under it, a satisfactory criterion by which to judge as to what is practicable to be done under the existing conditions?—Of course, if the Board agreed, you would still have the fixing of the rates of the higher grades. The view I express, for what it is worth, is that it should be left to an agreement by the Board. I do not think there is very much fear that Boards would fail to consider and agree to fix the rates for the higher grades.

10,782. They would do what they are doing now, I suppose?—I think they probably would.

10,783. *Mr. Poulton*: They are already doing it?—They are already doing it, and there has been no real demur or opposition in my experience to fixing those higher grades.

10,784. *Mr. Pugh*: It seems to me that the two things are so inseparable that you cannot lay it down and say: "You must fix that uniform minimum and there stop." Consequently the point I want to make is this: It would be no use placing the Board in that position, because they could not give effect to what they wanted if you confined them to that and said: "You must not do anything else"?—My suggestion is not that they must not do anything else. At the present time they have the power to do it, but they are not obliged to do it. The Board are bound to fix minimum time rates, and my suggestion is that, having done that, they should approach the subject of the higher rates, and, if they agree to them, that they should fix them and that they should be Trade Board rates.

10,785. *Lord Weir*: You have some trades now under the Trade Boards where you have fixed merely a single minimum rate for adult males and you have left the remainder of the grading to be done outside of the Board altogether?—That has not been the case in any of the Boards I am on.

10,786. There are some Boards which have done that?—I was not aware of that.

10,787. *Mr. Pugh*: That would be where the trade represents one operation and there is one grade in it?—Yes.

10,788. *Lord Weir*: Can you imagine a trade which has not more than one grade?—There may possibly be such a trade.

Mr. Bell: I think it is quite possible. Take hop-picking. You might have so many hop-pickers and so many people looking after them.

Lord Weir: But the Board would perform its proper function in protecting the low-paid worker.

Mr. Pugh: In the case of a porter there would be but little difference between the grades, so that the question would be very simple.

10,789. *Chairman*: Yes, but there must be a difference where one rate has been fixed?—It is rather difficult to conceive of a trade in which there is only one dead level of worker and in which there are not grades with some greater skill than the lowest stage.

10,790. *Lord Weir*: That difference in skill and merit is generally looked after. If you have the

bottom rate fixed, the skilled worker is looked after and receives credit?—He ought to be, and one would think that he would be.

Lord Weir: In fixing the minimum you have a basis on which that skill may be paid for.

10,791. *Dame Adelaide Anderson*: We have had it in evidence that in some cases the standard was so low that in fixing a minimum that could pass for the lowest you tended to bring down the upper people because the employers had built up their trade on so low a margin?—I do not know that I quite follow you.

10,792. The fixing of the minimum for the lowest had a tendency to cause the employer to bring down the better-paid people in order to recoup himself for the increase in the cost of the minimum. We have had evidence to that effect?—That would be a reason against making it only by consent that the higher rate should be fixed.

10,793. It might be necessary to make it compulsory even if the employer could not agree?—I follow.

10,794. In order to raise the industry?—Yes, to do justice to the higher grade of workers who had been brought down through having to make up for the lower-paid worker.

10,795. *Chairman*: I think those are cases in which it was said that the minimum had been fixed too high. In order to average the wages the employer had to bring down the higher-paid workers?—I do not know whether that would be by consent of the workers' side, Dame Adelaide Anderson, because I have rather found that the highest skilled workers have been inclined to be generous in order that the lower-grade workers may be put up. I have known cases where the higher-grade workers have said: "We will come down a little as long as you will bring up the lower-grade workers." Notably that has taken place in the iron and steel trade. When the eight hours' day was introduced the very highest workers paid the whole of the extra cost of the third shift. They had a sliding scale under which the lowest-paid worker got exactly the same wages for the eight hours as he got before, and he got it partly, and wholly at certain stages, at the expense of the higher worker.

10,796. *Dame Adelaide Anderson*: That was in the case of an organised industry with a margin; but the particular kind of case I was thinking of was where it was a depressed industry, such as lace. I do not know whether the paper bag trade is one which was built up on a very low margin?—I am afraid I do not know very much about the paper bag trade. I am on that Board, but I have not been consistently at the meetings, I am afraid.

10,797. *Mr. Pugh*: Where there are a number of grades, do you take an intermediate grade for fixing the minimum or do you take the absolute lowest?—Each grade has been considered and a rate has been discussed for each grade. After some discussion between the parties we have agreed.

10,798. The tendency has been to fix a minimum for each grade?—Yes.

10,799. *Mr. Poulton*: And that is the lowest rate which must be paid?—Yes.

10,800. *Chairman*: I think we have sufficient evidence on that point. We will now pass to the next question. You make a suggestion about the tribunal for enforcing the Trade Board rates, do you not?—Yes.

10,801. And you say that the ordinary magisterial courts have not always the knowledge required to deal with these matters?—That is so. I think it must be a great bother to some of them to consider some of these sometimes rather difficult and complicated wages questions.

10,802. But that would be not so much, I suppose, on a minimum as on piece rates?—It would be more especially on the piece rates—on the higher rates.

10,803. You say in your statement: "It might be possible to revive for these cases the tribunals which dealt with cases under the Wages (Temporary Regulation) Act 1918"?—Yes.

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10,804. *Mr. Pugh*: Would not the idea of a central body, if elected by the Boards themselves, be preferable to that tribunal?—I do not know. You get representatives of both sides on that tribunal. That really was the local munitions tribunal. On the local munitions tribunal they had representatives of each side, employers and employed, on a panel, and they had an independent chairman who was already, I think, the Chairman of the Board of Referees under the Insurance Acts. They were utilised to hear and decide questions as to whether the provisions of the Wages (Temporary Regulation) Act had been observed or not.

10,805. *Chairman*: Does that machinery still exist?—It only died a very short time ago. I should think all the materials are there for it, and could be invoked without much difficulty.

10,806. *Mr. Pugh*: It has been merged in the new Industrial Court, has it not?—No, that is quite distinct.

10,807. *Chairman*: That is under a different Act?—That is under a different Act. When they set up the munitions tribunals of the second class under the Munitions of War Act, panels were formed and they used the Chairman of the Court of Referees. That was a body which sat and heard cases under the Wages (Temporary Regulation) Act.

10,808. Did the Chairman select his two assessors, or how were they appointed?—They were taken from the panel. I think they were taken in rotation by the Clerk to the Tribunal.

10,809. *Mr. Pugh*: But that would be purely to deal with cases of disputes on wages. Have you thought of a central body exercising other functions besides that, such as co-ordinating?—They could impose fines. The tribunal which dealt with the questions under the Wages (Temporary Regulation) Act had power to impose penalties.

10,810. I was thinking of functions outside the settlement of disputes on wages, or the non-payment of wages which were due. I was thinking of an authority which would be able to co-ordinate the work of the Boards and deal with large questions of scope which the Boards could not settle themselves, and so on?—I do not know how it would work if you were to use them for that purpose. I doubt whether it would be advisable.

Mr. Pugh: The idea has been advanced before this Committee.

10,811. *Chairman*: I quite follow what Mr. Pugh says. There might be some central authority to co-ordinate the work of arbitration on questions of scope, and so on, consisting of an experienced chairman and perhaps experienced members of the Boards. But what we are dealing with now is a tribunal for enforcing the rates, is it not?—Yes.

10,812. To take the place of the other Courts?—Yes, the magisterial Courts.

Mr. Pugh: I rather thought, my Lord, that it was proposed that a central body of that kind should also carry out the powers of enforcement.

10,813. *Chairman*: I have not understood that it was suggested to combine the administrative with the judicial work?—It might be rather inconvenient to have a local tribunal, so to speak, deciding the question of scope, because you might have different decisions on scope from the different local tribunals dealing with exactly the same matter. My suggestion had reference really to the enforcement of the Act for penalties. Incidentally, no doubt, the tribunals would have to consider the question of scope, because an employer might say, "This worker does not come under the Trade Board."

10,814. *Mr. Pugh*: Your tribunal would take the place of a Magistrates' Court?—Yes.

10,815. *Dame Adelaide Anderson*: That would tend to alter the character of decisions. They would be regarded as less than under the criminal law?—Perhaps the same stigma might not attach to them.

10,816. It is important not to multiply criminal Courts, is it not?—Yes, I think that is so; I agree with you. I do not think it is quite right that the

employer who does not pay the right rate of wages should be at once branded as a criminal.

10,817. There would be no harm then in having another Court with a slightly less criminal flavour?—I think not.

10,818. *Mr. Bell*: If I went to a 'shop and asked for a pound of butter and I got one ounce short, the shopkeeper would be liable to a criminal prosecution. If I gave him a week's labour and he paid me 1s. less than he ought to have paid me, is not the crime equally as great?—In the case of selling a pound of butter an ounce short, he is representing that he is selling you 16 ounces of butter, but he is only selling you 15 ounces, and he is obtaining the price of 16 ounces of butter by a false pretence. In the case of paying a labourer under the Trade Board rate, he is not making necessarily any allegation to the worker that he is paying the worker the Trade Board rate. He says, "I pay you so much," and the worker may know nothing about the Trade Board rates, and there may be no false representation about it at all. There may be a breach of the law, but not a fraud in the same sense as there would be in the former case.

10,819. But the employer knows that he is paying the worker less than he ought to pay, just as the shopkeeper knows that he is giving less weight than he ought to give. What is the difference?—The employer might not always know that he was paying the worker less than he ought to pay him. An employer who is paying less than the Trade Board rate may do so in ignorance; it is possible. But the man who sells you 15 ounces of butter when he ought to be selling you 16 ounces, and does it by means of a false weight, knows he is committing a fraud on you.

10,820. But a mistake is possible in both cases?—I think there is a difference.

10,821. I do not want to pursue it too far, but if an employer pays a less wage than the Trade Board fixes, and he knows what the rate is, why should we be concerned as to whether it should be a criminal prosecution or not?—I am not very greatly concerned about that myself, I must admit. The basis of my suggestion rather was that it was a more suitable tribunal to deal with cases of that sort than the ordinary bench of magistrates.

10,822. *Mr. Poulton*: And more likely to get at the real facts?—I think it would be more likely to get at the real facts. It is a more suitable tribunal.

10,823. *Dame Adelaide Anderson*: My question was simply directed to finding out whether it would not tend to make the offence have less of a stigma?—Yes, it would; and it would therefore make it more likely that you would get a conviction in a proper case.

10,824. *Chairman*: Then you call attention, like other witnesses, to the want of adequate inspection?—Yes.

10,825. As to the Minister's position as the rate-confirming authority, you say in your Statement that you were at one time inclined to hold the view that confirmation might be dispensed with, but I think you have come round to the other view?—Yes.

10,826. *Mr. Poulton*: On the question of inspection, evidently the Fur Trade Board has had considerable experience on this matter, because you say in your statement that one of the leading employers' representatives of the Board is disposed to resign unless the Act is more generally and rigidly enforced. Would it be a fair inference to take your statement as meaning that there really are wholesale evasions which are having a detrimental effect on employers who are honestly trying to carry out the Act?—That is the view on the Fur Trade Board. Both the workers and the employers are very rampant about it.

10,827. That is a very serious thing, is it not? It brings the whole thing within danger of breaking down?—We had an interview with Mr. Wolfe, and to a large extent what he told us displaced some of the views that we had that sufficient had not been done in the matter as regards particular cases which we

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brought to their notice. But I think we still remained convinced that, owing to the want of inspection and to there not being a sufficient number of inspectors, a very considerable number of evasions were going on in that particular trade.

10,828. Which all goes to show that there is a very strong foundation for the allegations that are made and that there ought to be more inspectors?—Yes, that is so.

Mr. Poulton: I know a great many people feel very strongly upon that matter.

10,829. Mr. Bell: Are you of opinion that any very superior qualifications are necessary for these inspectors?—I think you want an inspector who is not easily hoodwinked by unscrupulous employers. These latter do exist. You want somebody who knows something about the trade and who is not easily put off.

10,830. Is a knowledge of the trade absolutely essential?—I think the inspector should know something about it. I do not say that he should have been brought up in the trade, but he should know sufficient of the trade not to be put off by answers which are given by employers, and deceived by them.

10,831. But suppose a minimum wage of, say, £2 a week had been fixed, does it need a great amount of intelligence to ascertain whether a workman has been paid £2 or not?—Not in the case of the mere minimum wage—perhaps not. But very often the calculation of hours and the entries in the books may require a certain amount of knowledge. For example, in the fur trade there are a great number of ignorant workers who do not understand English, and it may be very difficult with them, and also with an employer who perhaps also imperfectly understands English—or perhaps understands a little more than he would have the inspector believe—to find out exactly what he is paying to the workers, especially if the books are not properly kept. I do not think you want to have an expert in all these trades to go and inspect, but you want somebody who is firm, and who is not a fool, and who knows something about the industry.

10,832. Would it need any more intelligence than is now required to inspect, say, under the Weights and Measures Act?—Well, that I am afraid I could not answer. I should think probably it would.

10,833. So you do not think that the ordinary machinery of the police would suffice; you want an officer specially selected to do the work?—I think the ordinary policeman would be really incapable of adequately dealing with it, and probably he would not have the time.

10,834. They have to look after weights and measures, have they not?—Yes.

Chairman: Not all of them, I think.

10,835. Mr. Bell: They also have to look after the law affecting licensing?—I am afraid you would have a great increase in burglaries and undiscovered murders if you were to switch the police on to the inspection of firms to see whether they were paying proper rates of wages, or else you would have largely to increase the police force.

10,836. If it would require all that displacement of labour on the part of the police force to look after evasions of Trade Board rates, how many inspectors are you going to require efficiently to do the work?—I am afraid a very large number. That, I understand, is the difficulty; that, with the number of Trade Boards which there are, and the number of places that might have to be inspected, you would want a very large number of inspectors, and that would cost a great deal of money.

10,837. Dame Adelaide Anderson: Is not inspection by sample generally sufficient, together with the uncertainty as to when and where the inspector may come down?—I think that is what would have to be relied on, really.

10,838. It does not mean a visit once a year, or possibly even once in two years, to every work place under the Board?—No. I think that is what will

have to be done, that you will have to rely upon that more or less. A great many cases may go undiscovered, but the fact that an inspection may be made, a surprise inspection at any time, should be some sort of deterrent.

10,839. Chairman: And also inspection on complaint, of course?—And also inspection on complaint.

10,840. Dame Adelaide Anderson: A certain amount of routine inspection by sample, combined with the accessibility of the inspector to every complainant?—I think that is what we shall have to rely upon, really, because it would be quite impossible, indeed hopeless, to get sufficient inspectors really to tackle the subject.

10,841. Besides, it would not be good for the workers to have always nothing to do themselves?—No.

10,842. Chairman: Then perhaps we may pass shortly to the next point, about the confirmation by the Minister?—Yes.

10,843. You give the reason which was put to the last Witness: "Apart from the above, other considerations come in, such as the interests of the public and other industries"?—Yes.

10,844. So that there must be some confirming authority. Have you considered in that connection the point put to you by Mr. Pugh as to whether a Central Board, a good strong central authority, might be the body to which these rates should be referred in the first instance, so that that body might either settle the matter or, at all events, give advice which the Minister would be practically certain to follow?—I think that is a good suggestion; I think that might be done.

10,845. Such a Board would, as Mr. Pugh says, co-ordinate the rates throughout the Boards?—Of course, such a Board would have the grasp of the whole position in the country really, the same as the Minister would have.

Chairman: That is what you had in view, was not it, Mr. Pugh, something of that kind?

Mr. Pugh: I think it might get rid of a great deal of friction, and also save a good deal of time in the application of the Board's decisions.

Witness: Yes. I think it is a good suggestion.

10,846. Chairman: Then as to Appointed Members, you rather differ from Sir Alfred Hopkinson in wanting a smaller number, at all events, not more than three. You suggest that there might be additional members?—I think on the larger Boards there might be one or two more Appointed Members, but I am rather inclined to agree with Sir Alfred Hopkinson as regards the smaller Boards, that three is a very good number to work on if you can have them all there; but my experience tells that you do not always get them all there, and sometimes the Chairman is left in the position of being the only Appointed Member, and having to vote.

10,847. Mrs. Lyttelton: In your definition of "agreed skilled rate" I understood you to say you would not take the Appointed Members' vote as binding; is that so?—They would not have to vote at all.

10,848. Then if that suggestion were carried out, would Appointed Members be needed?—Well, very often agreements are arrived at with the assistance and by the influence of the Appointed Members.

10,849. Although they do not vote?—Yes; I think they would still fulfil a useful function in bringing the parties together.

10,850. Mr. Bell: What do you mean by "agreement" there? I want to be clear on that point. Do you mean both parties meeting in the same room, and every single individual voting the same way?—What I mean is, when both sides come in and say they have come to an agreement, and the one side proposes it and the other side seconds it; the Appointed Members do not vote at all; it is an agreement between the parties. When they have met and agreed

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without the assistance of the Appointed Members they sometimes come in and say, "We have agreed on the rate," but formally it is proposed by the one side and seconded by the other and carried by their votes. That is what I mean by an agreed vote.

10,851. So that if later an employer who might have been present objected and said he was in a minority, you would still consider it an agreed rate?—Oh, yes. I do not know by what process the

(The Witness withdrew.)

Professor D. H. MACGREGOR, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

SUMMARY OF EVIDENCE of Prof. D. H. MACGREGOR, Deputy-Chairman, Hat, Cap and Millinery; Dressmaking; and Aerated Waters Trade Boards (England and Wales); and Rope, &c., Trade Board (Great Britain). Formerly Deputy-Chairman, Hat, Cap and Millinery; Dressmaking; and Aerated Waters Trade Boards (Scotland).

1.—The minimum rate.

The Acts prescribe only a legal minimum. The economic content of this might be defined as "what can be earned by the ordinary worker of lowest grade in the class considered, under an employer of ordinary efficiency." It is normally more than a subsistence rate.

The Trade Board method is better than a national minimum (a) since the Boards are also meant to assist the organisation of their trades, (b) in view of the variety of conditions, (c) to avoid a single point of political pressure on wage rates.

2.—Appointed Members.

The existing depression has increased the number of enforced decisions and thrown into prominence the responsibility of Appointed Members. In the absence of any Appointed Member, negotiations would often have been broken off. It might ease the position if the Board had a voice in their election, provided they were independent when elected. The British system of more than one independent member allows for consultation, and is a good one; though for some purposes the Chairman alone might act. They should vote on time rates only, including piece-work basis rates; piece rates should be fixed by agreement on report from sectional committees.

3.—Rate-fixing powers.

The powers are adequate. The "dispersion" as regards skill varies with trades, and it would be difficult at present to say the powers were excessive. The trade should be held up by time rates at a few points. The grading of the rope trade is an example.

4.—Methods by which settlements are reached.

In a few cases, agreement is reached outside the Board and ratified by it. In most cases the influence of the Appointed Members has been essential to an agreement. When there is no agreement, each side is free to go back on its concessions and adhere to its original proposal. This would create a dilemma, since neither proposal would be acceptable, and the Appointed Members themselves cannot carry anything. In practice the dilemma rarely, if ever, occurs in that form; one side or the other (or both) moves its maximum concession. The Appointed Members are fully aware that enforced decisions are to be avoided if possible. It might be feasible for the chairman to sit with two or three of each side to make an award. The hindrance to agreement often comes from one or two members, and in full Board the sides usually vote as units.

5.—Procedure.

Rates when fixed should be in force for not less than six months. The Board should have a Rates

employers agree with the employed, but it may be perhaps a majority vote amongst the employers.

10,852. And amongst the workpeople too?—Yes.

10,853. Chairman: Then as regards learners, you suggest that both age and experience might be taken into account?—I think it should be a combined scale if one could be fixed up. We have done so recently in the fur trade, and I think in the made-up textiles too, although that has not been confirmed yet.

Committee, including the Chairman, which should be the co-ordinating Committee with allied Boards. Allied Boards should reconsider their rates at the same time. It is desirable that two or three allied Boards should have the same Chairman.

A great deal of wear and tear will be saved if new proposals come to the Board through the Rates Committee. A Board of 50 or more is too big for a first discussion, and the difference between the proposals too wide.

6.—District rates.

The safest cases are manufactures quite special to one area and retail trade. The problem of country districts is liable to be confused with that of the small employer. The test of ordinary efficiency has to apply to the country district as well as to the small employer in a city. A lower cost of living is plainly not enough for a special rate. There may be special costs of delivery in manufacture. In retail trade there may be an impoverished local market. I prefer district rates to committees as regards manufactures. For retail trade it matters less.

7.—The Minister's position as the rate-confirming authority.

Some open and statutory method of appeal is desirable, to be available either to a certain proportion of the Board or to the Minister, if he does not confirm in 14 days.

8.—Influence on relations between employers and workers.

Most Boards are very recent, and the times have been exceptional. The sides sit in separate rooms for most of the day, and this prevents social developments. Reforms in procedure are important to make the Boards more deliberative and lessen speeches. I would not express an opinion as to the betterment of relations thus far.

10,854. Chairman: You are Professor of Economics at Oxford University?—Yes.

10,855. And a Member of the Committee of Inquiry into the Working of Employment Exchanges?—Yes.

10,856. And you are Deputy-Chairman of a number of Trade Boards—the Rope, Twine and Net; the Hat, Cap and Millinery; the Dressmaking and Women's Light Clothing; the Aerated Waters; and for some time you were Deputy-Chairman of the Aerated Waters Board for Scotland; the Hat, Cap and Millinery for Scotland; and the Dressmaking for Scotland?—Yes.

10,857. You have considered the question of the meaning of "minimum wage" or "minimum rate"?—Yes.

10,858. You, on your Boards, have interpreted that expression?—We have not regarded ourselves as getting any guidance from the law as to an economic principle for fixing a minimum rate. I do not think that any fixation has taken place solely with regard to cost of living.

10,859. You have considered other matters?—Most of the rates, all the rates, I think, when first fixed, on my Boards were fixed when trade was very good, and the condition of the trade was quite as important as any other consideration in fixing these rates. We do not get the guidance that, for example, the Victorian law gives as regards their Wages Boards.

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10,860. What does the Victorian law say?—It states that the minimum rate has to have regard to the health of the worker, and I think a reasonable cost of living—something like that. There is no such guidance in our law at all.

10,861. So that you have considered both subsistence and the state of the trade?—And the risk of the trade, say, in aerated waters, and the skill of the trade.

10,862. *Mr. Pugh*: That is to say that the same considerations which would govern employers and workmen in other trades outside Boards have also governed those inside the Board in the fixing of rates?—I do not call it a standard rate here, because I do not want to argue about a word.

10,863. *Chairman*: You define it as "what can be earned by the ordinary worker of lowest grade in the class considered, under an employer of ordinary efficiency"?—Yes.

10,864. And I suppose in the place, in the area, to which the rate relates?—The employer of ordinary efficiency is the difficult question when you are coming to country rates, but in fixing a minimum we do not accede to the request, say, that was put in one case, that we should fix a rate which could be paid by the worst employer in the worst location. That is a request that has been made more than once.

10,865. The worst employer?—I beg your pardon, the least efficient employer. I did not mean the worst employer.

10,866. The least efficient employer, yes, but do you fix a rate with reference to the least favourable place in the area?—Well, there is a question when you are dealing with wages as to whether the trade in the area exists there at all only because there are very low rates—whether the trade is an efficient branch of the trade, say the country rope walks. And we do not fix a rate which is going to underpin all existing employers.

10,867. *Mr. Layton*: At the same time you would say you fix a rate roughly on the basis, in a trade which is both in the country and in the town, of the rate which could reasonably be paid in the country?—Well, in the case of manufacture I should say no. In the case of manufacture we have no right to put a temptation on certain employers to move into certain places because the rates are lower. In retail trade it is quite different.

10,868. Yes, but even in manufacturing, is it not the case that the employer who is in the country probably has more transport charges?—That is what I say here; that is a particular case. It is often not less expensive to work in the country than in the city.

10,869. But it may be more?—It may be more.

10,870. In those cases, on this plan you would fix your minimum on the basis of the country rate?—Yes. It would not be a country rate, it would be just a minimum rate.

10,871. But that is the same thing, I mean; you would fix the minimum on what the employer in the country could pay—a reasonably efficient employer in the country?—An ordinary employer, yes.

10,872. *Chairman*: I do not want to tempt you into using the word "standard" if you do not wish to do so, but would the rate so fixed differ from a standard rate for the lowest class?—For that grade of workman I should say no.

10,873. As between the Trade Board system and the system of a national minimum rate, you prefer the Trade Board system?—Yes.

10,874. *Lord Weir*: I have one question about that last point, where you speak of "in the class considered." In saying that you are visualising different minima according to skill?—I think the best thing that has been done in that way is the graduation of the Rope, Net and Twine Board.

10,875. That is what you referred to?—Yes; I think that is maximum dispersion; that is highly skilled, skilled, semi-skilled, and unskilled. I think that is the maximum dispersion with regard to minimum rate fixing.

10,876. *Mr. Pugh*: Would that case have been satisfactorily met if you had confined yourself to your lowest grade?—No, because if we had confined ourselves to our lowest grade we would not have helped organisation among certain classes of workers which only come in under Grades II and III in certain places in the country.

10,877. *Mr. Layton*: Do you consider it part of your function to assist organisation?—The Acts contemplated clearly a time when Trade Boards will no longer be necessary.

10,878. *Mr. Poulton*: It was to lay down particular grades?—In the Act?

10,879. No, what you have said just now?—Yes. Of course, it is a very slight difference; it is only farthings.

10,880. No, but it was recognised that there were to be grades, and therefore you set a minimum for those grades?—Yes.

10,881. *Dame Adelaide Anderson*: And that the workers would have been paid something less than the minimum that was desirable for them if you had not fixed those rates?—Yes. It is this, that in some localities there are special kinds of work. It is a very complicated trade, though it is very small, and they are paid by piece, and it would not have done for the piece rate to have been based on a time rate which applied to workers in a different place altogether. They wanted a time rate to work their piece rate.

10,882. *Mr. Pugh*: Would not the practical result of your fixing of that with the lowest class of worker mean that you would have done nothing for the other classes of worker, and therefore they would not have had the advantage of the Board?—That is a question of dispersion. Take aerated waters; there is a Board which gave less trouble than any other Board. It fixed a minimum for the whole trade, and went home and apparently never thought of meeting again for a long time.

10,883. *Mr. Bell*: That is the Aerated Waters Board?—Yes, for England.

10,884. *Chairman*: I suppose the higher-skilled man in the Aerated Water Board gets more than the minimum?—I suppose there are men who get more than the minimum, yes. There is not the dispersion of skill.

10,885. *Mr. Pugh*: There is not the same dispersion of skill as in the rope trade?—No.

10,886. *Chairman*: In the rope trade you have, of course, four very elaborate schedules?—The rope trade is already a group—rope, twine and net. You are often discussing rates on the Board which are of no interest to a large section of the Board.

10,887. But your schedules are not divided according to the three trades, are they?—No.

10,888. Each schedule contains a number of occupations?—Yes. Every occupation in the trade was graded by a committee, which went into it and collected the vernacular from everywhere; and there are words in that gradation which I cannot find in any dictionary.

10,889. *Mr. Bell*: Are you of the opinion that the Trade Board in those badly-organised industries adequately fills the place of the Joint Board in well-organised industries?—I do not know what you mean; I am not very sure.

10,890. In a well-organised industry we have Joint Boards?—Yes. Do you mean Joint Industrial Councils?

10,891. No, I mean apart altogether from the Whitley Councils. In the badly-organised trades there were set up Trade Boards under the Trade Boards Act. Is it your opinion that the Trade Boards Act was intended to set up machinery as nearly like the machinery in well-organised trades as possible?—As voluntary Conciliation Boards?

10,892. No, I am speaking of the machinery, because I know the Trade Board is not voluntary?—You mean as similar to the machinery of voluntary Conciliation Boards as possible?

10,893. It is machinery for fixing the rates of wages?—I am afraid I do not quite understand. Do you mean would resemble in its operation as much as possible, say, what happens in the boot trade?

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10,894. In an organised trade they have machinery for settling rates of wages?—Yes.

10,895. By agreement. In these badly-organised trades no machinery was in existence?—No.

10,896. The Trade Board came in and set up the machinery: is it your opinion that the machinery set up by the Trade Board was intended to take the place occupied by the Joint Board in a well-organised industry?—In a sense that is a truism, I should say.

10,897. So that the Trade Board in fixing wages, say, more than the minimum wages, is simply carrying out what was intended by the Act?—Oh, now I see what you mean. Of course, it is a truism to say that it takes the place of the joint committee in an organised trade. If you mean, was the Trade Board intended to fix all the rates which can be fixed by a voluntary committee, I do not know.

10,898. *Dame Adelaide Anderson*: Probably not?—My interpretation of the Act is, No, because it says we must fix a minimum time rate, and only gives us optional power to fix anything else.

10,899. A sort of stepping stone to better organisation?—Clearly. There are clauses in both Acts which contemplate a time when the Minister may withdraw the Board.

10,900. *Mr. Layton*: You interpret that to mean that one of the functions of the system is to produce organisation, and I am not quite clear why that follows. I quite recognise that in the Whitley Council Report which succeeded the Act of 1918 it was contemplated that the Trade Boards should merge in the Whitley Councils; but how does that follow in the Act itself?—From the fact that the Act gives us power to consider a great many other things than wages, which power has practically never been used, and that the Act gives the Minister power in certain circumstances to withdraw the Board. I do not see what ground he can have except that the trade is well enough organised.

10,901. *Mr. Pugh*: It therefore assumes that you will reach through the Board a state of organisation which will make the Board unnecessary?—Yes. The original idea, I believe, was that it would pass into a Whitley Council, and that a Whitley Council was better than the Board; but that is not the view now taken by everybody.

10,902. The view is that the Board is better than the Council?—That the Board is better than the Council.

10,903. *Mr. Bell*: You would agree that if the Minister was satisfied that adequate machinery existed in a trade he would not set up a Trade Board?—I would rather not interpret the Minister's intentions at all. I cannot say. I can only say what the Act seems to me to provide for.

10,904. I am trying to refer you to the Act, where it says, "If the Minister is of opinion that no adequate machinery." Those are the words I am quoting, "no adequate machinery"; so that if there is adequate machinery there will be no Trade Board?—I suppose not.

Mr. Bell: So that the Board must be intended to be set up if there is no adequate machinery.

10,905. *Chairman*: It must be intended to take the place of other adequate machinery, and when other adequate machinery comes into existence outside, then you think the basis of the Trade Board is gone?—I think that the Act contemplates that. I ought to say that there is a considerable difference of opinion among people engaged on Trade Boards as to whether that development ought to take place or not; but it seems to be the development contemplated in the Act.

10,906. *Mr. Pugh*: I think we had a case where the Minister did contemplate taking away a Trade Board and substituting a Whitley Council, and both employers and workpeople opposed it?—Yes.

10,907. *Chairman*: Now to go to the next point, you were saying that you did not believe in a national minimum wage. You give first the reason that the Boards, as you say, may assist the organisation of the trade; secondly, in view of the variety of conditions; thirdly, to avoid a single point of political pressure on wage-rates?—Yes.

10,908. *Mr. Layton*: Do you mean on (b) that there ought to be, leaving aside for the moment the question of higher minima for higher grades of labour, minima for the lowest grade of labour in different trades—that it is desirable that there should be?—Yes, since the condition of the trade matters; since it is not a subsistence rate. Our minima do vary, especially for men.

10,909. They do in fact, of course, but do you think that they should do so?—Yes, I do not see how you can get away from that, especially when you are considering rates that should be fixed in good times, when some trades are enjoying far more exceptional prosperity than others.

10,910. Assuming for a moment that it were removed from the duty of the Trade Board to fix any other rates than a minimum, do you think that it should be the duty of a Trade Board in fixing minimum rates to obtain for the lowest grade of labour what the trade can afford to pay?—Yes.

10,911. You think that it should be used as a means of getting higher remuneration?—For the lowest grade of labour, yes.

10,912. It should not be confined to giving subsistence?—No, I do not think so.

10,913. *Chairman*: Then, as to Appointed Members, you say that the system is a good one, but you say that they should vote on time rates only, including piece-work basis rates; piece rates should be fixed by agreement on report from sectional committees?—That is, in practice, what happens. The Appointed Members cannot have the technical knowledge to vote on piece rates. If they had, they would not be there.

10,914. *Mr. Pugh*: How did you manage to fix these (indicating document)?—Which are these?

10,915. The Rope, Twine and Net?—These are all agreements. Of course, we have fixed the minimum time rate, and the minimum piece-work basis time rate, and all that we have to be satisfied about is that these piece rates work to that minimum; but when it comes to 300 rates for hand machine braiders and so on—well, we have to leave it to a sub-committee composed of representatives of each side to work it out. For example, it was done last week. The Board met last week, and proposals were made to vary the rates, and all these will simply be sealed down by a private meeting between representatives of the two sides, who will send the result to the secretary of the Board to be printed.

10,916. *Lord Weir*: Do you think piece-work prices should be the subject of a guarantee by the law, and enforceable?—Well, there are the three ways. There is the way in which the Appointed Members can vote on them; there is the way in which the Appointed Members do not vote, but if there is agreement (you have to define and say how much agreement) then they have become Trade Board rates; and there is the system by which they simply become recommended to the trade—they simply become rates recommended by the Board, which perhaps a federation of the employers might minute their intention to pay, as they did in one case—well, not quite that, but something similar.

10,917. *Chairman*: These piece rates really are agreed outside your purview, so to speak?—It is a very considerable responsibility to vote on a list like that.

10,918. *Mr. Poulton*: Do you attach importance to these words: "Piece rates should be fixed by agreement on report from sectional committees"?—Yes.

10,919. You think in all cases they should have their reports alone first?—Say there is the rope section, there is the net section of that Board. Well, the net section is quite different; it is a different place, it is a different trade. Their committee would report; the Board would have to be satisfied that it worked to the piece-work basis time rate; that is all that the Appointed Members can possibly satisfy themselves about. We can ask, "What is your output per week?" of an ordinary worker if we have got one on the Board.

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10,920. *Chairman*: I do not follow a sentence in your next paragraph: "The trade should be held up by time rates at a few points"?—"Supported" is perhaps better than "held up."

10,921. I see; it may have just the opposite meaning. Even now I do not quite follow it; what do you mean by "supported at a few points"?—Well, as I said, you might have an ordinary rate and a skilled rate.

10,922. *Mrs. Lyttelton*: Why take four or five rates?—I do not think you would have more than four, with piece-work basis rates, because you will have to allow for piece-work payments.

10,923. And overtime?—Yes; you must fix overtime rates if you fix a rate.

10,924. That makes six, then?—The overtime rates are generally paid on the basis of the rates already fixed, so there is no difficulty; it is automatic.

10,925. *Lord Weir*: Those points, I notice, are financially a very small distance apart?—In the Rope Board?

10,926. Yes.—In the two lowest cases for women they are the same. It has been a very difficult matter, but I think it is the beginning of a good system.

10,927. It really is a new system?—Yes.

10,928. *Mrs. Lyttelton*: To simplify the grades, in fact, as far as local enforcement is concerned?—The complete grading of the trade.

Mrs. Lyttelton: I suppose in some trades it would be practically impossible.

10,929. *Chairman*: Then you deal with the methods of arriving at settlements. I have not myself anything to ask about that. Then you come to procedure, and you say that the rates should be enforced for not less than six months?—There is a sentence under paragraph 4 which ought to come out. I say: "The Chairman might sit with two or three of each side to make an award. He knows more about it than any outside referee." The latter sentence is out of its place; that refers to something else.

10,930. *Mr. Layton*: On that paragraph, have the Appointed Members got sufficient information? Your view is that the rates should not be fixed simply with a view to subsistence?—Yes.

10,931. And you therefore have regard to the capacity of the trade to pay?—Yes.

10,932. Do you consider that the Appointed Members get the information necessary to enable them to form an opinion on that?—We do not get cost accounts; we do not get information about costing; we have not the power. I think the original Wages Boards had the power; not in this country, but the Boards on the example of which we were founded had the power to call for documents and to call people on them. We are in a different position altogether.

10,933. *Mr. Pugh*: But you have just about as much power as an ordinary Arbitration Court would have?—I have only seen one system of accounts presented to us. We have not the information on which we could make an award, such as an arbitrator would get.

10,934. That is the point I put to you; you have just about as much information as an ordinary Arbitration Court would have?—They can examine people on oath.

10,935. Oh, no, surely?—Oh, an Arbitration Court, no; I thought you said an Industrial Court. No. We are absolved when we get an agreement.

10,936. *Mr. Layton*: You have persuasive powers to get information?—We are totally absolved if we get agreement.

10,937. *Chairman*: Yes, because the majority of the Board passes the rate without you?—Yes. If there is no agreement, then the position may be very difficult, because, as I say, each side can then go back on every concession it has made in order to obtain an agreement, and you may therefore go back to proposals differing 2d. or 3d.

10,938. *Lord Weir*: The detailed figures for any one firm, for example, in an industry would be of

very little value; really you would require all the figures for the whole industry?—Yes.

10,939. Which, of course, in these classes of industry, it would be quite impossible to get?—Well, if you sit all day on a Trade Board, and perhaps for two days, till 7 o'clock at night, even if you have no technical knowledge of the trade, and you are considering what rate ought to be fixed, a great deal will emerge in the time which will give you a very good idea.

10,940. *Chairman*: Then if I may pass on to procedure, you suggest that the Board should have a rates committee. That, of course, is within the power of the Board to-day?—Yes. I do not know that that interests this Committee; it interests me considerably. We are 50 strong or more—

10,941. Which "we"?—The Trade Boards in this country.

10,942. I thought you were talking about one Trade Board?—Well, the Rope is 57.

10,943. *Mr. Poulton*: Are we talking about the whole of the Trade Boards?—No, I am talking about an average Trade Board; on one Board there are about 50. We are founded on the examples of Wages Boards in Victoria, which have a maximum strength of 10 by law. Now 50 is a large body to start discussing proposals varying between, say, a motion for 8d. an hour and a motion for 1s. an hour. I do not know whether this Committee have attended a meeting of a Trade Board, but they will know what I mean.

Chairman: We can imagine it quite well.

Mr. Pugh: Very well!

Witness: One of the ideas of the Board is harmony, to get the trade to work harmoniously together, and to consider other things than rates, and it is in the inevitable speeches on proposals differing as widely as that when the things which endanger harmony most are said. Besides, it means that at a late hour at night you often have to give quick decisions. You cannot get an agreement. I feel strongly that the rates should be filtered through a rates committee, and that the Board should discuss the recommendation of such a committee, which would have brought them within a reasonable distance of each other, in view of the great difference between the British Boards and the Victorian Boards.

10,944. *Chairman*: That is within your power, is not it?—It is within our power, yes.

10,945. *Mr. Pugh*: How is it that you do not appoint what I should call your standing committee?—I think the Boards will work out their own developments in that way.

10,946. You know the practice in ordinary Wages Boards, do you, outside Trade Boards; that they have a standing committee which practically functions the whole year, the main Board being called only when necessary?—Yes.

10,947. It is quite practical to adopt that with your Trade Boards, is not it?—Yes. I am not only thinking of it from the point of view of one Board, but from the point of view of allied Boards. Take Dressmaking and Millinery; just take what has happened. Within the last month we fixed a rate for millinery in England, a women's rate, at 8d., a reduced rate. We sat till late at night. The Millinery and Dressmaking are carried on in close relation to each other, and a few days later the Dressmaking reduced its rates as far as 7d. for women. Now we shall probably have another meeting of the Board for Millinery to consider whether our rates should not come down to 7d.

10,948. The amalgamation of allied Boards would be a difficulty?—They are amalgamated already—the Hat, Cap and Millinery. What relation is there between millinery and gentlemen's hard hats?

Mr. Pugh: Well, I am not an authority on that.

10,949. *Chairman*: Then as regards districts, I gather you prefer district rates to district committees; that is to say, you would rather have a district rate made by the Board itself than have district committees making rates?—Yes; I do not see how you

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can get over the difficulty in manufacture of tempting manufacture to go somewhere else if you offer it a lower rate. Of course, there may be that difference of rates now, but you are doing something which is to be enforced by penalties, so you are fixing the thing. There was a case of exempting some employer, I think, in Shetland, from some rate or other because it was so far away, but we found that his agents were going to come to Edinburgh and he was going to work in Shetland. He would simply have cut the rest of the trade out.

10,950. That, I suppose, was a productive trade?—Yes.

10,951. It would not apply with the same force to a distributive trade?—I say that in regard to retail trade the case is quite different.

10,952. *Mr. Lanyon*: But even in productive trade if you fix that rate for the country, will not you thereby set up a movement, a change of location, in cases where at the present moment differing rates are, in fact, paid?—I do not say it is a flat rate; I say you must consider district rates very closely by the whole Board in relation to each other. That is my point. I certainly do not agree with the lower cost of living; if there is a lower cost of living I do not see why the employer should get it all.

10,953. Have you varying district rates on any Board with which you are concerned?—No. I see that a member of the Rope Board gave evidence about that, that the Appointed Members had prevented the establishment of a district committee in the Rope Board. That is quite contrary to my memory as to the first meeting of the Board. We have had some rates applying to Dorset and Somerset on that Board, but these are not really district rates; I think the trade only exists there. It is quite a special local development.

10,954. *Chairman*: Bridport, is it?—Yes.

10,955. *Mr. Lanyon*: But you would agree that it is desirable that the Board should fix varying rates where, in fact, the present condition of the trade shows there to be substantial difference?—If there is substantial difference, yes.

10,956. How does that apply in the case of millinery? Have you considered that as between, particularly, country districts and towns?—Well, millinery is a difficult case, because of the movement that is going on. I must not confuse it with dressmaking. In regard to millinery, the difficulty has been in fixing country rates, whether the small employer is not uneconomically small or uneconomically dispersed. That has been the difficulty in millinery.

10,957. Take the case of dressmaking, because it is simpler?—Yes. There is a change going on in the trade; that is to say that people are buying to a greater extent ready-made dresses and having them done up, than they are ordering retail dresses.

10,958. *Dame Adelaide Anderson*: Are not they also doing that in millinery?—Well, I was not sure about millinery. I am not sure if we have had that in millinery. That, of course, lessens considerably the reasons for maintaining a very large number of small retail dressmakers. That is the kind of thing we have had to consider in that trade; but we have, I think, on the Dressmaking Board allowed local rates. Yes, the Dressmaking Board has allowed local rates, and also in Scotland.

10,959. *Mr. Lanyon*: You would consider it a disadvantage if the Trade Board had the effect of producing a considerable volume of unemployment and the transfer to the town?—Well, it will be transferred. I do not see how you can help it unless you take what I proposed on a Scottish Board—simply remote districts such as Wick and Caithness; get them remote enough. But what are you going to do with the district between Glasgow and Edinburgh, for example, if you try to vary rates? People can so easily move.

10,960. What have you in fact done?—We have taken Boroughs of 12,000 and over for one rate, and all other parts of Scotland for another, with a special

qualification for the Glasgow area. I would much rather have had remote districts on a special rate.

10,961. Then as regards confirmation, you suggest a method of appeal?—I think it is most undesirable that when there is not agreement on the Board and a rate is fixed by the Appointed Members, one side or the other goes to the Minister behind the Board. If there is to be an appeal, I think it should be regular, and that we should know where we are.

10,962. *Mr. Pugh*: What do you think of the central body which you have heard discussed this afternoon? Do you think that would meet your case?—A central body between the Boards and the Minister might be a temptation, a greater temptation than I should like, to appeals against any decision at all. I am afraid that a central body like that would be regarded as a kind of normal Court of Appeal by dissatisfied people on the Trade Board. They would take it all to the Central Committee.

10,963. You think the tendency would be for the Boards to shoulder their responsibility upon the central authority instead of trying to settle for themselves?—If you are going to have a Central Committee, I think you will have to be very careful that it does not become an incessant Court of Appeal.

10,964. *Chairman*: That would a good deal depend on the conduct of the Committee?—Yes.

10,965. And on the lines they laid down for themselves in the beginning?—Yes.

10,966. If they insisted upon a decision in every case and simply regarded themselves as a revising authority, that danger might not arise?—You must avoid what is becoming rather common now; that is, getting decisions not carried by the Appointed Members, but carried by one side refusing to vote and then going to the Minister. That is getting very common. What can we do? A decision was taken on the Millinery Board in England, the workers refusing to vote. It was a reduction of wages. Now, if the workers had voted against that reduction I should have voted against it; but three Appointed Members can do nothing if one side refuse to vote, and any definitely established committee above the Trade Boards is liable, I think, to lead to abstentions of this sort which destroy the harmony of the Board in favour of appeals to that Committee. They will say: "We will not vote; we will appeal to that Committee; we will minuate a protest."

10,967. That happens now?—It happens now, and there will be a much more definite temptation to do it unless you guard very carefully the functions of such a Committee.

10,968. Surely they would not be better able to appeal to a Committee if they abstained from voting than if they had voted against?—I beg your pardon?

10,969. They would not be in a better position for appealing if they had refused to exercise their privilege of voting at all, than they would be if they had voted against the proposal?—No. I merely say they will abstain from voting on the Board and appeal to the Central Committee.

10,970. *Mrs. Lyttelton*: As a protest?—The procedure is: Abstain from voting; minuate your protest; and go to the Minister.

10,971. *Chairman*: Why is that better than: Vote against, and then go to the Minister if you are beaten?—Ah, because of a feature in the constitution of the Boards. They could not in some cases vote against; that is to say, in those cases where the reduction was really an agreement between the two representative sides of the Board.

10,972. But surely if there was agreement, even though not carried out by universal vote, neither side can properly appeal to the Minister or anybody else?—It is not an agreement on a full Board; it is not voted by both sides. It is not moved and seconded and carried as an agreement.

10,973. We need not follow all these intricacies; but is not it right to say that an appeal authority would be, at all events, a useful body in dealing with all these questions, subject to the caution which you have thrown out that it might lead to people abstain-

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ing or appealing as a matter of course?—That is really what it comes to?—Yes.

10,974. You think that the tendency of appeal would be rather greater in the case of a Central Board than in the case of the Minister?—I think so, yes.

10,975. *Lord Weir*: To what extent do you believe that the grouping of the present boards would result in greater success?—I say they are grouped already—my Boards. The Hat, Cap and Millinery is a group; the Rope, Twine and Net is a group.

10,976. And do you think more grouping could take place, from your general knowledge of the Trade Boards?—I think in the clothing trades it could.

10,977. *Mr. Poulton*: Do you mean in Item 8 that there should be standing orders drawn up where you say: "Reforms in procedure are important to make the Boards more deliberative, and lessen speeches?"—Yes. That, as the Chairman pointed out, is a matter of procedure. I think it might interest the Committee to know what I thought about that. I got a memorandum this morning—I do not know if I ought to mention it—from Mr. Layton, or submitted to a Committee by Mr. Layton, with a request that I should say something about it; but it does not matter very much.

10,978. *Chairman*: By all means let us have it. That is a memorandum on the wages current in the various industries?—Yes.

10,979. What do you say about that? We have copies of it?—I think the point is that we have to attend, in fixing Trade Board rates, to the rates which exist especially in export industries, and secondly that at present rates of wages have got chaotic, and there are Trade Board rates which are actually above the rates in organised trades. (*To Mr. Layton*): Is that right? I think these are the two points.

10,980. *Mr. Layton*: Yes.—My point is that though the rates in other trades are chaotic, our very function is just not to do that on Trade Boards, and that if we were to follow the rates of industry outside we should really be giving up practically our main function as Trade Boards, which is to prevent that kind of thing happening in our trades. Mr. Layton has taken his figures at a time when Trade Board rates are above the rates in certain organised trades, but in other times they will not go nearly so high, and what I call a minimum rate is a minimum rate calculated over a long enough time for reserves to be held and drawn upon.

10,981. The question of what are minimum rates depends on what is going to be the ultimate movement of wages generally?—Yes.

10,982. But the implication there was that wages are moving in a particular way. I did not deal particularly with Trade Board rates, but it is obvious that Trade Board rates have not moved in the same way and to the same degree, and that is creating and may create a certain amount of difficulty in the country generally.—Well, I should not expect Trade Board rates to fluctuate in the same degree simply because they are regulated by Trade Boards. I do not expect them to go so high and I do not expect them to fall so low.

10,983. The real question that arises about that Memorandum which was put to you is this: Is it possible for Trade Boards to fix a minimum, an appropriate minimum, on the basis of what is happening in other industries rather than in the main on

a basis of cost of living?—What is happening in other industries, as it affects our trades, is taken into account in fixing a rate in our trades; it enters into the consideration of what this trade will bear. I do not see how a Trade Board could work if it regarded itself as tied to the fluctuations of any other industry.

10,984. Of course, it has not been suggested that it should be; but what considerations were taken into account last week, for example, when you were discussing the matter?—Well, that was the Rope Trade; that is largely an export trade.

10,985. You were speaking of millinery, I thought?—Millinery was this week.

10,986. Was any account taken of the general movement of wages in industries, generally speaking, in the big trades of the country?—Not except in so far as that affected the millinery trade; so far as that affected the purchasing power over millinery products; no.

10,987. *Mr. Pugh*: So when you fixed your wages previously you would have no regard to the fact that the lowest-paid worker in the steel trade, the rate for whom is quoted as below the Trade Board rates, was then getting 225 per cent. above pre-war; and not having taken that into account then you would not feel disposed to take it into account now?—Our rates were not anything like so high in proportion as that. The idea, I understand, is to fix a rate for a period and hold it for a period long enough for proper reserves to be held to stabilise it for that period.

10,988. *Mr. Layton*: What do you mean by proper reserves?—Well, the employers know that they have to pay that rate for a certain period, so they do not dissipate that money in dividends.

10,989. Financial reserves, you mean?—Yes.

10,990. *Mr. Pugh*: In any case, if you were considering, say, the iron and steel trades, you would have to have regard to the average value of wages, rather than the value at a particular moment owing to the factors which obtain in the iron and steel trades?—Yes. I should not expect Trade Board rates to fluctuate nearly so much.

10,991. *Mr. Layton*: How much is the weekly reduction which you have made in the Millinery Trade Board?—In the Millinery Trade Board the rates have only come down to 8d. as against 8½d. for women.

10,992. That is about 2s. a week?—Yes. May I say that that is by agreement with the employers.

10,993. The employers agree to that?—Yes.

10,994. Does that compare with 3s. or 4s. or 5s., that being the average reduction which has taken place in most of the big trades such as engineering, railway service, and the main organised trades of the country?—Yes.

10,995. Did you reach that figure simply on the proposition of the employers?—On our proposition accepted by the employers.

10,996. Was yours a compromise between the two?—No, the workers made no proposal.

10,997. Did the employers make some other proposition?—Yes. The employers finally accepted unanimously, I believe; at least, their Chairman spoke for them and accepted that reduction only from 8½d. to 8d., on the concession, I should add, of other reductions on highly skilled rates.

Chairman: Thank you.

(*The Witness withdrew.*)

(Adjourned to Wednesday next the 1st proximo at 11 a.m.)

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Mr. ARTEMUS JONES, K.C.

[Continued.]

TWENTY-THIRD DAY.

Wednesday, February 1st, 1922.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE,
G.C.M.G. (*Chairman*).
THE RIGHT HON. LORD WEIR OF EASTWOOD.
DAME ADELAIDE M. ANDERSON, D.B.E.
THE HON. MRS. ALFRED LYTTELTON, D.B.E.

MR. W. T. LAYTON, C.H., C.B.E.
SIR ARTHUR F. PEASE, BART.
MR. A. MACCALLUM SCOTT, M.P.
MR. H. D. HANCOCK (*Secretary*).

Mr. ARTEMUS JONES, K.C., called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

My experience of the Trade Boards system is confined to the four Boards of which I am chairman:—

1. The Stamped or Pressed Metal Wares Board.
2. The Button Board.
3. Pin, Hook and Eye and Snap Fastener Board.
4. Perambulator and Invalid Carriage Board.

At the date of my appointment, in April, 1921, the abnormal trade depression, which began to set in at the end of 1920, was producing its full effect. All the rates had been fixed during the chairmanship of my predecessor, Mr. Jeeves, K.C., and throughout the whole of my time the chief controversy at the meetings has turned upon proposals brought forward by the employers for reduction in the rates of wages previously fixed. These reductions have invariably been carried by the votes of the appointed members. Short as my experience of the system has been, it has been wide enough to enable me to see its machinery working under the most adverse conditions. No one in the Parliament of 1918 foresaw either the extent or the intensity of the present trade slump, so that the machinery of the Trade Board system has been subjected to a more severe strain than its framers ever contemplated. The defects of the machinery as disclosed in its working since 1919 are accepted on both sides, and the statutory changes necessary for the removal of these defects are not in dispute. The points on which I should like to try and help the Committee are:—

1. The methods by which settlements are reached.
2. The part played by the appointed members in such settlement under the Act of 1918.
3. The nature of their real function in the Trade Board system.
4. The statutory changes necessary to improve the machinery.
5. The influence of the Trade Board system upon the relationship of workmen and employers

(1) On three out of the four Boards an Administration Committee, consisting of representatives of both sides, meet together some days before the Trade Board meeting to explore the avenues along which an agreement may be reached. On the fourth Board (the Pin, Hook and Eye and Snap Fastener) I have suggested a similar arrangement, and both sides have now accepted it, so that henceforth the initial method of settlement will be the same on the four boards. The Administration Committee deals with most questions of importance, such as matters on which the interests of the workers and the employers are in conflict, *e.g.*, variation of the rate of wages; other matters in which the interests of both sides are not in antagonism, *e.g.*, schemes for the training of disabled soldiers or matters affecting the conditions of the trade on which, under Section 10 of the Act of 1918, the Board can make recommendations to

Government Departments; still other matters on which both sides are at one in opposition to the Labour Ministry, *e.g.*, the definition of the articles coming within the scope of the Board. General harmony prevails on every subject except one, and that of course is the question of wages. In one or two instances the Administration Committee has overcome even this difficulty when the workers' representatives have been authorised by their constituents to agree to a reduction. As a rule, however, the variation of the rates is only decided after an exhaustive discussion at the Board meetings. When the proposed reduction comes before the Board, the discussion pursues a course invariably the same. On the employers' side emphasis is laid on four points:—(1) the slump in trade; (2) the competition created in neutral markets by reason of depreciated exchanges in Mid-Europe; (3) the allegation that the workers themselves, appreciating the abnormal state of trade, would be content to accept reduced wages if left to themselves without the intervention of the Board; (4) the impossibility of paying existing wages without closing down the works. The points urged by the workers are likewise the same:—(1) the high cost of living; (2) the inability of the employers during the slump to guarantee full employment even were the reduction agreed to; (3) the inadequacy of the proposed reduction to meet the terrible drop in the depreciated exchanges; (4) the impossibility of living in reasonable comfort if the wages are further reduced. When the discussion closes, each side is approached by the appointed members with a view of ascertaining if any compromise is possible. They indicate the views they have formed and what they are prepared to vote for. Sometimes the employers have been content with a smaller reduction than they asked for, and now and again the workers do not vote against it. On other occasions the appointed members have had to discharge the disagreeable task of voting in favour of reducing the workmen's wages.

(2) In fulfilling this function the appointed members derive no assistance from the language of the Statute itself. The Act of 1909 gave in express terms two principles which were to govern the fixing of rates under the Act: (a) where the wages were at an exceptionally low level in any trade or part of a trade; (b) where the other circumstances of the trade were such as to render expedient the application of this Statutory power of fixing rates of wages. These two guiding principles are no longer available, for (a) and (b) were repealed by the Act of 1918. The latter Statute sets out two considerations which the Minister of Labour must bear in mind in setting up a Board: (i) the absence of adequate machinery for the effective regulation of wages in any trade; (ii) the rates of wages prevalent in the trade. These are the only words in the Statute which indicate what the policy of the Legislature was in enacting it.

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[Continued.]

To the appointed members, whose task it is to find some solvent for this difficult problem of reducing wages in a period of high prices, such language offers no guidance at all. The only principle on which they can act is to try, on the evidence before them, to take a dispassionate view of the dispute if the parties cannot arrive at an agreement. On the one side the employers insist that the dominant consideration shall be the purely economic aspect of the question, viz., that the appointed members should vote for repeated reductions of wages in order to save the industry from being crushed by foreign competition. On the other hand, the workers contend that the Act was passed for the purpose of raising the level of wages and that the question whether the trade is carried on at a profit at any particular period is an entirely subordinate consideration—in other words, decent wages come before profits. These two views, diametrically opposed to one another, lead inevitably to the question, did the Legislature intend to authorise such wages as must lead to the closing down of the industry and thus throw out of employment the very workers whom it intended to protect? Between the two extremes the appointed members have to steer their course. They are sometimes questioned by the employers as to the principles on which they are supposed to act. As I have said, at present there is nothing in the language of the Act itself to guide them. This uncertainty as to what the Legislature intended should be done by the appointed members is, I am satisfied, a source of irritation to the employers who are unfriendly to the Trade Board system. It leads them also to form wrong conclusions as to the real attitude of the appointed members. For instance, it was asserted to the Committee by a member of the Pin, Hook and Snap Fasteners Board that professors of economics and social welfare workers, who form the rest of the appointed members, are inclined to be more partial to the workers' point of view than to the strictly economic view. My experience of them is the exact contrary to this. On many occasions I have found my colleagues more impressed by the case made by the employers than I have been. In my humble judgment it would ensure a more satisfactory working of the system in the future if the two Acts of 1909 and 1918 were repealed and a consolidating statute passed which set forth in clear language the mischief which the statute is enacted to prevent or the objects which it is intended to achieve. The function of the appointed members should be defined in a separate section setting out the considerations which should guide them in voting if the workers and the employers cannot agree upon a rate, viz., the circumstances of the trade at the time when the rate of wages is fixed or varied, the level of such wages in relation to the cost of living, and the desirability of maintaining the rate of wages at or above subsistence level.

(3) According to my experience of the Trade Board system, the real function of the appointed members is not clearly understood by either the workers or the employers. No Trade Board falls clearly within the limits of a single one of the recognised methods of industrial settlement (which range from the Compulsory Arbitration of Australia to the purely Collective Bargaining of British Trade Unions). A Trade Board is, in fact, an amalgamation of the attributes of more than one of these methods. Apart from the compulsory enforcement of its rates, it becomes, during the first stage of its working, simply a method of collective bargaining between workers and employers. This was the obvious intention of its promoters, because the Right Hon. George Roberts, in introducing the Bill into the House of Commons, explained that it was to apply to those industries where the workers were not sufficiently well organised to insist upon the benefits of collective bargaining. If collective bargaining becomes impossible upon the voluntary basis (which sometimes happens with powerful trade unions) the next step is that of conciliation, and at this point the duty of the appointed members

is to try and get both sides to compromise. If this becomes impossible, a third stage is reached when the appointed members, ceasing to be conciliators, become in the last resort nothing more or less than arbitrators. The varying role, which of necessity the appointed members have thus to play, has caused no little confusion in the minds of their colleagues. Some employers have complained that the casting votes of the appointed members determine rates of wages in an industry of which they are completely ignorant. This criticism is only true in a literal sense. What the Board aims at is a rate of wages which is fair to the workers having regard to the conditions of the trade. Those who know everything about the trade put forward two figures:—(1) the rate offered by the employers; (2) the rate acceptable to the workers. If both sides come to an agreement, then the Trade Board rate has been fixed by those who know everything about the trade. If no agreement is reached the appointed members step in and take roughly the average of the difference between the two figures, and the rate then fixed thus becomes the highest common measure of agreement between the two sides, i.e., those who know everything about the trade plus the appointed members.

As to the *personnel* of the appointed members, my colleagues are two professors of political economy and two ladies who are familiar with the social welfare movement and also versed in economic science. I do not agree with the suggestion made to your Committee that the best type of assessor to assist the chairman is a commercial or business man rather than a professor of economics or a social worker. This view overlooks completely the essentially arbitral position of the appointed member. The workers could never be induced to accept as an appointed member a commercial or business man, who would of necessity approach every problem from the same standpoint as the employer. It would be just as reasonable for the workers to demand that a Labour M.P. or Trade Union official should sit as an appointed member. Once the arbitral character of the appointed member's position is conceded, it follows that he should either be a lawyer who is accustomed to weigh evidence or somebody who possesses a knowledge of economics or of the social conditions under which the workers live. A business man is an expert in his own particular line, but it does not follow that he has such a grasp of the industrial system generally as is afforded by economic science. From my own experience I can testify to the invaluable assistance I have received from my colleagues, and in particular Professor J. H. Jones, of Leeds University, whose profound knowledge of industrial economics and whose marked impartiality have more than once been publicly acknowledged by both sides. Where a large number of women are employed (as on these Boards) it is of vital importance that one of the appointed members should be familiar with the social conditions in which the women workers live.

(4) The statutory changes necessary to meet the defects disclosed in the machinery of the Act may be briefly put. The period of lodging objections to a proposed variation under Section 3, Sub-section 4 should (after the first rate is fixed) be reduced to a fortnight, with a further period of ten days for confirmation by the Minister of Labour. Once a rate is varied by the Board and is confirmed by the Minister for Labour, it should come into operation on the date mentioned in the notice. This reform will do much to remove the dissatisfaction which exists on both sides with regard to delay. Moreover, the Minister for Labour, if he exercise his power for postponing the confirmation of the rate or variation, should be directed by the statute to give in writing the reason for his decision. At present his power in this respect is absolutely arbitrary, and I cannot help thinking that the workers now and again become a little suspicious where the power is exercised lest some parliamentary or political pressure is being exerted to interfere with the administration of the Act. If in the future the Labour Party comes into power em-

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ployers would equally naturally entertain the same misgiving. It would be fatal to the working of the system if the confidence of either side were undermined by fears that political or parliamentary influence were interfering with the Executive, and the suggestion I make would, I think, prevent any such suspicion arising.

Another statutory change, as to which there is no difference of opinion, relates to Section 9, which governs legal proceedings or offences against the Act. At present the power of the Court of Summary Jurisdiction to order defaulting employers to pay all the arrears of statutory wages is discretionary, and more than once the magistrate has exercised the discretion in favour of the employer. This has had an unfortunate effect upon the minds of the workers' representatives. I would suggest that the word "may" in the ninth line of Sub-section 1 of Section 9 should be superseded by the word "shall," so as to make it obligatory to order payment of all arrears. I would also suggest that the piece-work basis time-rate which is dealt with in Section 6 of the Act of 1918 should receive a similar definition to the other rates contained in Section 3, and added to them. Another change I would recommend relates to procedure. At present the appointed members are dependent, in ascertaining the facts of a dispute, upon *ex parte* statements made upon both sides. They should be equipped, in my opinion, with some powers of Discovery (as it is known in the High Courts) whereby they could verify or otherwise the statements made to them. Parties to a dispute sometimes deceive themselves as to the facts; at other times statements are made on one side which are not accepted on the other side. For instance, at the last meeting of the Hook and Eye and Snap Fasteners Board, where a reduction of wages was carried, the case for the employers rested on the assertion that trade was so bad that they could not give the workers any assurance they would be put on full time. A woman delegate from a town outside Birmingham assured me, however, during the negotiations, that a firm employed in producing the same article in another town was working full time. Again, there is the delicate question as to whether the industry is carried on at a profit. At present there are no means of ascertaining what the facts are in this respect. A limited liability company publishes what the profits may be in its balance sheet, but a private company need not do so, and the same remark applies to partnerships and firms. At one meeting of the Pin, Hook and Eye Board the employers very fairly offered to produce their balance sheets to me privately in order to show the serious position in which the trade found itself. This offer I declined, on the ground that the workers could not possibly be satisfied with a decision resting upon facts which they had no opportunity of challenging. In the Commonwealth Industrial Reports of Australia I have read judgments which show that this difficulty has been overcome in Australia. A power analogous to the machinery of Discovery is vested in the Australian Courts for the purpose of enabling the judge to require the production of all documents relevant to the issue before him, that is to say, the balance sheets of the employers. If the Trade Board is to continue and develop, it will be found in time that a similar power should be conferred on the appointed members for determining the facts in dispute.

(5) The effect of the Trade Board system on the relations between employer and the workman is beneficial on the whole. It varies in degree on different Boards. At one extreme stands the Perambulator and Invalid Carriage Board, which, meeting in London, embraces employers and workers drawn from various parts of the country. Here the utmost cordiality prevails between the two sides, and most of the employers regard the system as a legitimate form of protection to the worker against the undesirable type of employer, and both sides are at one in the desire that the provisions of the Act should be fearlessly enforced. When, by reason of the slump in

trade, the rates of wages had to be reduced I experienced little or no difficulty in negotiating between the parties. Indeed, it is only fair to say that I was deeply impressed with the common sense and the reasonableness which animated the workers in trying to meet the employers. Where a deadlock occurs the only implement left to the negotiator is an appeal to the sense of fair play and to the reasonableness of temper which, according to my experience, are inherent in both employer and workman alike. The task of finding some accommodation between the two extremes is diminished or increased according to the general attitude of the employers towards the Trade Board system.

The three other Boards of which I am Chairman meet in Birmingham, where the attitude of the employers is by no means friendly to the sort of legislation which is embodied in the Trade Boards Act. This is particularly the case with regard to the Pin, Hook and Snap Fasteners Board. This hostility rests upon more than one ground. It is founded mainly upon the opinion held almost universally among employers before the system was introduced, that the State has no right to interfere in any matter of bargaining between one man and another. Approaching the subject from this standpoint, they look upon the State regulation of wages as a mischievous interference with the freedom of exchange, and ignore the economic theory which treats this view as a fallacy. They feel also very strongly that the practical difficulties in the way of applying the machinery of the system to the actual conditions of the trade were not taken into consideration when the Act of 1918 was passed. The Act may or may not have been in advance of public opinion, but it was not preceded by any preliminary discussion or controversy so as to prepare the minds of employers for what was undoubtedly an innovation. There was, of course, the preliminary enquiry which is held under the statute before the Trade Board is established, but I cannot help feeling that had public opinion among Birmingham employers been rendered more familiar with the policy upon which the Acts are based the misconceptions which exist to the prejudice of the system might have been avoided. There is also widespread misgiving among some of the employers lest the Trade Board system, tending as it does to strengthen the organisation of labour, may lead, at a period of unexampled trade depression, to trade aggression. A somewhat significant illustration of this distrust or misgiving as regards trade unionism occurred quite recently. A good deal of controversy had taken place upon the Pin, Hook and Snap Fastener Board with respect to the yield of some rates, and the result of certain tests conducted by the Ministry of Labour were challenged. So much time and discussion was wasted on what was purely a point of fact that I suggested a test under conditions satisfactory to both sides. When the tests came to be made, one of the firms on whose premises the tests were conducted objected to the presence of the workers' representatives on the ground that they were trade union officials. On the Button Trade Board and the Pressed Metal Wares Trade Board the hostility of the employers towards the system is not so pronounced. Taken collectively, nearly all the employers have worked the Act with loyalty, notwithstanding the political objection of some of them to the system. When the abnormal character of the existing trade conditions has ceased Trade Boards must, in my opinion, prove of increased advantage to both employers and workmen. The discussions enable them to understand and appreciate one another's point of view—the worker comes to realise the risks and anxieties which industrial enterprise involves, and the employers wish to understand and sympathise with the natural desire of the worker to reach a reasonably good standard of comfort for himself and his family. The great merit of the system as it exists is that it tends to humanise as well as to harmonise the relations between employer and workman. Its potential value lies in the

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fact that it supplies the foundation upon which the State can, if it chooses, build up some code or system of general principles for the settlement of disputes arising from industrial relationship. Just as modern industrialism increases steadily in its complexity, so do the economic problems to which it gives rise become more and more numerous. These problems can only be solved in one of two ways—either by an appeal to force, which means strikes and lock-outs, or by an appeal to reason and justice, which means some system of conciliation of which Trade Boards are an example. However unsatisfactory or incomplete the justice of the system may appear to be to the unsuccessful disputant for the time being, it is at least less ruinous to the community than the appalling waste and loss which industrial strife entails. An immediate extension of the Reign of Law to the domain of industrial relationships is too much to expect, but if civilised communities are ever to attain the ideal of coping with industrial disputes on lines of reason and justice, they can only do so upon such a foundation as the Trade Board system provides.

10,998. *Chairman*: I think you are Chairman of four Trade Boards, the Pressed Metal Wares Board, the Button Board, the Pin, Hook and Snap Fastener Board, and the Perambulator and Invalid Carriage Board?—Yes, that is so.

10,999. You say that at the date of your appointment, in April, 1921, the trade depression was already producing its full effect?—Yes.

11,000. The first rates, I suppose, had been fixed under the Chairmanship of your predecessor, and the questions with which you had to deal were mainly questions of reductions in rates previously fixed?—Yes, almost entirely, I think.

11,001. With regard to those reductions, was there on your Board agreement between the two sides, or did the Appointed Members exercise their voting powers?—I should say that on nine occasions out of ten the Appointed Members had to intervene and exercise their casting vote.

11,002. Therefore, you have really seen the system at work at the moment of its pretty drastic test?—I have.

11,003. You say that in 1918 no one quite foresaw the intensity of the slump which was coming?—Neither the intensity nor the extent, I think, of the slump.

11,004. Of course, people knew that there was a probability of a fall, and there is no doubt that it was partly for that purpose that the Trade Board system was extended in 1918?—Yes, that is so.

11,005. But you think that nobody foresaw the intensity or the extent of it?—Not to the extent of the abnormal slump which has occurred.

11,006. You deal mainly with three points; the first is the system by which settlements are reached, and you say that in three out of your four Boards an Administrative Committee, upon which both sides are represented, meets some days before the Board meets to explore the avenues whereby an agreement may be reached?—Yes, that is the system.

11,007. *Lord Weir*: There are no Appointed Members upon that Committee?—No, there are not. I must qualify my answer there: I am not quite sure whether one of my colleagues, Professor Jones, has not been called in once or twice. I think he has been called in once or twice on some particular question or other as to which the Administrative Committee were not in agreement.

11,008. But this Administrative Committee really gives an opportunity to a few of each side to explore the position?—It acts as a sort of preliminary canter for both sides to narrow down their differences, and if possible to come to an agreement before the Trade Board meeting is held.

11,009. *Mrs. Lyttelton*: Does it usually present an agreement?—On every subject with the single excep-

tion of the wages; and in one or two instances they have agreed as to the wages.

11,010. You mean that hours and conditions of employment, and all that sort of thing, have as a rule been agreed on?—Yes, the general conditions of labour.

11,011. *Chairman*: With regard to the wages, there is usually a contest on the Board itself?—There usually has been a contest during my time. What the position was in the days of my predecessor, of course, I do not know.

11,012. The points which are put forward in argument at the Board meetings you summarise as being these. First, on the employers' side, you say that stress is laid on the slump in trade; the competition in neutral markets; the statement that the workers themselves would be content to accept reduced wages if the Board did not exist; and the impossibility of paying the existing wages without closing down the works?—Yes.

11,013. On the workers' side the points urged are, first the high cost of living—reference being made, I suppose, to the index figure?—Yes, constantly.

11,014. Also the inability of employers during the slump to guarantee full employment; does that mean that they think that they may have to take short time?—Yes, that has occurred recently. On most of the businesses the workers are only partially employed, and when we have discussed the rates of wages the workers' representatives have said: "We would not mind accepting the reduced wages provided you gave us some reasonable assurance that you would give us full time."

11,015. Do you mean that in view of the risk of their being employed for a short time they ask for higher rates per hour?—No, not quite that. I do not think that is putting it accurately.

11,016. I should like to know exactly how you would put it?—What they say is: "We would not mind accepting your lower rate provided that we were not kept on short time as we are now; we are only employed now, say, two or three days a week."

11,017. It comes to very much what I say, when you work it out, does it not?—In substance I think it does, yes.

11,018. Then they also urge the inadequacy of the proposed reduction to meet the terrible drop in exchanges?—Yes.

11,019. That means that however much you reduce, you will never meet that one difficulty urged by the employers?—Yes. I ought to say that the employers' case with regard to the export trade always turns upon that: they refer to the depreciated exchanges as regards Germany and Czecho-Slovakia and so on, and they say that they cannot hold their own in competition, and they must bring down their cost of production, and therefore there must be a reduction in the rate of wages.

11,020. *Lord Weir*: Do they not also point out the competition with countries where there is no depreciated exchange?—Yes, I think that in two instances that I know of they have spoken of the competition of the Japanese and Americans.

11,021. *Chairman*: Then the fourth point is the impossibility of living in reasonable comfort if the wages are further reduced. That is very much connected with No. 1, the high cost of living?—Yes, it is.

11,022. I suppose when the argument has proceeded so far the Appointed Members endeavour to effect an agreement?—Yes, they see whether there is any compromise possible.

11,023. Do you have meetings with the sides?—What happens, as a rule, is that one side withdraws, and then the Appointed Members are left alone with the side that remains; and then having sounded them they approach the other side and get to know how far they are prepared to go in order to come to some sort of agreement.

11,024. If you cannot make peace, you have to vote?—In the last resort, of course, if we cannot make peace we vote.

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[Continued.]

11,025. *Sir Arthur Pease*: Do neither the employers nor the employed bring in in their arguments a comparison with what is paid in other trades?—Yes. For example, quite recently it has been a familiar argument on one or two of the Boards that that the rates arranged by trade unions by voluntary arrangement in the non-Trade-Board industries in some instances are lower than the Trade Board rates. That is not general; it is only on two or three particular instances where that point has been made. I do not think that the disparity between the two rates is a very great one.

11,026. Do the workmen not bring in that argument too—that in a particular trade they are not paid as good rates as in another trade?—It has been urged on the workers' side that the Trade Board rates are lower than the rates fixed by trade unions with regard to other industries.

11,027. Of course, that is really the crux of the thing is it not; to get a rate which is reasonable compared with what is paid in other industries throughout the country?—That is one way of putting it. It really is the crux of the whole thing. You see, the Trade Board system was really introduced, as I understand it, to apply to those occupations where workers were not sufficiently well organised to insist upon the benefits of collective bargaining. I have read Mr. George Roberts's speech in introducing the 1918 Bill into the House of Commons, and that was the ground which he took in putting forward his scheme.

11,028. *Chairman*: Then you draw a contrast between the language of the two Statutes?—Yes, I do.

11,029. The Act of 1909 made the establishment of the Boards contingent upon the wages being exceptionally low?—Yes, that is so.

11,030. And also authorised the taking into consideration of the other circumstances of the trade?—Yes.

11,031. On the other hand, the Act of 1918 altered both those things?—Yes.

11,032. It left out the words "exceptionally low," but it did have some words which told the Minister to have regard to the rate of wages in the trade?—That is so. It was put in more general phraseology. I think the phrase is "The absence of adequate machinery for the effective regulation of wages in any trade and the rate of wages prevalent in the trade."

11,033. Does not that latter expression mean that he ought not to set up a Board unless the rates of wages are unduly low; otherwise what does it mean?—Yes, I should say that that was so. I take it that the Minister, before he sets up a Trade Board, has a preliminary investigation to satisfy himself as to what the rates of wages are.

11,034. Then with regard to the other circumstances, do you take the view that the Minister is no longer to take them into consideration? Take such a factor as foreign competition, or the history of the trade, or the fact that you cannot go too fast in altering wages; are those things not now to be taken into account?—I should say they ought to be taken into account in an abnormal time like this, and it may be that the absence of any specific language in the Act upon those points may have been intentional, in view of the possibility of that rough time ahead. Certainly the absence of that language gives a sort of elasticity to the whole thing, which enables you to extend in any direction you please.

11,035. I should have thought that the presence of considerations of that sort would have made the Minister take a wider view and consider the whole facts before setting up a Trade Board; and the same would apply to a Trade Board when it was acting?—Yes.

11,036. However, you are quite right in saying that they do not appear in the new Act. Then the effect is, as you say, that members do not get guidance as to the principles upon which they are to proceed?—That is so. I think that is one of the defects in the Act myself.

11,037. *Dame Adelaide Anderson*: With reference to this insistence of the employers on the purely economic aspect of the question of wages, has not the mere fact of discussion tended to make employers take into account the vital needs of the workers?—Well, take the position which we have reached now, for example, on the Pin, Hook and Eye Board, where there is demand after demand made by the employers for a reduction in wages, and they all insist that unless they get the reduction they will have to close down their works.

11,038. But they know that there is a limit to the reduction which is practicable with a human being?—They ought to know, but they sometimes present their argument as though that consideration did not exist at all. They say, "Unless we get this reduction we cannot carry on our business."

11,039. Then there are some cases where anything but a merely nominal wage would still be insufficient?—I have tried by gentle cross-examination to put those points to them, as a matter of fact; but you see the difficulty they are in. I am accepting what they have said as being perfectly correct with regard to the position of the trade. They say, "We cannot hold our own; we are carrying on the business at a loss, and until we get this rate reduced we shall have to shut down, and the very workers whom the Act is intended to protect are thus thrown out of work."

11,040. *Lord Weir*: In other words, that unemployment is the alternative to a low rate?—That is so.

11,041. *Chairman*: What you say leads to this, I think, does it not, that it is desirable to define more clearly both the conditions under which a Trade Board should be formed and also the duty of the members in fixing rates?—Yes, I am certainly of that opinion.

11,042. Then as regards the formation of a Trade Board, are these the conditions which might be wisely laid down: first that the rate of wages is unduly low—or whatever the proper expression is; secondly, that there is no adequate organisation for dealing with wages outside; and, thirdly, perhaps, the other circumstances of the case?—Yes, I think that those considerations would be wide enough to cover the position.

11,043. Do you think, still dealing with the formation of the Board, that it would be useful to require a public inquiry in each case before a new Board is formed?—Yes, I should be strongly in favour of that, I think, because I have got the impression, rightly or wrongly, that many of these employers have never realised what the policy of the legislature was in passing this kind of legislation.

11,044. There is, as we all know, an informal inquiry by the Ministry, through its agents, but it has occurred to me, and I think others would agree, that if a public inquiry were held the Ministry would get all the facts before it?—Yes; I certainly think that; and it would have this additional advantage, I think, that you would not have the employers asking, as they do sometimes now, "What is the object of this Act, and what are you supposed to do?"

11,045. The whole thing would be discussed publicly, and they would have full notice of what was in the wind?—Yes, and they would understand also, I think, the workers' point of view as to what the humane considerations are upon which this kind of legislation is based.

11,046. *Lord Weir*: If that ambiguity was removed, you would then be getting at the root of most of the trouble?—Yes, that is my view.

11,047. *Chairman*: Then you come to the other question on which greater clearness is desired; that is what the Boards are to do in fixing minimum rates?—Yes.

11,048. Have you considered how a minimum rate should be defined? Take first a general minimum rate. Have you ever thought as to what class of

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workers that should apply to?—No, I have not. You see, I have no experience in fixing an original rate at all. I came in at a time when the rates had been fixed. You could not fix, I think, a uniform minimum rate, because circumstances vary so much.

11,049. You mean for all the trades?—Yes.

11,050. Then you go on to discuss the position of the Appointed Members, which, you say, must be clearly understood by either side?—Yes.

11,051. And you say quite truly that the Appointed Members are not arbitrators?—They are not arbitrators. They act, I think, in a sort of three-fold capacity. They first of all act as a sort of friend to each side. Then if a disagreement arises they have to try to conciliate or placate either side; and when that fails they play the part of an arbitrator.

11,052. And not even the part of an arbitrator, because they have not got the right to decide. All they can do is to vote on one side or the other?—Yes. You see the distinction I was drawing between conciliator and arbitrator. The conciliator would have no power to reach an agreement, and the arbitrator would. That is the sense in which I meant it there.

11,053. They are not free arbitrators?—No, not in our sense; not in the lawyer's sense.

11,054. *Mrs. Lyttelton*: The mechanism by which their decision is enforced is their vote; that is the difference, is it not?—Yes.

11,055. *Chairman*: Their own opinion is not dominant; that is to say their vote must be given either to one side or the other?—Yes, that is so, and instances have sometimes occurred where the appointed members are not in agreement themselves. I have known two or three divisions in my time where one of my colleagues has voted one way and another has voted another way.

11,056. Then the side for which you, as Chairman, voted prevailed?—That is the idea of having the third, I suppose.

11,057. I suppose it is a help to a Chairman to have other Appointed Members with him?—Oh, undoubtedly, and especially in these Boards, I think, because there are a lot of women workers, and I suppose of all sections of the community which require the protection of the legislature, it is the woman workers in a district like this. I have two lady colleagues who have been connected with the social welfare movement, and I think have studied economics also, and I think they know a good deal about the conditions under which these people live, and I have found over and over again that I have had useful information from both of them on that point.

11,058. It is suggested to us that instead of having members nominated by the Ministry, there should be a panel of Appointed Members from which the Board itself should choose two, one on each side. Does that commend itself to you?—Well, that has not occurred to me. I can quite understand the objection of either side really to the Appointed Members being nominated by a Department. I should think that is rather a good idea for the moment; I should say the idea of having a panel is rather a good one.

11,059. On the other hand, would you not rather tend to have selected as Appointed Members persons who would be likely to take on the one hand the employers' view, and on the other the workers' view, and in that case would you not be really adding one to each side?—Yes; making no headway practically.

11,060. You would really make no headway?—I quite agree.

11,061. However, that point has not been put to you?—That point has not been put before.

11,062. Now you pass to the defects in the machinery of the Act, and you say first that the

period for lodging objections to a proposal or a variation of a rate should be reduced to a fortnight. Let us take that first. Would a fortnight be enough? It has been put to us that the persons interested must have some time to hold meetings of their union or their executive council, and so on, and that it would be very difficult to do that in a fortnight. The period mostly suggested to us was a month. What do you say to that?—Well, it would depend, of course, upon the size of the industry; the number of the industries covered by the Board. If it is a small Board with a comparatively limited number of industries, I should have thought a fortnight would be quite sufficient. I ought to say this, that when I came on the scene on these four Boards there was universal complaint on both sides with regard to the delay. The men suffered from the delay, of course, when the rates were going up, and the employers suffered from the delay when the rates were going down.

11,063. Not in the same degree, did they, because after all the men could get the wages raised, but the employers could not reduce them until the variation was approved by the Board?—I think it cut both ways equally. I do not suppose the employer would pay the increased wage until the rate became enforceable under the Act.

11,064. We have had many cases where he has done so, but no doubt chiefly in cases where there has been considerable organisation, and where the organisations have been able to insist upon the rates being raised?—Yes.

11,065. *Lord Weir*: Or where there has been competition for labour?—That, of course, would affect it.

11,066. *Chairman*: Still, it is true that wages can be raised, notwithstanding the Act?—Wages can be raised notwithstanding the Act, provided, of course, that the workers are sufficiently organised to hold the revolver at the head of the employer.

11,067. Or provided there is sufficient competition for good workers to induce the employer to put up the wages rather than lose his men?—Yes.

11,068. *Sir Arthur Pease*: Do you consider that the Act has to fix minimum rates or standard rates? Which do you think is the object of the Act?—You have to take the language of the Act itself. It says "minimum rates."

11,069. Do you think those minimum rates ought to be fixed at such a level that they would really be the standard rates, except under exceptional conditions?—Well, that is a very difficult question to answer. I should want to think it over before giving a definite answer to that.

11,070. Would you mind thinking it over?—Yes, I will.

11,071. *Lord Weir*: In those Boards with which you have been associated, do you believe that those minimum rates are in fact the standard rates?—Oh, no, I do not think they are. I believe that in one of the industries covered by my Boards, I think the Pin, Hook and Eye, the evidence has been given before this Committee that it was almost classified as a sweated industry many years ago, and there, of course, I should think that the economic position of the women workers is rather low. I do not know what the actual wages current in the trade were before the Board was introduced.

11,072. *Mrs. Lyttelton*: Very low?—I believe they were very low.

11,073. *Chairman*: In cases such as that probably the process of raising the rate was gradual; you could not jump at once to a high rate; you would have to go by degrees, and I believe the earlier Boards did so?—Yes.

11,074. Then going back to machinery, you would only allow the Minister 10 days for confirmation?—Yes, I should have thought that 10 days was a sufficient period. I know I am dealing with a

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Government Department; they do not move very quickly; but I should have thought that 10 days was quite sufficient.

11,075. It depends very much, does it not, on what the Minister is to do. Supposing you could interpose between the Board and him some process of revision, then he might be content with a very short time for confirmation?—Yes.

11,076. If he has to listen to objections from the public and so on, then he must have reasonable time?—Yes. Still, may I say this, that so far as my experience goes there are very few objections which come in really. Those that do come in are of a belated kind; they raise very general objections to the rates which were thoroughly discussed at the time when the rates were fixed or varied. That is what has struck me very much in the course of my experience, that the objections that do come in during the period for objection are no good at all.

11,077. Do you mean the objections which come in to the Minister?—No, to the Board. There is a period allowed after the notice has been published by which objections can come in, and what has struck me is how very irrelevant and how utterly useless these objections are. When they are relevant they relate to matters which have been thoroughly discussed by the Board when the rate has been varied.

11,078. Yes, but no doubt Boards differ in that respect. Some seem to have very many more objections than others, possibly owing to a difference in the method of fixing the rates?—It may be so.

11,079. But with regard to the Minister, if he is to act in any sense as a Court of Appeal which is to exercise discretion, he must have a little time, must he not?—He must have time, yes; I quite agree.

11,080. *Dame Adelaide Anderson*: I suppose a great many of these people who raise objections which have already been considered fully have no knowledge and no access to information as to what really took place. Do you think anything could be done to quiet them by giving them more access to information?—It is very difficult to say that: I know this, that had the writers of these objections been present at the Board meetings, they would not have taken the trouble to write the objections. What means you have, of course, of communicating with all the workers and employers affected by the rates I do not know; I suppose that would be rather an expensive process. If you wanted to circulate the arguments put before the Board on variation, it would be a very expensive thing.

11,081. It makes a very great difference to anyone who has a grievance, especially to an Englishman or an Englishwoman, if they know that the thing has been thoroughly considered?—Oh, yes, I quite agree.

11,082. *Lord Weir*: It could only be done, presumably, by better organisation on both sides?—On both sides; I should think so.

11,083. *Chairman*: Then you think that the Minister should be required to give reasons as to his decision?—Yes, I am very strongly of that opinion.

11,084. *Sir Arthur Pease*: In cases of organised industry which I know of, where a secretary of an association is on the Board, he generally keeps a summary and communicates it to the members in the district or the country?—Yes.

11,085. Would he be allowed to do that, or is it absolutely confidential?—Oh, no; it is not confidential at all. He is at liberty to explain to his constituents what was the case brought forward. Then, of course, all the workers are not organised. On my Boards there are certain trade union representatives on the Board, such as the Women Workers' Union, and so on, and they are very helpful. Then you have women workers who are not organised coming to the Board—women especially.

11,086. Might they have a shorthand writer present?—They could, but I should think it would be a terrible waste of money and printing and everything else.

11,087. I do not know anything about that, but would it be allowed by the Chairman of the Trade Board?—I should say so. There is no objection to it. No such application has ever been made to me, but if an application were made I should see no objection to having it done.

11,088. *Chairman*: Would it not tend to hamper discussion to some extent? I take it that there is an informal discussion among members with a view to coming to an arrangement, and it might put a harness on their tongue?—Yes, I appreciate that. The discussion sometimes lasts for three or four hours; it is a regular debate. Personally, I would have no objection to a shorthand writer, but I should rather take the view that there would be a good deal of waste of money if that were done.

11,089. *Lord Weir*: You really would encourage each side to have a summary, and that that summary should be made as public as possible on both sides?—Yes, I think that might be done.

11,090. And it might be accessible in some place which everybody knows about where everybody could get it? You could not send a copy to everyone, but you could tell them where they could get at the information?—Yes, I should think it could be supplied in some way in the works, for example, where notices are affixed now with regard to the variations in the wages.

11,091. *Chairman*: I do not know whether any of your rates have been referred back to the Minister?—No, I do not think they have, but once or twice the matter has cropped up in the course of discussion. Of course I may be wrong, but I have formed the view that some of the workers' representatives are rather afraid of pressure being brought to bear in Parliament to interfere.

11,092. In fact, when the Minister does refer back he does give reasons, does he not?—I think I know one instance where he has not done so. My recollection is rather vague at the moment; I am not quite sure.

11,093. My information is that he does give reasons?—Of course, there is nothing in the Act itself which compels him to give his reasons.

11,094. No, but Ministers are sometimes wise enough to do something which they are not absolutely compelled by statute to do. Then your third proposal with regard to time is that a rate should come into operation at the date fixed by the notice; that means, I suppose, the notice of proposal?—Yes, so as to prevent any further delay. That is my sole idea there.

11,095. That would be a date, I suppose, allowing time for objections and some little further time for publication of the fixed rate?—Yes, that is so.

11,096. Then you refer to the question of legal proceedings for offences against the Act. You say that at present the Court of Summary Jurisdiction has power to order the payment of arrears of statutory wages?—Yes.

11,097. But you think that is discretionary?—It is discretionary. I ought to say (if I may interrupt you for a moment) that that matter cropped up on the Perambulator and Invalid Carriage Board. There is one employer in London here who persistently defies the administration of the Act. He has been summoned more than once, and he has appealed more than once; and in one instance the magistrate did not order him to pay the arrears of the statutory wages, and the workers considered that rather a grievance and brought the matter forward.

11,098. Was a reason given for that?—No, none.

11,099. I suppose the worker might have sued for arrears?—He could sue in the County Court, but the difficulty with these people is that many of them are

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very poor; they have no union, and I suppose it might be that they do not realise what their rights under the Statute are.

11,100. *Mr. MacCallum Scott*: Is that in the perambulator trade?—Yes.

11,101. Is it Simmonds?—Yes, Simmonds is the man.

11,102. *Chairman*: But in most cases the magistrate would order payment of the arrears, would he not?—I am not quite sure. What I want to do, if anything, is to see the Trade Board system enjoy the confidence of both sides equally, and somehow or other the workers have got a notion in their minds that the magistrates are not sympathetic to the administration of the Act, and that this optional power which they have as to whether they should impose a fine or not is a power which they are really inclined to use against the worker and in favour of the employer.

11,103. *Sir Arthur Pease*: You would have to limit the period during which you could go back for wages, would you not? I mean, if the Act went on you could not go back four or five years?—No, nobody would suggest that.

11,104. You would have to limit it to a period of months, or since the last regulation of wages?—Since the last variation, I suppose.

11,105. A great many employers hardly know where they are under the Act, do they?—I think we find frankly that many of them do not understand what the objects of the Act are, and they have never understood the case upon which this sort of legislation is based. That is why I think that originally it would have been much better if there had been the sort of controversy which you had, for example, preceding the National Insurance Act, when every platform resounded with the arguments for and against it. I think if the matter had been thrashed out in that way the misunderstanding and the prejudice against the Trade Board system would not exist. That is my view, for what it is worth.

11,106. *Dame Adelaide Anderson*: In the case of the National Insurance Act it was applied to the great mass of the people; this was only by degrees brought in to affect the different trades, and it would have been more difficult.—Yes, but in 1918, when this Act was introduced, in fact it had been the subject of reports by the Whitley Council and documents of that sort, but so far as the vast mass of the employers in the country were concerned—I mean in these particular industries—very little was known about the Trade Board system; and I should think that the first intimation which they had of it at all was when the preliminary investigation was made by the Minister before he set up the Board.

11,107. *Lord Weir*: This doubt extends even to the Boards themselves?—Yes.

11,108. *Chairman*: Then you have a suggestion about discovery?—Yes, I have.

11,109. Rather a serious suggestion, is it not?—It is, I quite agree. It is a serious suggestion, but I make it for this reason, that on one of my Boards one of the employers very fairly offered to produce their balance sheets. The difficulty I find is that there is so much conflict of fact in what is said at the Board as to what the position in the trade is, that I take the view some kind of machinery ought to be provided by which the Appointed Members could ascertain what the facts really are.

11,110. That means that they should have the power and duty of going into the books of a firm?—No, hardly that. I should think, for example, if you gave the Chairman power to call upon the employer to produce his auditor's balance sheet for the year or for the particular period in question to show what the actual position of the business was—I mean as to the profitable side of it—it would be some guidance.

11,111. *Sir Arthur Pease*: Do you mean individual firms, or a grouped number of firms?—Say a representative firm on the Board which would indicate generally what the position of the industry was.

11,112. *Lord Weir*: That could hardly extend to very many industries. Take the distributive trades, for example: how would you arrive at the position of the grocery trade?—No, I quite agree that it would not be applicable there. It is a mere suggestion that I have thrown out because the employers very fairly said to me: "We will produce these things to you privately, but not to the workers, because if you look at this document you will see in what a really dangerous position we are. We are carrying on the thing at a loss," and so on. Of course I could not accept it, because I should then have to ask the workers to accept a decision which really rested upon facts which they had no opportunity of challenging or verifying. I mean that is one of the difficulties of the Appointed Members in dealing with disagreements, when they do arise upon the Board: you have no machinery for ascertaining what the facts are; you are bound to accept *ex parte* statements made on both sides.

11,113. *Lord Weir*: Of course, in a specific industry you might at one time have one firm publishing an extraordinarily good balance sheet but another firm showing a very heavy loss?—Yes, I quite agree.

11,114. It would be very difficult?—I quite agree. I do not know whether Lord Cave will allow me to refer to it, but there is the case of the Australian Commonwealth Industrial Court Reports: there are one or two judgments there by Mr. Justice Higgins, and in one or two instances in his judgment they appear to have those powers of discovery.

11,115. That is a Court, is it not?—Yes, that is a Court; that is true.

11,116. I suppose you could now, as Chairman, say to the employers' representatives: "Your arguments would have more effect on our minds if you had produced more figures"?—Yes, you could do now, of course, and indeed I ought to say, in fairness to the employers, that some time ago they got Mr. Impey, a chartered accountant, to come on the Board with them and present their case on their behalf, and his information is really very useful as indicating what the position of the trade is; and it was, in fact, he who made the offer to which I referred just now to produce their balance sheet in order to satisfy me that they were really carrying on at a serious loss.

11,117. *Dame Adelaide Anderson*: They would have to show returns for several years, really?—No, I do not think so. I think the question would be as to what was the position of the industry at the time when you were dealing with it—when you were dealing with either a proposed increase or a reduction in the rate of wages.

11,118. Supposing that for some little period before they had been fairly prosperous but that they had had, say, two, three or four bad years prior to that, and they were trying to balance on the whole?—Yes, I agree. To be just to them you would have to take a period of comparison over some time.

11,119. Would that kind of Board be the place where such evidence could be weighed at all? It would put the Chairman into the position really of a Judge?—Yes. You cannot get courts established with all the judicial machinery, at any rate, at this stage of our history, but I suppose in time we shall reach that.

11,120. *Chairman*: I suppose, to make this discovery effective, you would need in some cases the assistance of a chartered accountant yourselves?—What I had in mind was this: a mere general statement as to whether the industry was being carried on at a profit or not I think would not require any detailed investigation, or anything of that sort, and I do not think any question of accountancy; but at present you have no information; that is the difficulty that one finds. You have the employers making one statement, stating that they cannot keep on at full time—that they are keeping men on short time, and so on; and then you have a statement made to you

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privately in the course of negotiations by a person on the other side that that is not true of the trade generally, because he knows of an instance in another town where the same article is produced and where the workers are being employed on full time.

11,121. That opens a vista of a long inquiry, and a very difficult one?—Yes, it does. That is merely a suggestion that I am throwing out with a view of seeing whether something can be done.

11,122. *Lord Weir*: On that subject it is quite obvious, is it not, that to disclose the position of an industry as a whole by means of a balance sheet discloses the position of the industry at a time anterior to the time when you require the information?—That is true, of course.

11,123. It is quite impossible to disclose by figures the position of the industry at the date you would require the information?—I was not thinking so much of a yearly balance sheet or a statutory balance sheet which is required from a public company; what I had in mind was something more than a mere *ex parte* statement—something in the way of documentary evidence to show what the position is.

11,124. If you had relative cost figures, for example, foreign costs and home costs, at any date, that would give you the information?—Yes, it would.

11,125. *Sir Arthur Pease*: But if you got a thing like that, do you think it would be any use unless you had the results of the firms grouped to get your general view; because firms would have specialities, and one firm which had a speciality in the same trade might be doing quite well, and a man in the general trade might be doing very badly?—Yes, that is so.

11,126. It would be no use unless you had a group, would it?—No, the information would not be useful to you unless it were equally true of all the firms covered by the Board.

Mrs. Lyttelton: It is too complicated.

11,127. *Dame Adelaide Anderson*: And it implies, does it not, something like a proportion of wages to the profits of the industry rather than settling what is a reasonable rate for human beings in the kind of work in question?—I made the suggestion about discovery more particularly with regard to the case which is now being made by the employers on these Boards—on one Board in particular, the Pin, Hook and Eye Board—that they are really carrying on the thing at a loss. Of course, I accept it; I am perfectly sure that it is absolutely correct; but then the parties to a dispute sometimes deceive themselves, and if you have statements made on the workers' side which are inconsistent with what is said on the employers' side, you then feel that there is a conflict of evidence and you would like to have some machinery by which the thing could be determined. That is what I mean.

Dame Adelaide Anderson: My sympathy is with finding out all that there is to find out; my questions were simply directed to bringing out the difficulties, and how they could be overcome.

11,128. *Lord Weir*: The point of an example such as you are raising could easily be settled by the unemployment figures for that industry?—The difficulty with regard to that is the classification of the groups in your Board of Trade returns. Once or twice I have looked at the "Labour Gazette" with a view of checking the statements which are made with regard to unemployment, and I am told that the classification of the Board of Trade does not follow the classification of the Trade Board system.

11,129. The difficulty would be to get unemployment figures in the Trade Board industries?—That is so.

11,130. *Chairman*: Then you go on to discuss the effect of the Trade Boards on relations between employers and employed?—Yes.

11,131. You think that on the whole it has been good?—Yes. I am emphatically of that opinion.

11,132. On one of your Boards the working seems to have been very harmonious from the beginning?—Yes, it has been very harmonious indeed on the Perambulator and Invalid Carriage Board.

11,133. On the three others it has been less so?—Yes, less so. In the Birmingham group the atmosphere is rather contentious, I regret to say.

11,134. *Lord Weir*: On the Perambulator Board the men concerned consist very largely of skilled workers?—Yes.

11,135. Who are presumably well organised?—I do not know what was the position of the workers before the Board was constituted; I know that it is almost a pleasure to preside at the Board; they are so cordial on both sides, and so very reasonable. We have had lots of discussions there, but there is practically little or no difficulty in getting both sides to take a common-sense view and to come to an agreement.

11,136. As a rule skilled workers would, in that particular trade, be members of a craft union?—Yes. I forget now the name of the union; but it is very likely.

11,137. The rates in question are to a very considerable extent, I suppose, the rates agreed upon outside by those craft unions; that is to say, the Trade Board rates in that trade are simply a confirmation of the rates agreed on by trade negotiation outside?—Yes, I believe you are right there. I think that on the Invalid Carriage Board I have not had to put my casting vote at all; I think they have come to an agreement almost every time. On two occasions I think I had to negotiate to and fro, but as a matter of fact the thing has been practically settled beforehand by the administration committee. You have got some very able trade union leaders on the one side and some very reasonable employers on the other, and there is practically little or no want of harmony at all in the Board.

11,138. Presumably they are only confirming rates which have been agreed by the craft union outside the Board altogether?—Yes, I should say so, because the trade union representatives would know what those craft union agreements were.

11,139. It happens, of course, to a greater extent in this particular trade, which embraces trade union members?—Yes.

11,140. *Chairman*: As you say, on the Birmingham Boards the position is quite different. Then you have some general observations at the end?—Yes, they are very general, and I am afraid they are not quite relevant to the terms of your reference.

11,141. The effect of it is that you think the Trade Board system substitutes for the weapon of strike and lock-out a system of what you call the reign of law?—Yes.

11,142. That means compulsory regulation, does it not?—It must mean that, yes. I see no reason why the Trade Board system should not be utilised to build up a similar sort of system to that which you have in operation now in Australia, and indeed in New Zealand, that is to say, if this difficulty about strikes and lock-outs is going to be overcome.

11,143. Have you studied the recent history of Australia?—The recent history of Australia is against my theory, I quite agree. You have compulsory arbitration in Australia, and there is no doubt that certainly for a period of 20 years, according to Mr. Hamilton's book on the subject, the system worked very well. I think I am right in saying that it is only during the last four or five years that there has been a recrudescence of strikes and lock-outs.

Lord Weir: And also, of course, in Australia you have a protective system; and it is basically an agricultural country.

Chairman: With a limited population.

11,144. *Lord Weir*: Yes, and a very limited population?—I am not advocating compulsory arbitration here. I am only suggesting that I think that the State has in the Trade Board system the nucleus of some kind of other system or modification of the Australian system which would serve the purpose of negotiating disputes which are now carried on to the point of strikes; because as time goes on these workers in the less-organised trades will become organised,

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[Continued.]

and I should have thought myself that it is a great advantage to the community if some kind of system of this kind is provided for dealing with disputes.

11,145. Following on that, would you consider it necessary to extend the principle of Trade Boards to all industries?—Yes, I would.

11,146. Even to organised industries?—I do not think you require it in the organised industries, do you, because in the organised industries you have the weapon of collective bargaining. They are able to look after themselves.

11,147. Would not that be the line to go on perhaps: to encourage organisation so that collective bargaining might take the place of the Trade Boards?—Yes, that is part of the Trade Board system, because the Minister has power to put an end to an existing Board where he is satisfied that the workers are so well organised that they do not require the help of the Trade Board.

11,148. *Mrs. Lyttelton*: Do you not think that on the whole that is a better tendency than your plan, which would be to extend the Government interference all up and down the whole of industry?—That is a large question. I am afraid I cannot compress an answer into a sentence or two.

11,149. *Sir Arthur Pease*: The difference between arbitration and the Trade Board system is really that arbitration fixes a wage for both, whereas the Trade Board system only fixes the minimum wage which the employer must pay, and therefore the Trade Board system is one-sided, and arbitration is comprehensive. Is not that the difference?—Yes, that is roughly the difference between the two, I think; but I think that the appointed members on the Trade Board serve in a sort of three-fold capacity really; they are there to be used if necessary; then if there is disagreement they will try to get them to compromise, as conciliators, and when conciliation fails they will use the power of voting at the end.

11,150. *Lord Weir*: Have you any special experience of home workers on your Boards?—The home workers constitute a very large proportion of the workers in two of the industries, the Button Board, I think, and the Pin, Hook and Eye Board.

11,151. And to protect those home workers, I presume, you see no better system than fixing a piece rate?—No, there is certainly no better system than that, it appears to me.

11,152. It is really impossible to protect the home worker by means of an hourly rate?—Quite. I think that in Birmingham the proportion of home workers is very considerable, both in the pin, hook and eye trade, and in the button trade as well; and I think it is fairly large in the pressed metals trade as well.

11,153. When you fix piece rates applicable to factory workers, presumably those piece rates are the standard rates payable for the work?—Yes.

11,154. So that they are not in a true sense minimum rates?—No, that is true.

11,155. *Mrs. Lyttelton*: Is the system of the middle-woman or middle-man used in home work in that

trade?—Those come up in one Board of mine; I think it is the Pin, Hook and Eye Board.

11,156. That further complicates it, of course?—Yes, it does; it complicates it very much.

11,157. May I ask one general question: in those cases where you have had great struggles and arguments over the wage, I want to know whether they have been in the main over the minimum, or whether they have been over the highly skilled rates. Which have produced the most controversy?—It is a reduction of a wage previously fixed for both.

11,158. You would not say that one was more than the other: that was my point?—No. What the employers have asked for is a reduction all round, so as to lessen their cost of production and enable them to compete.

11,159. The struggle has not been over the minimum, in fact?—No.

11,160. *Lord Weir*: They do not suggest any abnormal reduction on one part of the scale; they preserve the scale?—They preserve the scale generally.

11,161. *Mr. MacCallum Scott*: Among the factors which count in the minds of the Appointed Members in fixing a scale, there are no doubt things like the cost of living—a living wage?—Yes, quite so.

11,162. And the comparison with other trades?—Yes.

11,163. And what the trade itself could stand?—Yes.

11,164. What would you say was the order of importance of those factors? Which would you say was the most important factor?—That is the difficulty. There is no guidance in the Act; this is the crux of the whole thing. In my case I tell you frankly that I should consider it my duty to give the first position to the sustenance level, provided I was satisfied that the existing rate did not mean the extinction of the industry, because in that case the workers would be worse off than they are.

11,165. *Mrs. Lyttelton*: Do you think that the conditions may be so bad in one industry that it is better that it should disappear? If it can only be kept going at the cost of the worker, had it not better go?—Yes, I should agree with that if it came within the category of sweated industries, but of course the position with which I am dealing is entirely different. I am thinking now of an industry which is not a sweated industry, but in which, by reason of the very abnormal trade depression now, that problem is presented.

11,166. *Mr. MacCallum Scott*: The problem is different during a period like this from what it would be in normal times?—Quite. The problem is quite different in an abnormal period as it is now. I should think that my predecessor must have had rather a nice time of it, because at that time the wages were going up, and in good times the employers presumably were quite reasonable in agreeing to increases.

Chairman: Thank you.

(*The Witness withdrew.*)

Mr. W. ADDINGTON WILLIS, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

PRELIMINARY.

I am Chairman (since April, 1921) of the Boot and Shoe Repairing Trade Board (Great Britain) and of the Toy Trade Board (Great Britain), and Deputy-Chairman of the Brush and Broom, the Hair, Bass and Fibre, and the Grocery and Provisions (England and Wales) Trade Boards, and have been a member of these Boards from the dates they were respectively established.

Before receiving the above appointments I had acted during 1915-1918 as arbitrator or conciliator in over 260 industrial disputes, including several actual or threatened strikes of magnitude. Later, on the invitation of the Minister of Labour, I had

joined the Panel of Chairmen for *Ad Hoc* Boards of Arbitration under the Industrial Courts Act, 1919, and had acted as such Chairman.

I propose in the first place to deal with the points on which the appointed members have been invited to express their views.

POINT I.

Some form of minimum wage legislation appears to me necessary.

(a) *National Minimum Wage*.—Without generally discussing this subject, I would point out firstly that no system of a national minimum wage can be satisfactory unless it meets the special circumstances of a vast number of employable persons who are sub-normal in earning power. The number would depend upon the minimum rate which was fixed,

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but unless the rate was so low as to be worthless to the normal worker, the number would be very great. These sub-normal employables cannot be dealt with in the bulk; they must be considered individually and in the light of the circumstances of their case. A man who is sub-normal for most occupations may be normal for a particular industry if he chances to get employment in it. A deaf mute in the boot repairing trade is said often to be a superior workman. Again, a man who is sub-normal to-day may not be so twelve months hence. To deal with such cases equitably under a system of a national minimum it would be necessary to constitute or utilise bodies of persons to investigate the cases and to fix individual rates, as is done by Trade Boards when exercising their powers of granting permits. The task is heavy enough on the Boards; it would be gigantic and expensive when applied to all possible forms of employment.

Unless such arrangements were made the result would be that a great number of sub-normal employables would be thrown out or kept out of employment.

A further objection is that a national minimum wage would not do anything to benefit or protect the position of piece-workers, who are found in large numbers in Trade Board and other industries, and who, especially the female workers, require protection and assistance.

Again, I fail to see how national minima could be applied to skilled workers. No practicable definition could be found for them. Nor could such minima be applied with any advantage to workers in all the varying occupations involving some degree of skill or experience, and yet these often form the bulk of the workers in an industry. Experience of Trade Board industries shows that workers who do operations involving skill, manual dexterity or experience require the protection which Trade Boards can give them.

(b) *Legislation trade by trade.*—Whatever may be the agency by which legislation is effected, I regard its application trade by trade as the most practicable, satisfactory and equitable for employers and workers alike. The legislating body can meet the conditions peculiar to the trade; it can deal with all the varying classes of workers; it is able to protect and provide for piece-workers; it can secure uniformity of minimum remuneration to workers in the trade; and it can, to a considerable extent, eliminate unfair competition between employers in the same industry, in so far as that unfairness arises from the neglect on the part of some employers to recognise their responsibility to their employees.

(c) *Legislation district by district.*—Except perhaps in retail distributive trades, I should not expect to find legislation district by district satisfactory. It would not be likely to contribute to uniformity of rates of wages which is desirable over as wide an area as possible in any given trade. In making-up trades it would result in a transfer of work to the lower paid districts. In manufacturing trades variations of rates would not be fair to employers making the same products and competing in the same markets; nor would such variations conduce to harmony among workers doing identical skilled work in different districts.

POINTS II AND III.

The principles upon which minimum rates are settled and the methods by which rate settlements are reached.—The course usually adopted in the proposing of rates is that the two sides put forward and discuss their respective figures. During this discussion the Appointed Members endeavour to elicit and check information, to test arguments, and to point out the principles upon which the inquiry should proceed.

The proposed figures are discussed and tested in the light of the following principles or considerations, and the respective sides rarely fail to make the most of them in so far as they are applicable and support their case. They are: the necessity of providing a minimum to be paid in the least favoured portions

of the area in which the rates are to operate; the pre-war rates in the trade; the sum which may be regarded as a fair minimum rate of pay, having regard to the claims of the workers to attain a better position than in pre-war days; the cost of living; the capacity of the trade to bear the proposed rates; the wages paid in comparable trades; and the advisability of proceeding with caution and by degrees, especially in an industry where the existing rates are of widely varying quantities.

If agreement is not reached on the Board after full discussion, conferences are held either between the respective sides or their negotiating committees, or between the Appointed Members and those sides or committees, either separately or together. There is no settled practice. It depends upon circumstances. The aim is to see how much agreement can be reached or to reduce to a minimum the distance between the sides.

I desire to impress upon the Committee that Appointed Members dislike, above all things, having to resort to a vote. Their main aim is to secure agreement, and they dismiss from their minds all idea of voting until driven to it. They act as conciliators, and if an opportune suggestion can be made for the consideration of the sides, they make it. It is only when the issues are narrowed and all chance of settlement has vanished that the question of voting arises. It was not until the eighth day of such negotiations that the proposals on the Grocery Board were first voted upon.

If the Appointed Members feel that they can accept either of the sets of figures put forward they vote accordingly. If they do not feel justified in accepting either there is a deadlock. (In such a case they may suggest for the consideration of the two sides other figures which seem equitable, but if neither side is prepared to entertain them the deadlock continues.)

I do not recollect any instance on the Grocery Board, in which, as alleged, the Appointed Members moved an alternative set of figures, nor can I find any record of it.

I have attended all the meetings of the Grocery Board except on the seventh and eighth days, and at no meeting of the Board which I have attended have the Appointed Members threatened either side that if they did not accept figures put forward by the Appointed Members they would vote for the figures of the opposite side.

During the two and a half years I have served on Trade Boards, I have never heard any such threat.

POINT IV.

The present rate-fixing powers of Trade Boards.

(a) *Whether excessive.*—As I have not had an opportunity of reading much of the evidence submitted to the Committee, and as I am not sure that I rightly understand the contention of those who regard the present rate-fixing powers excessive, I prefer to confine my remarks under this head to a few general observations.

As I understand the general purpose and design of the Trade Boards Act, 1918, they are to secure an adequate minimum rate of pay for workers who, owing mainly to their being unorganised, are at the mercy of circumstances and are, or are likely to be, exploited in the trade in which they are employed. The Act insists upon a general minimum time rate being fixed. The fixing of rates for classes of workers or processes, or for piecework is left to the discretion of the Boards. In many instances the Boards find it desirable to fix such rates, or some of them.

Looking at the trades with which I am connected as an Appointed Member of their respective Boards, I cannot see how adequate protection can be given to the general body (I exclude here foremen and the like) of time workers in those trades without leaving to their respective Boards the power of fixing rates for all of them, whether the workers are adults or juveniles, males or females, unskilled or engaged in work which involves some amount of skill or practical knowledge.

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The rates which most, if not all, of them in these respective divisions received before their Boards were established were below a fair level. It is only by dealing with them as they are found already grouped and classified in the trade that the purpose and design of the Act can be successfully carried into effect.

As regards pieceworkers, I understand it is contended that the power of the Boards should be limited to fixing a piecework basis time rate. This is all that is done or that is thought necessary to be done in some trades. But if a trade is such that the employers and workers agree that a scale of piecework prices is necessary for their common protection I can see no reason for taking from them the power which the Act has given them.

Such is the case of the boot and shoe repairing trade. It has always been a piecework trade, and 85 per cent. of the benchmen are pieceworkers. At the first meeting of the Board it was unanimously agreed that a piecework statement should be made and a committee was then formed for the purpose. A list of piece-rates has been in operation since April, 1920. It has been welcomed by both employers and workers, and both would view with dismay a limitation of their powers in this direction. Nearly every item in the list was fixed by agreement.

Moreover, in a complicated trade like boot repairing a piecework basis time rate would be worthless and unenforceable. No inspector, however well trained, could tell whether a worker was being paid in accordance with the basis rate.

(b) *Whether adequate.*—The powers or working of Trade Boards, in my opinion, should be improved in the following particulars:—

(i) The time which has to elapse between proposing and confirming rates should be much reduced;

(ii) If the Minister of Labour is to continue to be the confirming authority (see point 6) he should not be regarded as, or act as, a court of appeal from the decision of the Board, at least as to the *quantum* of the rate. Its confirmation within (say) one month of the notification of its fixing should be compulsory, save where there are grounds for believing that there has been some informality in the proceedings or where there is doubt as to the rate being *intra vires* of the Board. The feeling, which undoubtedly exists, that what a section of the Board cannot effect by discussion on the Board can be accomplished by agitation and by deputations to the Minister of Labour, tends to weaken the responsibility of the members of the Board, individually and sectionally.

(iii) As to objections to proposed rates, my submission is that the Board should have full power to give effect to any objections which they consider established and worthy of acceptance, whether this means an increase or decrease of the proposals, without having to republish the alterations. To limit this power to alterations which are not "material" or "substantial" would lead to uncertainty and confusion. To limit them to such alterations as are unanimously agreed would be valueless. If thought necessary the power of alteration might be limited to the alteration of details within the four corners of the scheme as proposed and published.

The publication of a proposal for the purpose of allowing objections implies the possibility of making such amendments as, in the light of wider knowledge gleaned from the objections, may be considered necessary or equitable, and so long as this is made clear to all concerned it may be left safely to the Trade Boards not to abuse the power given to them.

POINT V.

Sanctions behind Trade Board rates.

Legal enforcement of Trade Board rates by penalties seems to me necessary.

I believe the inability to enforce their rates by Joint Industrial Councils is felt to be a weakness and that efforts are being made to remedy this

defect. If that is the experience of a body founded solely upon the goodwill of their industry, how much greater the weakness will become when the rate-fixing authority is a Board created by statute and thrust upon employers, who are not in all cases kindly disposed towards it.

Nor can I see any reason for limiting legal enforcement to particular rates. There is no obligation on a Trade Board to fix any but general minimum time rates. Any others are imposed because the representatives of the trade on the Board think them necessary or advisable in the interests of the workers and the employers in the trade. If the rates cannot be legally enforced, the organised workers, with the strong backing of the Board's decision, will insist upon their payment; while the unorganised workers, who require the greater protection and in whose interests mainly the Board and the rates have been established, will not be likely to obtain them in many instances. Fair-minded employers and those who have been forced to submit by trade union action will be at a disadvantage as compared with those who choose to evade their moral obligations.

The suggestion, which I think has been made, that some rates should be enforceable only by civil action looks attractive, but it is no adequate substitute for enforcement by penalty. It is a species of contracting-out. The employer and worker might, and probably in many cases would, agree upon a lower rate than that fixed, the employer taking the risk (not a heavy one among unorganised workers) of his worker standing by the bargain. The effect of this, if such cases were numerous, would be to undo the good work and defeat the purposes of the Trade Board system, namely, the prevention of rates from falling below a line fixed by authority.

Lastly, I fail to understand what reasonable objection any employer, who intends himself to abide by the decisions of the Board as to rates, can have to those rates being enforced by penalty against other employers in the same trade.

POINT VI.

The Minister of Labour as rate-confirming authority.

Some rate-confirming authority is necessary, but I doubt whether the Minister of Labour is the best for the purpose.

By confirming rates the Minister may be taken to have satisfied himself that there has been no informality in the proceedings from which the rates result, and that the rates fixed are not *ultra vires* of the Board. To this extent no difficulty arises, and I should not propose to interfere with this responsibility.

But it seems as if the power of confirming rates carries with it, to some degree at least, responsibility for the *quantum* of the rates, including their fairness, adequacy and suitability, and for their possible consequences. This is a responsibility too heavy for one who has not been a party to the proceedings from which the rates have issued. In these circumstances the Minister is prepared to listen and must listen to deputations from one side or the other, or both, and cannot be impervious to Press and other agitation.

To avoid this position I suggest that the Minister should have power to refer the question of confirming or rejecting rates, if opposed, to some tribunal.

The Industrial Court has been suggested as a suitable tribunal for some purposes. I do not know whether it has been proposed for this. My only objection—and it is a strong objection—to this Court operating in any Trade Board matters is that it is an arbitration tribunal. Trade Boards and their work should be kept as far as possible from the arbitration atmosphere. Their best feature is that they are friendly meetings of employers and workers to discuss problems in which both are equally interested, assisted by independent members who may be conciliators but can never be arbitrators. The value and success of Trade Boards depend on this.

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If the work of the Board is to go for determination before a tribunal outside Trade Board influence and atmosphere the whole system is undermined and practically destroyed. The arbitration tribunal will dominate the Trade Board and supplant it.

My suggestion is that the body to which the confirmation or rejection of the fixed rates should be submitted should be a tribunal composed of members of Trade Boards. It need not be a permanent committee though that has its advantages. But it might consist of three, five or more members drawn from three panels, namely, a panel of appointed members selected by the Minister, a panel of employers' representatives selected from each Trade Board and chosen by the employers' section thereof, and a panel of workers' representatives selected from each Trade Board and chosen by the workers' section thereof.

The choice of the members from the panels to constitute the tribunal for any case might rest with the Minister.

POINT VII.

Appointed Members.—It is not often that the two sides of any Board on which I serve have come to agreement without some assistance from the Appointed Members, and after two and a half years' experience, I am convinced that impartial and independent members are necessary on Boards.

I have already referred to the work of such members during the discussion and working out of general minimum time rates (Points II and III). But the fixing of these rates is by no means the only work done by the Boards. I can illustrate this from the work of the Boot and Shoe Repairing Trade Board.

It has an excellent list of piece-rates which was regarded as essential and which has been greatly appreciated by employers and workers alike throughout Great Britain. The list contains pages of items. In the compilation of this list by the Administrative Committee there were many items upon which difficulties arose, not so much as to amounts of rates as to the manner in which the items should be expressed so as to carry out the unanimous wishes of the Committee. The solution of these difficulties was generally found through suggestions of an Appointed Member.

The services of the Appointed Members were in much request when the Board were devising and drafting the schemes of apprenticeship and learner-ship.

Owing to the trade having been flooded in the past with cripples and mental deficients the Board, through the Administrative Committee, have a very large number of applications for permits, each of which has to be examined. Here again the Appointed Members do good service.

Similar work is done or has been done on other Boards with which I am connected, and indeed it may be considered the usual work on a well-established Board.

POINT VIII.

Provisions for special local conditions.—In considering whether special rates or special methods of fixing rates are necessary owing to local conditions, trades may be divided into:—

- Manufacturing.
- Retail distributive.
- Wholesale distributive.
- Making-up.

One of the advantages of the Trade Board system to employers, and indirectly to their workers, and an advantage which I believe is appreciated by fair dealing employers (and in my experience they form the great majority) is that the system tends to secure them against unfair competition by a minority who trade on underpaid labour. The area of competition varies with the character of the industry, and becomes an important factor when considering the necessity and justice of differential rates based upon local conditions.

Manufacturing trades.—Speaking generally, employers in manufacturing trades compete with their fellows in open markets. Differential rates of wages based upon the conditions of the locality in which the goods are manufactured are not likely to find favour, either with workers who are to receive a lower rate of pay for an equivalent amount of skill, or with employers who manufacture in localities of higher rates and have to compete with others whose works are in places paying lower wages. The only form in which this matter has been presented to any Board on which I sit was that the rates in the Brush and Broom Trade should be lower in the country than in the towns. The suggestion was not pressed to a division; it apparently received little sympathy from town manufacturers and none from the workers.

Unless there are very peculiar circumstances or conditions, I should think it is neither necessary nor equitable to have differential or district minimum rates in a manufacturing trade.

Retail distributive trades.—The retail distributive trade possesses characteristics of its own, the following among them:—

- (1) Speaking generally, employers in it are in competition with each other only within a restricted area. Deliveries by motor traction have widened the area, but it is still limited.
- (2) The trade is directly affected by the conditions of life and spending power in its immediate locality.
- (3) In seaside towns, holiday resorts and, perhaps, some inland watering-places, the trade is a seasonal one. During two or three months in the year there is a rush of work which cannot be confined to ordinary hours. During the remainder of the year there may not be enough work to occupy the full time of the staff, and, it is alleged, they are generally retained during this slack period and thus obtain some compensation for the extra labours of the season. It may happen, however, that extra hands are taken on for the rush period.
- (4) Businesses in country districts entail a large and disproportionate expenditure of time and money in having to make distant deliveries by motor or horse traction.

The above characteristics were disclosed on the Grocery Board as existing in that trade. How far they exist in other retail distributive trades I do not know.

The Grocery and Provisions Trade Board (England and Wales) have endeavoured to meet some of the above conditions by fixing differential rates for three separate areas formed on a population basis. Such a basis is fairly sound in principle, but it does not touch all the conditions above enumerated and it calls into existence anomalies and inequalities which are none the less regrettable because they are inevitable. The last remark will be found to apply wherever district rates exist, but a district body sitting in the area would have better means and knowledge for reducing the anomalies than a central Board.

In the absence of further discussion I hesitate to express a very definite opinion as to the best way of providing for the conditions mentioned. The remedy seems to me to lie in the direction of District Trade Committees, constituted so as to be thoroughly representative of the conditions and interests in the area.

I doubt whether the present Committees would be effectual for the purpose. They have nothing but advisory powers, and as a rule the recommendations they send forward are not those of a majority but are separate recommendations from each side, and generally antagonistic. The real value of the present Committees lies in the fact that they bring local employers and workers into personal touch with members of the Board, and destroy any suspicion that their local interests are overlooked or ignored.

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[Continued.]

If, then, District Trade Committees are set up to deal with the problems peculiar to the retail distributive trade, they ought to have greater powers than those of making recommendations which might meet with fatal hostility on the Board, and I see no alternative to giving them rate-fixing powers for their area. I should prefer to see some measure of control by the Board, but find it difficult to suggest anything practicable which would fall short of either crippling the work of the Committees or vetoing their decisions.

Wholesale distributive trades.—So far as I have heard the matter referred to on the Grocery Board, it seems that the grocery wholesale trade varies very widely in character. Some businesses supply an open market with an unlimited area; some may supply an unlimited area, but most of their connection is local; others, again, are limited almost entirely to their immediate locality; and some businesses are combined with retail shops.

The subject appears to be one for expert evidence, and, without hearing the matter fully discussed, I do not feel able to express any opinion as to the way in which rates should be fixed for such trades.

Making-up Trades.—The only making-up trade with which I have had any Trade Board connection is the boot and shoe repairing trade. Although District Trade Committees exist under the Board, there has been no real movement in favour of fixing district rates. So far as employers are concerned, I believe there is a fear that work would be transferred from the higher rated localities to those paying lower rates of pay.

POINT IX.

The value of the special powers of Boards in regard to juveniles.—The control of the employment of juveniles is one of the most useful opportunities afforded to Trade Boards by the Act of 1918. In the boot and shoe repairing trade, and no doubt in others, the exploitation of child labour, often at excessively low wages, has had a damaging effect on adult employment and remuneration, and on the supply of craftsmen. It has had a worse effect on the juveniles themselves, for they are found at 18 or 21 years of age turned out of employment without any knowledge of the trade which is marketable.

There are three ways in which Trade Boards can and do deal with juvenile employment:

- (a) by fixing juvenile rates;
 - (b) by establishing learnership schemes;
 - (c) by establishing apprenticeship schemes.
- (a) *Juvenile rates.*—Whether juvenile rates should be based on age alone or on experience alone, or on a combination of both, depends on the particular trade or occupation.
- (i) It is conceivable that there are some trades, or at least sections of trades, in which skill and experience scarcely enter and the juvenile in a time measured by weeks or even days can proceed successfully with his task. Possibly, it will be found that older juveniles first entering the employment can pick up what little knowledge is required more readily than a younger child.

In all such cases the pure age basis of remuneration seems sufficient.

(ii) There are other trades in which skill and experience play a greater part. There is something substantial to be learned which takes time and requires instruction and supervision. Proficiency is only attained by practical experience after the rudiments of the operation have been mastered.

In such cases the juvenile rates seem fairer if based solely on experience or on a combination of age and experience. As an alternative to this, special provision should be made for late entrants.

(b) *Learnership and apprenticeship.*

There are other trades which are so far skilled that proficiency can be obtained only by an extended and thorough course of training.

The employment of juveniles in a trade outside these schemes tends to the result that when the juvenile approaches full age he is dismissed and another juvenile started. It often happens that what the dismissed juvenile has been doing is either peculiar to the employer's business, or else is such a small part of the work of the trade that he finds his experience of little or no value in the industry. In other words, he finds himself at the end of a blind alley. It was appreciation of this position which prompted the Boot and Shoe Repairing Trade Board to abandon juvenile rates of general application and to introduce a learnership scheme as well as an apprenticeship scheme.

Schemes of learnership and apprenticeship have this much in common. They aim at securing to the worker such an amount of instruction in the occupation that when the period of training is finished he is possessed of an amount of skill which will enable him to obtain employment in the market at full remuneration.

The schemes differ in the following respects. The apprenticeship scheme binds both employer and apprentice for a definite period sufficient for complete training, and is so designed that at the end of that time the apprentice of average intelligence and industry has an all-round practical knowledge of either the trade or of some recognised branch or process of the trade. For example, a juvenile may be taught both the making and repairing of boots or he may be taught repairing only. In either case he will find in normal times ready employment for his handicraft.

Under a learnership scheme, when well devised, the juvenile and the employer are not bound for any definite period, but systematic instruction in specific work is required which will make his skilled labour marketable at the end of a reasonable period under his original employer, or, if dismissed before his training is complete, will make him acceptable to another employer under whom his instruction can be continued.

I strongly advocate apprenticeship in all really skilled trades. It not only provides the juvenile adequate instruction in his craft, but in many cases secures him permanent employment with the employer who has trained him.

The Boot and Shoe Repairing Trade Board and the Brush and Broom Trade Board have each adopted forms of Indenture of Apprenticeship designed to secure adequate training in practical work, and, when available, theoretical instruction.

MISCELLANEOUS RECOMMENDATIONS.

Permits.—The Boards require extended powers in the granting of permits. At present they are limited to cases of "infirmity and physical injury." There are cases in which neither of these exists yet the worker is sub-normal. I suggest that the Boards should be able to give permits in all cases in which, owing to personal reasons, the worker is incapable of earning the minimum rate. I believe this extension of power would be welcomed by workers and employers alike. There would be no fear of the power being abused. The committees dealing with applications for permits are constituted of employers and workers in equal numbers, and, in my experience of hundreds of cases, both sides of the committees are equally critical when considering applications and equally anxious to prevent the exploitation of lower priced labour. Cases of slow workers, which the extension is designed mainly to cover, would not present to the investigators greater difficulties than they have now to face, for example, cases of alleged mental deficiency.

Legal difficulties.—Questions of scope upon which there are real doubts should be determined by a method of prosecution. If such a tribunal as I have suggested as confirming authority were set up, that would be an eminently satisfactory tribunal to determine these questions. The decisions should be made final and binding by statute.

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[Continued.]

Power to disestablish Boards.—It appears that so long as the conditions which justified the establishment of a Trade Board exist the Board must continue to operate until the Act is repealed, even though, owing to special circumstances, the Minister may be of opinion that the continuance of the Board is inexpedient. It is suggested that the power of terminating the operations of the Board, that is to say, the power of withdrawing the trade from the operation of the Act, might be extended so as to meet special conditions.

Power to suspend rates.—There is no power either in the Minister or in the Board temporarily to suspend the operation of existing rates. A power of summary suspension in circumstances of emergency might be useful. It might be vested in the Minister and made exercisable on the resolution of the Board.

11,167. You are the Chairman of the Boot and Shoe Repairing Trade Board (Great Britain) and of the Toy Trade Board (Great Britain), and you are Deputy-Chairman of the Brush and Broom Trade Board, and the Hair, Bass and Fibre, and the Grocery and Provisions (England and Wales) Trade Boards?—Yes. You will notice that I have only been Chairman of the Boot and Shoe Trade Board since April, 1921, when Professor Hobhouse resigned.

11,168. With that exception you have been a member of all the Boards since they were established?—Yes, and I was a member of that, too. I have been a member of all the Boards since they were established.

11,169. Before being appointed on those Boards, you had acted as arbitrator in a very large number of industrial disputes?—As arbitrator or conciliator.

11,170. To a number of over 260, I think?—Yes.

11,171. Including several actual or threatened strikes of magnitude?—Yes.

11,172. You also joined the panel of Chairmen for *ad hoc* Boards of Arbitration under the Industrial Courts Act, 1919?—Yes.

11,173. You deal, in your statement, first with the points which were put to you, and first with regard to the minimum wage. You deal with the proposal for a national minimum wage?—Yes.

11,174. That means a national minimum for all trades?—That is what I assume the point refers to.

11,175. You point out first that no system of a national minimum wage can be satisfactory unless it deals with the persons who are sub-normal in earning power?—Yes.

11,176. And that those must be, you think, considered individually?—That is my opinion from the experience which I have had on the Boot and Shoe Trade Board, where we have to deal with applications for permits, not by the dozen, but by the score; and indeed I have had as many as 100 before me on the table.

11,177. People of what kind?—They were disabled people, that is to say, they came within the provisions relating to physical disability and mental infirmity.

11,178. You might also have workers who were sub-normal in being abnormally slow workers?—Yes, I think I have referred to those later in my statement.

11,179. In both cases you would have specially to deal with them if you had a national minimum?—Yes.

11,180. I suppose it would be a very big business?—I really cannot appreciate it; it is too enormous.

11,181. *Dame Adelaide Anderson*: A great deal could be done, could it not, by much more care in guiding people into occupations—by physical tests, and so on?—Yes.

11,182. There is a great deal to be done in developing that side?—Yes, but when you have done that you must have an enormous residuum left, I should have thought. If you consider the number of people, first of all, who suffer from some disability—it may be physical or it may be mental—and you think of the number of people there are about who manage to “potter along” getting an odd job here and there, they must number very many thousands; and it seems to me that you must deal with them indi-

vidually unless you put the minimum so low that you could reduce your margin in that way, but if so it would be worthless.

11,183. *Lord Weir*: At all events if you extended the Trade Board system wide enough, I take it that those people would practically never be able to get anything at all?—The Trade Board system?

11,184. Yes?—I think that is not so.

11,185. If you extended the existing Trade Board system on the existing lines, you would block those people practically out of employment altogether?—No, I think you give them employment; you give them a chance. If they are physically unfit—

11,186. I did not refer to physical disability, which comes in under the Trade Board system, but to the sub-normal worker who, as you say, potters about just now?—That you will find is generally due to some physical disability; I do not mean anything that is apparent. It may be mental.

11,187. *Dame Adelaide Anderson*: Or it may be adenoids?—It may be all sorts of things. All those would come within the scope of the Board in granting permits. The only person who is left out, as I understand it, is the man who is generally referred to as a slow worker, unless his slowness is due to anything in the shape of physical disability, and so on; but in my experience the administrative committees who generally deal with these applications, treat them very liberally in dealing with the disabilities.

11,188. *Lord Weir*: But in the case of the slow worker you have no power to grant him any exemption?—No. I am asking for an extension of that power. If you limit me to our powers to-day, then I agree that what you say is correct.

11,189. My point is that under the existing system, if you extended it to all industries, the sub-normal slow worker would be completely blocked from getting a job?—Under our existing powers, I agree.

11,190. *Dame Adelaide Anderson*: Unless by development of public health, care and advice in getting into an occupation, you improve the physique of the whole nation?—Yes, and then you reduce the number that has been referred to.

11,191. Yes. It means the development of another policy?—Quite so.

11,192. *Chairman*: You also point out that the national minimum without more would not protect the pieceworker?—No, it would not.

11,193. Especially the home worker?—Yes, especially the home worker.

11,194. Therefore you prefer legislation trade by trade?—Certainly.

11,195. As regards legislation or wage fixing district by district, what do you say?—With regard to that, I exclude for the moment the retail distributive trade, because I deal with that later. It does seem to me to present problems of its own which are peculiar to itself.

11,196. Will you just develop that before you leave it? You are a member of the Grocery Trade Board, are you not?—Yes.

11,197. Do you not think that, with regard to that Board, district rate fixing would be possible or desirable?—Through district committees, yes.

11,198. You think so?—So far as I have been able to form an opinion upon it. It is not a matter that we have discussed on the Board and thrashed out. The subject of district committees has been mentioned, but it has not been debated; it has been left over for further discussion.

11,199. The system which you have adopted is fixing rates according to population?—Yes, which I do not think anybody regards as really satisfactory. It is the best we could do in the circumstances.

11,200. What is the matter with that?—You have got three areas. Where they meet you must have a number of anomalies and difficulties. Let me take the London area; the London area, if I remember rightly, is the police district; I am not quite sure, but I think it is the police district. The police district goes out, I know, as far as Epsom on the south, and how far it goes on the west I do not know, but at any rate I believe it goes to Ealing.

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11,201. Yes, I think so.—I think it goes beyond Ealing. At any rate, if you take that, it is an enormous circle and you have there really agricultural districts. It includes a number of small villages, and they complain; they feel the pinch of it. Of course what they feel the pinch of very much more is the fact that the large stores and so on in London serve the whole of that district through their daily deliveries.

11,202. How would you fix your district?—For the retail distribution?

11,203. Yes.—I think I should want to think about that a good deal, but I have formed the notion that you might deal with it somewhat widely by taking the whole country and dividing it, say, into seven or eight portions. You would have down in the south-west an area including Cornwall and Devon.

11,204. And Dorset?—Yes, Dorset, and Wilt, I think; I think I should include that. I do not say that you have there an area which is alike throughout all its parts, but you have not got the same differences that you will find, say, where you have a large industrial population such as around Lancashire, for instance. It would be possible, I should have thought, to have divided up the country and mapped it out in some way like that, by which you would have the industrial portion in one area and the agricultural portion in another. For instance, the Midland might be one division; I should put the whole of Wales as a separate division; the northern division possibly might be north of the Humber and the Mersey. If they had district trade committees for each of those districts they would be able to deal with them much in the way in which the building trade have dealt with their problem. If I remember rightly, they have districts which are large districts, not divided up into small districts such as you find, for instance, in the Grocers' Association; they have large districts, and there they used to have—I do not know what they have to-day—no fewer than five different grades, A, B, C, D and E; they used to fix a separate rate for each. I should have thought that a district trade committee could have dealt with its particular area so as to meet those various and peculiar conditions to which I have referred later in my statement.

11,205. And would you give the district committee power to fix the rate?—Well, I do not see any alternative, but, as I say, I am expressing this without having had the matter thoroughly discussed so far as the retail distributive trade is concerned. I have heard it discussed on the Boot and Shoe Board.

11,206. Then with regard to the making-up trades, what do you say?—With regard to the making-up trades, I have had no experience of those with the exception of the boot and shoe. That, of course, is a making-up trade. That is a trade which you will find carried on in every village in the country. Men are not necessarily employed there; they may be engaged in the trade, but not employed. So far as that Board is concerned, both sides object to district trade committees having any power to fix rates. I do not know whether there is absolute unanimity on the employers' side, but one would have thought that the employers would rather have relished the idea of district trade committees. I know some of them are against it; I think Mr. Crabb, who was before you the other day expressed himself as antagonistic to separate rates for districts.

11,207. Is there much transfer of work from district to district in those trades?—Well, I have been told so. The instance that has been given has been given as relating to Cheshire and Lancashire. In Lancashire the piece-workers—and most of the trade is piece-work—are in enjoyment of an increase of 60 per cent. above a specific basis, whereas the Trade Board basis is 33½ per cent. above that; so that the employees in Lancashire are better paid, its workers are better paid, and I am told—though I have no authority for it beyond what I have heard on the Board—

that, as a matter of fact, work is transferred to cheaper districts out of that. But I cannot give you any authority beyond that.

11,208. You think there would be a difficulty in fixing district rates?—I believe it would be a very serious thing in some of the making-up trades. One knows, for instance, how many collecting places there are in the dyeing trade, and the work is sent away to particular works. Well, if that can be done profitably, I should imagine that the other could be done; you could collect, say, your boot repairs at one place and send them from that district to a cheaper district to have the work done.

11,209. The same applies with greater force to the manufacturing trades?—Yes, certainly.

11,210. *Sir Arthur Pease*: Do you not think that a Board ought to have regard in some way to the rates prevailing in other industries in a district?—In the district?

11,211. In various districts?—Well, we always have regard to that on our Boards. We have regard to that amongst a great many other considerations which are more or less inconsistent with it, but that is one of the points, certainly; one of the points always brought up by both sides when they are discussing the fixing of a rate. You will have the workers give a dozen examples. I have not the slightest doubt that if I were sitting to-day I should have the wages paid to the Southwark road-sweepers raised at once. They come up on every Trade Board, the road-sweepers; they are always instanced by the workers as an instance of high rates, and they say, "Here is a road-sweeper getting £3 13s., and here, for a skilled worker, it is only £3 5s." On the other side, the employers will give you all the low rates that they can collect, and you have got to steer amongst the whole lot, and the other considerations that you have before you. Those things are not lost sight of.

11,212. But in different parts of the country the ordinary rates have been different for generations?—Yes.

11,213. Do you not think you ought to give effect to the traditions that have gone on for all these years?—Well, there is generally some reason for that, I think. I think there is generally some reason for variation of the rate. It is due, perhaps, to the presence of some manufacturing industry, and the result of that is that the workers around it—although they are not in it—will get higher rates. Otherwise the workers would not be obtainable.

11,214. Do you not think there is a difference in the capacity of the ordinary worker in different parts of the country?—Physical working capacity?

11,215. Yes.—Well, I do not know that I have applied myself to that problem. You see, we are fixing minima, and we leave it to those higher rated places, such as Lancashire—I gave you an instance just now in the boot trade where they have higher wages in the boot trade than we have fixed on the Board; they have higher piece rates; they have been able to command them. We only fix a minimum which we think will be fair in the less favoured portion of the country, and we leave it to the districts—

11,216. Then it gives no protection to the people in other parts of the country at all, the minimum which you fix?—To the worker?

11,217. Yes.—Oh, the workers get more than our minimum in many places. If they did not I should begin to suspect that it was not a minimum.

11,218. But several witnesses have said that it was practically a standard rate?—In the boot trade?

11,219. No, not in the boot trade.—Of course, I am only speaking of the five trades.

11,220. *Lord Weir*: Suppose we take, say, the brush and broom trade, where I think you have a very elaborate scale of piecework prices?—No, none there; I think not. You are speaking of the boot and shoe?

11,221. No, the Brush and Broom has a very elaborate scale of piece-work prices?—I have not brought that with me, because I am going to be followed by the Chairman of that Board.

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11,222. *Chairman*: You are the Deputy-Chairman?—Yes.

11,223. Do not you know that your Board has fixed a most elaborate scale?—Yes, of course; yes, I had forgotten.

11,224. It is so?—Yes, it is so.

11,225. *Lord Weir*: Do you suggest that prices higher than those are paid in the industry on any scale?—Do I know whether they are?

11,226. Yes?—No, I do not know about that.

11,227. So that those are standard prices paid irrespective of the district?—Well, they are standard prices in this way. No—I should call them standard minima; that is to say, they are the minima which are to prevail throughout the country, and it will not be surprising if no employer pays beyond them. I think you may fairly say that they are standard piece rates. At the same time they are minimum rates; they are considered as the fair rate which ought to be paid to the piece worker in any part of the country. He may get more.

11,228. And do you consider that there is no danger in Trade Boards fixing rates which are standard or are used as standards for different districts, when as a matter of fact in the large industries of the country you have differentiation by district? You have the one policy of the large industry, which is differentiation by district. Here you are starting in these other trades practically to impose a standard. Do you not conceive that that is rather dangerous?—I do not know about the Brush and Broom; I do not remember whether I have heard of higher rates being paid in that trade; but speaking of the Boot and Shoe Trade, where we have a very long list of piece rates, a very complete list, I am told that higher rates are paid, and, if I remember rightly, Glasgow is one of the districts, and Lancashire. They are meant to be standard rates, but they are meant at the same time to be, of course, the lowest rate that you can pay. There is nothing to prevent workers obtaining higher rates in other districts if they can obtain them by organisation; and they do obtain them. In London they do not work to those piece rates, so I am told.

11,229. Do you not differentiate in any way between the principles underlying a minimum time rate and a minimum piece price?—Piece rate?

11,230. Well, I call it a piece price, because I think that term expresses the idea more definitely. It is a sum of money paid to someone for doing something; the other is a rate paid to a worker per hour, without any necessarily definite implication of work done?—Well, what they have in common is the fact that they are both minima.

11,231. *Chairman*: That is because you make them minima?—We make them minima; true. The time rate is regarded as the minimum, as the lowest sum which we think in our particular trade the worker should be paid in any part of the country. The piece rates, similarly, are what we think are the lowest rates that should be paid to any piece worker working in any part of the country. They are on an exactly similar basis; the foundation is the same.

11,232. *Sir Arthur Pease*: What would you do if a new method was invented for doing work under a piece rate, which reduced the labour involved very much for the same process? What would happen then? Supposing you put in a machine that would do twice as much as the previous one, would the employers still have to pay the same piece rate?—I imagine they would bring that up for discussion.

11,233. It would have to be settled by the Board?—We should consider that case, certainly, just in the same way in which we consider what deduction shall be made if part of the work that a man is employed upon in the boot repairing is done by machinery. We provide for a percentage to be deducted. Of course, he does not do the work, it is true; but the same principle would apply. We should have to consider that case; we should consider it if it were brought before our notice.

11,234. *Dame Adelaide Anderson*: If the manufacturer put forward a plea for a special rate on account of special conditions?—He is entitled to do that. We have not had any application of that sort on any Board that I have been on.

11,235. You have not?—No.

11,236. *Chairman*: Then you go on to deal with the method by which settlements are reached on the Boards, and I think your account tallies very much with that which Mr. Artemus Jones gave just now. You heard that, I think?—Well, I am afraid I did not hear it all. I think it tallies very much with what Professor Hobhouse said the other day. I had not read his evidence before I wrote this statement; if I had done I could possibly have shortened it.

11,237. You say at the end, as you are quite entitled to say, that you can find no case of the Appointed Members moving their own set of figures?

—Yes. I am going to qualify that in a moment. I say "I do not recollect," but I should rather like to strengthen that, and say in fact on the Grocery Board on no occasion have the members formally moved a set of figures, I mean from the table, as distinguished from suggestions. I want, if you will allow me, to deal with a matter which arises there owing to the evidence which has been given, particularly by Mr. Stamper. I do not want to labour the matter, but I really do think that Mr. Stamper cannot have meant all that his words really implied. The idea is conveyed by his evidence that the Appointed Members, having said that conscientiously they cannot support one set of figures, and having equally said that they cannot support the other set of figures, have then said, "We will put forward some figures, and if you do not vote for those we will go and vote for those which we have just conscientiously objected to." Well, that position has never arisen, and I am perfectly sure will never arise on any Trade Board. I should not have referred to this in detail were it not for the fact that he says it happened on the last occasion. I did not know until Professor Hobhouse gave his evidence that that last occasion was an occasion when I was presiding; it seems it must have been, and that being so, I should like to make it perfectly clear to the Committee what did happen on that occasion. It was an occasion when the rates had been returned by the Minister to be re-considered *de novo* with a letter accompanying them pointing out his objections to them. The Board met, and owing to the absence of Professor Hobhouse I had to preside, with two other Appointed Members. The employers put forward their figures; the workers put forward their figures, which really amounted to "Send these figures back to the Minister just as we received them." Well, the Appointed Members considered, and we came to the conclusion that we could not accept either of the suggestions. Fortunately we have a most excellent staff in the office of Trade Boards, Mr. Poppell and his assistant, Mr. Montgomerie, and others. They keep excellent records of the proceedings and I can tell the Committee exactly what happened. After we had heard what the two sides had to say—I am reading from the Minutes—"The Chairman stated that no basis for agreement had yet been found between the two sides"—they had been conferring—"and that the Appointed Members saw difficulties in both the employers' and workers' suggestions. They accordingly suggested that both sides should consider the possibility of putting forward suggestions on the basis of the rates already fixed by the Board and referred back by the Minister of Labour, making such alterations therein as would meet the objections raised by the Minister, and as would meet the changed position in respect of the cost of living; that these alterations should proceed on the basis of a percentage reduction, not necessarily strictly proportionate to the fall in the cost of living index number, and that the rates so arrived at should then be subject to adjustment in particular cases." That was our suggestion of a general way in which they might proceed with the matter, and they adopted that, and they got to work, and we had long negotiations. I have taken the

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precaution in recent days of keeping notes of what occurs during the negotiations. I have those notes here, but I am not going to trouble you with them unless you desire it. The point is this, that at the end of the day, somewhere about 6 o'clock in the evening, I think, we were getting somewhat nearer together, but there was no further move on either side, and the Appointed Members then—whether they were asked, as they often have been asked by the employers, to say what is in their minds, I do not know; I do not remember—put forward a suggestion to them of the percentages that we thought might apply. They were rather near the employers' ideas, and they were a good distance away from the workers'; at any rate, they were nearer the employers', and both negotiating committees stated that the suggestion was worth considering. Thereupon I had the Board called, and this is the minute, and this must be, so far as I am able to trace anything at all, the occasion to which Mr. Stamper refers: "On the resumption of the Board the Chairman stated that as no agreement has yet been reached it would be necessary to adjourn the consideration of the matter until another meeting." I think it was about 7 o'clock, if I remember rightly. "The negotiations had, however, proceeded a considerable way, and the Appointed Members, without expressing any view of their own, had put forward the following suggestions as a basis for negotiations between the sides, and of possible agreement, which he would be glad if the sides could consider before the next meeting"—and then follow the suggestions; the difference was in the amount of percentage for various years—and "that the rates arrived at by the percentage reduction" as suggested "be open to discussion and adjustment in any particular cases in which either side might consider that the figure so arrived at would operate harshly." It was agreed that the suggestions set out in the previous paragraph be worked out in detail and circulated to all members of the Board as soon as possible." That was done, and the Board met again a few days later. We began negotiating on this suggested basis, and rather early on in the day the employers announced that they were willing to accept, provided the workers did, and the difficulty lay with the workers; and it was not until quite late in the afternoon that finally the workers came in and said, yes, they would agree to the figures. That was reported to the Board, and that is the whole of the matter, shortly. The next day they had other rates to consider. I never saw the Board, or any members of the Board, until the afternoon, because the two sides were negotiating, talking it over together, which I always think is the best thing, as they are the people who are concerned; they are the people who should settle it if they can; and it was not until about 4 o'clock or 5 o'clock in the afternoon that they reported to me that they were at a deadlock. I had the Board called at once, and I asked each side to tell me exactly what the position was, and when I got the two positions I found that there was really precious little between them. As a result I called up the two leaders, the two Chairmen, quite informally, to the table and said: "You know, there is very little between you; there is no principle involved: do not you think you could compromise it?" and within two minutes they had left me and gone to their sides, and within five minutes the whole thing was settled.

11,238. That is the whole story?—That is the whole story. I did want to put it before you, because it was such a serious allegation. May I supplement that portion as to votes? The idea is prevalent that the Appointed Members are constantly out-voting—that they use this vote as a weapon. Now I want to tell the Committee this. I am not going to trouble you with the Brush and Broom or the Hair and Bass, or with the Grocery, because you have had the Grocery from Professor Hohnhouse and you will have the other two from Mr. Wethered. I know; but with regard to the Boot Board, there have been 33 cases upon which we have dealt with substantial rates questions. I am

not including all the items in the piece rates, but as to minimum rates of any substance at all; and on those 33 cases there was agreement in 25 of them; there was one—the rates relating to juveniles—when they agreed most of them, and we had to vote on two or three; so that on 26 cases you may say there was agreement. We voted seven times, and of those seven times in only three cases did the vote of the Appointed Members carry, because in the others there was cross voting; that is to say, the resolution would have been carried without the assistance of the Appointed Members. Now that is the history of the voting on the Boot Board. On the Toy Board, a very difficult trade to deal with, there has been more voting, and on each occasion the voting has been in favour of the employers, not designedly, but so it happened, with one exception, and that was as to the fixing, after the rates had been proposed, whether the rate should be fixed; and there was a vote.

11,239. Then perhaps we can pass from that, and go to the rate-fixing powers of the Board. You say that the Act insists upon general minimum time rates being fixed, but the fixing of rates for special classes of workers and for piece-work is left to the discretion of the Boards?—Yes.

11,240. Now what do you say as to the power of fixing rates for skilled workers?—It is very difficult to say where the skilled worker begins, but taking the term in its widest sense, if they form the bulk of the trade they surely must be provided for. Take the boot and shoe industry, for instance; every man is a skilled man there. There are various degrees of skill, it is true, but we only deal with skilled men, and nobody else. Take the toy trade. In the toy trade I do not know whether you call it skill, but, at any rate, you require some amount of teaching; you have got to learn something. Now all the workers are in that capacity, with the exception, perhaps, of the odd man about the works.

11,241. Perhaps the question might be put in a different way. When you have fixed your minimum for the lowest grade of worker in the trade, whether he is skilled or unskilled, do you think it necessary and desirable that the Board should go further?—Oh, yes, because, to take the boot trade—I am sorry if I harp on that, but it is a skilled trade—what I say about the boot trade, for instance, is this: there is nobody that we are competent to deal with except the man who is actually engaged in the operation.

11,242. I am assuming that; I am taking that as one of the cases. Supposing you have fixed your rate for him, that is for the lowest grade of worker in the trade, on what principle do you go further and fix higher rates for men of greater skill who do more difficult and more skilled processes?—Well, as a matter of fact we do not in that trade. We have only got one level man to deal with. There may be personal differences, but with those we are not concerned. What we do is to fix a rate for the man in the boot trade. We have no power to deal with anybody except a man who is actually engaged in making or repairing. Other Boards have power to deal with people about the works or about the factory, but in that trade we have nothing but the skilled worker.

11,243. Lord Weir: Who suggested first that you should fix foremen's and managers' rates in the boot and shoe trade?—Do you mean the workers or the employers?

11,244. Who suggested it?—I do not remember for the moment who did. It was done by agreement.

11,245. Do you suggest that foremen and managers should be protected by Trade Board rates?—I was going to say I do not think it matters very much whether they are or not. Personally I am not very greatly concerned with them. What I say is this, that in that case the Board were exercising powers which undoubtedly were given to them by the Act.

11,246. Chairman: No doubt; but surely you were mistaken in your answer to me just now when you said you had only fixed one rate? The ordinary

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male worker is fixed at 65s.; in other classes you have fixed it at 75s. and 80s.?—I am afraid I was having my mind upon the low worker to which your Lordship referred—the lowest worker. I mean, the unskilled worker. I apologise; I am wrong there. We have taken the bulk of the trade, the great bulk of the trade; we say that there is a certain minimum to apply to the whole of that bulk. Then with regard to certain operations, the working of machines of particular kinds, for instance, which require care and higher skill, we have provided time rates, and in the case of foremen and managers we have provided other rates. Yes, I am sorry; I was forgetting the position just at the moment.

11,247. Is that on the principle that it is desirable to regulate the wages throughout the trade?—I think it is on the principle—yes; amongst those people. That was the express desire on the part of both sides of the Board. I mean, they got no lead from the Appointed Members that they ought so to provide. Personally I do not want to go any higher up in the scale than I can avoid. That is my own personal feeling, as a rule, so long as I touch the main bulk of the employees.

11,248. In the case of the Boot Board you do not deal with the subsidiary workers, the people who sweep the shop and so on?—No, we are not allowed to.

11,249. That is consequent on the manner in which the scope of your Board was defined?—Yes. I think we are about the only Board limited in that way.

11,250. I think not the only one?—One of the very few Boards, at any rate.

11,251. *Lord Weir*: Do you want to try, if possible, to protect the majority class?—That is my idea; I hope it is right; but then you must remember, of course, that the Appointed Members are quite helpless if the two sides of the Board have made up their minds to a particular thing. I mean we could scarcely say, "Well, you have made up your minds that you must provide rates for foremen and managers, but really do you think it necessary?" They will say, "Yes, we certainly think it necessary, because we find that foremen and managers are generally people who are put in charge, say, of a branch shop"; in fact the definition of "manager" is limited to them, the man who is a journeyman who has to run a branch shop, doing his work there, and responsible for everything that comes in and everything that goes out. They found that he was not being properly treated, not being treated in the same way in different places. They found also that he was multiplying. I think that is a reason why they thought it advisable to include him.

11,252. But you do not consider yourself that that manager's wage rate should be protected by law?—Speaking generally, no; but I can quite see, as I have just stated, that he may require some protection just in that particular instance which I have given you—a journeyman who really is nothing but a journeyman, but who has the full financial responsibility of a place imposed upon him, and at the same time he is not organised. He may be or he may not be organised, and if you find variations, if you find that that is a class of any number, and you find great variations in their rates of remuneration, I should think it is a matter that the Board ought to have power to consider. As a rule, I do not care about going higher up in the scale than is absolutely necessary; but I never have the opportunity of saying whether I will go or not; I am taken.

11,253. *Dame Adelaide Anderson*: As it is, in this particular industry, those particular processes that have special rates for them are very special?—Very special, oh yes.

11,254. The power sole stitcher, or the operator on the Blake machine, is doing a heavier and more skilled class of work?—It is the responsibility for the machine. One of those machines—I do not know which it is—is a very delicate machine, and can easily be damaged.

11,255. The press man also is on a very special machine?—Yes.

11,256. Cutting very heavy leather?—Yes; but it is not so much the weight of the leather as cutting it to waste. So much depends upon the cutting. The whole of the profits of a butt would depend upon the man who cut it out.

11,257. And you say that the foreman and the manager in this industry with small local shops is in a peculiar position?—That is so.

11,258. There is no special rate for the female worker apart from the 65s.?—Except the 45s.

11,259. For a female surgical bootmaker?—You will find 45s., I think.

11,260. For workers of 21 years of age and upwards?—On a patching machine, that is so.

11,261. Is that as special as a power sole stitcher or Blake machine operator?—Well, it is special; I am not prepared to say whether the machines are identical; I do not know.

11,262. It is a lower rate?—As a general rule it is lower—it is a machine upon which women are put. Of course, we have very few women in the trade.

11,263. *Chairman*: You have fixed piece rates on your Boot Board?—Yes.

11,264. For everybody, or only for home workers?—Oh, for everybody.

11,265. Are there many home workers?—Well, yes; but they are not called home workers. I will deal with repairing, because there you have the man who repairs for the public, and who also takes orders from shops. An ordinary retail boot shop will send him a number of boots to repair. In that sense they are the home workers.

11,266. *Lord Weir*: They are not protected, of course?—By the piece rates?

11,267. Suppose a man does not take anything from the shop, but deals entirely with the public himself?—Oh, by himself, employing no one?

11,268. Yes.—No; I know; he is our great trouble.

11,269. We are told that that is growing very rapidly?—Well, I think Mr. Crabb said he hoped it would be reduced—yes, growing through unemployment, growing temporarily. You see, every man who has been in the boot trade who falls on bad circumstances can always go and buy a piece of leather, and sit down in his place, wherever it is, his bedroom or his lodgings, and repair boots for the public.

11,270. It has been suggested, of course, that higher rates have caused unemployment also, especially in country towns?—Well, I do not know; I have never heard of any proof of it. I have kept my ears open; we have District Trade Committees, as you know, and I am always on the look-out for any indication as to the effect of our Trade Board Orders; and I have been surprised that I have not heard more of unemployment owing to that cause, simply because where you are introducing something new, and which you think is an improvement, very often you do dislocate things; but on only two occasions have I come up against anybody who has been able to make the assertion that owing to our Trade Board rates he has thrown men out of employment. One case was, I think, in Northampton; if not Northampton, it was Norwich; and in the course of argument, not on this question, but on some other question, an employer did say: "When the Trade Board rates came out I had to discharge half my men." That astonished me, and of course I followed it up, and I found that the men he was employing before were two. They were both skilled; he told me they were both equally skilled, and I asked him what he was paying them. To one man he was paying a sum which was about £3, somewhere near our rate. The other man he was paying 26s.

11,271. *Mrs. Tattleton*: Which did he discharge?—He discharged the 26s. man, and I was anxious about that man, and I said: "Well, what became of him?" "Oh," he said, "he went and got another job." I said, "Where?" He said, "In the town." "What as?" "A boot repairer." The other case was down at Exeter, and there I was told by an employer that he had had to discharge two men, or it may have been three. When I came to ask about it, it was owing to the terrible condition

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of things in Cornwall that we have all heard of, and had nothing to do with the rates. I have sometimes asked the question, in order to get information: "Tell me, is it the state of trade generally, or is it the high rates which account for the trouble?" and the answer I get on almost all occasions is: "Oh, there is no trouble about the rate when work is booming, or when work is good." But you must remember that, say, during the last 12 months, the boot repairing trade has been very badly hit, and the thing that has hit it almost as much as anything is the fine weather. That is a fact; they will all tell you that it is the dry weather. What they like is rain; what they prefer is snow; and if the tramway authorities will put a little salt on the snow, they regard those authorities as a fairy godmother.

11,272. *Chairman*: Of course, it is just in a bad time like that that the rate would be felt?—Well, it is not a question of feeling the rate, because you remember that 85 per cent. of the work done by benchmen is piecework.

11,273. He gets a piece rate?—He gets a piece rate, yes. It is simply that they cannot get the work to do; the piecework will not provide it.

11,274. *Lord Weir*: Is not the reason that they cannot get the work to do, that the work is too expensive?—Well, yes; the charges are too high to the public, you mean?

11,275. Yes.—Whether it is due to the labour is, of course, another problem. They reckon the cost is somewhere about one-third of the price which is obtained from the public, roughly.

11,276. The labour cost?—The labour cost.

Chairman: Perhaps we had better just finish this heading as regards the confirmation. You think that the Minister of Labour should not regard himself as a Court of Appeal on the question of quantum?—That is right.

11,277. Then, as regards objections, you think that the Board should have power to give effect to objections. I suppose that means without re-publication?—Without re-publication, and within the four corners of the scheme.

(Adjourned for a short time.)

Witness: May I qualify or supplement an answer which I gave to Lord Weir about piece rates? There is no doubt about it that the object of piece rates is to establish standard rates for the trade in order to avoid any trouble between the employer and the worker. That is the main purpose, and when I referred to their being minima, in a sense, what I meant was that it must not be understood that because we had a list of piece rates therefore nobody could or would pay higher rates, because, as a matter of fact, you do get higher rates; but they are meant to be the standard.

11,278. *Lord Weir*: You do agree that there is a substantial difference between the effect of a minimum time rate and what you called a minimum piece rate, because the piece rate tends to be the standard, but the minimum time rate is very frequently a true minimum, and not a standard?—It should be, and in the majority of cases it is, but if you heard the workers on the Board, they would tell you that however low it is, the employers are trying to make it a standard. But that is the object of the piece rate; it is to avoid trouble between the employer and the worker.

11,279. *Mr. MacCulloch Scott*: In some trades do not piecework wages prevail which are higher than the piece rates fixed by the Board?—Yes, I was saying so. In Lancashire, for instance, in the boot trade they are considerably higher.

11,280. Then why do you say that that is a standard rate?—It is meant to be. In most trades it is. In the hush and broom trade, for instance, it is a standard rate. There is a peculiarity in the case of the boot and shoe trade, because before the Board started Lancashire had got a certain percentage above the then basis rate. The Board could not go to that length; they only went to 35½ per cent. instead of 60.

11,281. *Chairman*: Then we come to the sanction behind Trade Board rates. You say that the legal enforcement of Trade Board rates by penalties seems to you to be necessary?—Yes.

11,282. And you would extend that to the legal enforcement of rates above the minimum?—Yes, any rates fixed by the Board.

11,283. You do not think that it would be useful to limit the remedy to a civil remedy even in the case of those rates?—No. I give my reasons for that. They may be bad, but they are on paper.

11,284. You say that it is a species of contracting out?—It is a species of contracting out.

11,285. Then we come back to the Minister of Labour as the rate-confirming authority. You agree that some confirming authority is required, but you do not think that the Minister of Labour is the best authority for the purpose?—Not so far as quantum is concerned.

11,286. If he finds that a rate has been informally fixed, or goes beyond the powers of the Board, then you think that he should have power to intervene?—Yes, certainly.

11,287. But as regards quantum you think that some other tribunal should be selected?—I say so because he has not really got the machinery for determining the question.

11,288. As regards the suggestion that the Industrial Court should be chosen for that purpose, you feel some difficulty?—Only on the ground of its being purely an arbitration chamber. I think the great advantage of the Trade Board is that it is simply an Industrial Council; there is a friendly discussion between the two sides—heated at times, but still it is a friendly discussion—and an attempt to do something for the benefit of the whole industry; and the arbitration element does not enter into it.

11,289. No, but on those occasions when the two sides finally differ, and the Appointed Members have to decide, then you have got beyond the area of friendly discussion?—That is true.

11,290. In cases like that, should there not be some tribunal to which the matter could be taken?—I should not say so necessarily in all cases, because very often the difference between the two is fractional. I mean it may be a farthing.

11,291. We are discussing now the question of the confirming authority, and I understand you do think that there should be some body to which the confirmation of rates should be entrusted?—Yes, where the rates are opposed—that instead of the Minister hearing depositions and so forth, he should have some tribunal to whom he can send the rate if it really was opposed. I do not think it would happen so very often.

11,292. *Lord Weir*: Could you not assume that a rate might be quite wrong in the consumers' interest without it necessarily being opposed?—Yes, there is that, I agree.

11,293. *Chairman*: Would it not follow that every rate had better be confirmed by some authority—perhaps not the Minister, but some other body?—Having regard to the remark of Lord Weir, I think possibly it would be so. I had overlooked that point.

11,294. *Sir Arthur Pease*: You would think, would you not, that where a trade is a purely domestic one there might be such a combination between employers and employed that they could fix absolutely unreasonable rates?—Yes.

11,295. Unless it is kept in order by foreign competition; that is what you mean?—Yes. That is an omission. I remember I had noted that point, but I had omitted it from my draft. That is quite possible. That position might possibly arise, and therefore I would agree that all rates should go before some tribunal.

11,296. That body might have the effect also of co-ordinating the rates?—Yes, certainly.

11,297. And preventing so many wide differences as we find to-day?—Yes. It would be very useful indeed in some trades. We are trying to do it between the toy and perambulator trades, which do overlap. The toy trade is a kind of waste trade;

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I mean it is a trade in which people use up their waste materials. Builders use their waste materials; tin workers use their scrap for the making of toys, and the perambulator people, for instance, in slack times put their workers on to make toy perambulators. It creates great difficulty, and we have been trying to adjust that, but so far we have failed. That central tribunal would be able to bring things more into order in that way.

11,298. Would you suggest that that tribunal should be formed in the same way as the Boards, with a number of workers and employers on each side, and Appointed Members; or should it have powers of absolute decision?—I think it would have power to hear the respective sides' arguments.

11,299. *Chairman*: And to decide?—And to decide, yes. I know that you get a species of arbitration, it is true, but you get it in the Trade Board atmosphere. They are all members of the trade—I mean they are members of Trade Boards; at least, the tribunal I have in mind will be; and they will be able to co-ordinate the work of the various Boards. It is true that they will be acting as arbitrators in a way, but at the same time they will have a great deal of the element of a Trade Board. It would not be taken right away to an outside department. I am afraid that if you do that you will never get any real discussion on the Trade Boards in proposing and fixing rates, because the members will always have in mind: "Well, there is an authority outside of these Trade Boards that we can go to and try our luck there."

11,300. *Lord Weir*: Does not that exist now in the person of the Minister?—No, I do not think so. Well, it does exist to a slight degree, but I do not think it really seriously affects the work. It may have some influence on it.

11,301. *Sir Arthur Pease*: Of whom would you suggest that this Trade Board Court should consist?—I think the one which I suggest in my statement. There I have suggested that you should have a tribunal constituted, say—it does not matter about the number—of three, five, seven or more members drawn from three panels, a panel of Appointed Members, a panel of employers' representatives, and a panel of workers' representatives; and I would allow those panels to be filled up by the employers' sections and the workers' sections on each Board nominating one or two persons for the panel.

11,302. *Chairman*: Do you mean that you would have a different central authority on each occasion?—No. That would rest entirely with the Minister. The Minister could choose from the panels the number that he wanted to constitute the Court.

11,303. But if this Central Board is to co-ordinate the rates, is there not an advantage in having the same members acting every time?—I should have no objection to the Court being constituted of the same persons every time; my only wonder was whether that would not be a full-time job for them. I see difficulties in that way. How are you going to get members of Trade Boards to sit continuously?

11,304. *Sir Arthur Pease*: Would it be a good thing to have the Chairman of this Central Board permanent?—Yes. I do not see any objection to that, certainly. If he is permanent, of course, he will be in touch with Trade Board work. I only wish to have the Court really familiar with Trade Board work. I certainly have not any objection to the Chairman of the Industrial Court; I have no objection to the Industrial Court as a Court. It is the arbitration element—the outside element—that I do not care about.

11,305. *Chairman*: You suggest an *ad hoc* body?—Yes.

11,306. Then passing to Appointed Members, I think you have referred to their work; you say that they are often of service?—Yes.

11,307. Then you pass to provisions for special local conditions. Dealing first with manufacturing trades,

you say that the employers in manufacturing trades compete with one another throughout the country?—Yes.

11,308. That means that differential rates of wages are not likely to be favourably received?—I think not.

11,309. Then as to the retail distributive trades—?—I pointed out four characteristics which I have discovered in the case of grocery. Speaking generally, you have got the employers in competition with each other only within a restricted area. Motor traction, of course, has widened the area, but still it is more or less restricted. The trade is more affected by immediate local conditions—the spending power of the community which it serves in its locality. Then you have seaside towns and places like that, where you have almost a seasonal trade; you have a rush in two or three months, and you have a comparatively slack time for the rest of the year. Then you have in the agricultural districts the cost of delivery, which is very much higher than it is in the towns; you go long journeys for one delivery. Those are special conditions which seem to me, I will not say to render it necessary that the Retail Distributive Board should have local rates according to districts, but at least to render it worth considering whether the retail distributive trades should not have local rates according to districts.

11,310. *Dame Adelaide Anderson*: Do you not think that good housewives go into another district for lower rates?—I would have my districts as large as possible, not 52 or 50, as was stated by somebody or other on the Grocery Board. Mr. Cahill, I think, said you wanted 50. I should not dream of that.

11,311. *Chairman*: You would have larger districts?—I should have larger districts in order to avoid the transfer of custom.

11,312. *Lord Weir*: In those large districts you would have the same class of variation and the same necessity for differentiation?—I was trying this morning, I am afraid very ineffectively, to map out the country. What I wanted to convey was this: it does seem to me possible to get districts composed of localities which are more or less similar. I have not mapped it out, but I am speaking off-hand: if, for instance, you run a line, we will say, right across England just below the Thames, then if you divide that area up into two, each district is very similar.

11,313. You told us this morning that one of your difficulties, for example, was London?—Yes.

11,314. How would you get over the border-line ease?—I do not see any way of getting over it. I think the only thing you can do is to reduce it if you have any district rates at all; and the only justification that I can see for having district rates in the distributive trades is owing to these peculiarities, and the difficulty, as it seems to me, of a central Board having upon it thorough representation of all these peculiarities. I know great objections were raised—at least the point was often mentioned in objections—about these seaside towns: they could not work 48 hours during two months of the year. The people in the country said: "We have got heavier expenses to carry owing to the long distances that we have to deliver to." I know that the whole subject of district rates is extremely difficult. I do not see any solution of it except by having districts, and if you have districts they should be as big as possible.

11,315. *Chairman*: You prefer that to the system adopted by the Grocery Board of dividing according to population?—Yes, I think it is better.

11,316. Then as regards the wholesale distributive trades, the same considerations will not apply?—No. I am really afraid to speak about the wholesale trade. The wholesale is very similar to manufacturing to begin with, and it dwindles away until you have got simply the retail shop which has got a store or warehouse as an adjunct to it, and will supply the trade in the immediate locality. You have got such a variation that I am rather afraid to speak about the wholesale; I have not heard it discussed enough.

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11,317. As regards the making-up trades, you have not heard of any movement in favour of district rates?—No; the only one is the Boot Trade Board, and they are opposed to it.

11,318. Then passing to the question of juveniles, you say that the control of the employment of juveniles is one of the most useful opportunities afforded to Trade Boards by the Act of 1918?—Yes.

11,319. There was, I suppose, exploitation of what was called green labour in the old days?—It was very bad indeed in some.

11,320. You mention three ways in which Trade Boards can deal with juvenile employees: first by fixing juvenile rates, secondly by establishing learnership schemes, and thirdly by establishing apprenticeship schemes?—Yes.

11,321. As regards juvenile rates, some of them are fixed so as to vary according to age?—Yes.

11,322. And some according to length of experience?—Yes.

11,323. Which do you think is the better scheme?—I suggest that it depends entirely upon the trade. Supposing you have got an occupation which a boy can pick up as soon as he goes in—where it will take only an hour or two, or a day or two, to teach him what he has to do—in an occupation like that I should have thought that the age basis was sufficient. Then you get another class where you want not an extended period of training, but you have got to teach the youth something, and in that class I think it ought to be age and experience combined, or experience only, but I should think age and experience combined. I have not had to deal with that problem on any of my Boards. Then again you come to the other class of trade, namely a really skilled trade. That means that you want an extended period. For that, my suggestion is—and it is carried out by the Boot Board—that you should have either an apprenticeship scheme or a learnership scheme. The difference between the two, of course, is that in the former they are both bound for a definite period, which is fixed by the Board as being necessary. In the other case there is no period fixed, but the Board requires such an amount of training to be given that the youth, if he is dismissed by the employer who starts him, can take that amount of learning to another employer and gradually finish off in that way.

11,324. In a trade where real skill is needed, the longer the period the better within limits; that is to say, you would rather have apprenticeship than learnership?—Yes, I think apprenticeship is better, but some employers will not bind themselves for the full time, and then rather than that the juveniles shall suffer we say, "Here is an alternative scheme; make them learners. You do not bind yourselves if you get hold of a bad one; you can get rid of him easily, simply dismiss him. At the same time the youth will have gleaned so much which will be worth something to another employer."

11,325. How do you secure that result?—We require an agreement, which is registered. An employer cannot have a learner unless he has registered him with the Board, and by that agreement he binds himself to teach him certain things—not the full, extended training that he would get under an apprenticeship scheme, but at any rate certain things; and if he is taught those things he will be able to go into the market and get his living on them. For instance, he might only teach him repairing, or I suppose he might teach him finishing. I should not regard that as very good training, but still there are plenty of boys and men who are engaged in finishing. So long as he has got something that is marketable, that is what we want to secure.

11,326. *Dame Adelaide Anderson*: Is it on the whole a less skilled industry for men than the making of good new boots?—I should think so. I think I would rather sit down and repair my boots.

11,327. Then make your boots?—Yes. I mean I think you could learn that; although I do not know

that they would agree with me altogether. They reckon that it takes five years for making boots.

11,328. *Lord Weir*: I take it that the majority of the people who make boots are single operation people who learn very little?—Are you speaking of making?

11,329. *Dame Adelaide Anderson*: I was comparing the making of boots with repairing them. I was comparing hand processes so far as they march together in the two occupations, making and repairing of boots?—Did you say the making and repairing of boots?

11,330. I am simply trying to find out how far this is a skilled trade, that is to say, boot repairing as compared with boot making?—I see. Of course, boot making is a much more highly skilled operation than repairing; there is no doubt about that.

11,331. So that apprenticeship is not so urgently necessary for a worker; he can find work if he is not a thoroughly trained man?—There are men on my Boards, I believe—there are employers on the Boards, certainly—who do not make and do not profess to make; they are repairers. That is what I meant to imply: that you can teach him a portion of the trade, and that is marketable knowledge.

11,332. But I suppose there are repairers and repairers; some would do much higher-class work than others?—Yes.

11,333. *Chairman*: Then as regards permits, you would extend the power to all cases in which, owing to personal reasons, the worker is incapable of earning the minimum wage?—Yes. I do think it is a pity that the power of granting permits is so strictly limited. I know that there are dangers in it, but I do not think that it is any more difficult a task to tell whether a worker is really a slow worker than it is to tell whether his mental deficiency affects his work. We are allowed to do it in the one case; we are not allowed to do it in the other.

11,334. In the one case you find that it is quite fairly done?—Yes; every case is investigated except the people of old age—70 years of age. We do not trouble about that; we give a permit indefinitely straight away, so long as the rate looks reasonable.

11,335. I am glad to find that you fix 70 as old age.—No, I do not say 70.

11,336. Someone put it at 50 years of age, which was most distressing.—I think I ought to have said about 60; but there are some very good workers in the trade, I am told, at 60; and I know that there are in other occupations.

11,337. Then as regards the question of scope, you would refer it to the tribunal which we have been discussing?—Yes.

11,338. You would make your decisions final and binding?—I think it would be well, though one does not want to deprive the citizen of his right of appealing to a legal tribunal; but if you come to look at it, supposing that the tribunal determined the matter either way—it does not matter which way it is; supposing they decided that it was outside the scope, the Minister would never in the face of that proceed to enforce it. That is clear, and there you have finality to that extent. Supposing the tribunal said, "Yes, it is within the scope," then supposing the Minister did take proceedings, the Magistrate before whom it came would not be bound by that decision at all, but he would certainly hear of it, and I should think he would be very greatly impressed with it.

11,339. You think it is better to finish with it, so to speak, and to make it binding?—I think so. I do not see any real objection.

11,340. After all, these are technical matters?—Yes, it is a technical matter. It depends on a great many considerations which would take a Magistrate a very long time really to determine. It would be as big a problem as "the feeding of schoolboys."

11,341. Then you point out that there is power to dissolve Trade Boards?—Yes.

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11,342. And you suggest that the power of withdrawing trades from the Act might be extended so as to meet special conditions. What do you mean by that?—I do not want to lay stress on that, but it has struck me as a peculiarity that once the Minister has started a Board working he cannot stop it until the Act is repealed, except under those conditions, namely, that there is an adequate amount of organisation.

11,343. What is the kind of condition which you have in mind which might be added?—I should leave it widely as "special circumstances."

11,344. A general power to dissolve or suspend?—Yes.

11,345. *Dame Adelaide Anderson*: Would it be in the interests of the industry or of the public?—It would be in the interests of—

11,346. Of either?—It would be in the interests of all, possibly. I think those two points of the disestablishment of Trade Boards and power to suspend might really be taken together. Perhaps I might say why it was that I hit on this. The Toy Trade Board was established, and it is an extremely difficult trade. Without going into its peculiarities, I do not think there is another trade like it really. I know that there was a great desire on the part of the employers either to suspend the rates or to stop the Board altogether. I do not say for a minute whether the Minister would have exercised his power in any particular way or not, but what he pointed out to them was, "I have no power. I have heard what you have got to say, but I have no power to do it." Supposing he had thought that he had made a mistake, or that his predecessor had made a mistake, in establishing a Board for this particular trade, and that on the whole there ought to be no Board; he is powerless. I do not know that there is very much value in it, and I do not press it; I simply draw your attention to it.

11,347. There is a power in the Act to withdraw a trade from the Act?—Only under certain conditions, namely the removal of those conditions which brought it into being.

11,348. *Lord Weir*: I am rather curious about the Toy Board, because as regards the Toy Board we have had very little evidence and very little representation made from either side. Is the toy trade a large trade?—I am not quite sure whether I have got the number. I am afraid to speak about that; but it is a peculiar trade.

11,349. *Dame Adelaide Anderson*: We heard, I think, that it had declined recently in numbers?—It must have done.

11,350. *Lord Weir*: You have raised this point yourself. Do you think that it is a trade where the depression has been directly caused by high rates?—No. May I shortly describe it, as I think it really does exist, and how it originated, too? There was no great toy trade before the war, with the exception of what I may call proprietary articles. That is not a correct term, but I mean articles such as Meccano, if you know it, which is made in Liverpool, and which formed, of course, a very large section of the business. Then there are lead soldiers, a very excellent production here.

11,351. *Dame Adelaide Anderson*: And stuffed dolls and stuffed golliwogs, and things of that sort?—Yes. I was just mentioning those in order to say that practically the toy trade was limited to some such trades as those before the war. Then during the war it was said—I have this information given on the Board by the employers—"Capture the German toy trade"; and the employers will tell you that they were promised that if they did they would not suffer; and a great deal of money was laid out in trying to produce English dolls to destroy the German doll market. Then during that time a great many people started toy businesses, because of the prices obtainable; for example, the price of a woolly lamb which before the war was 6½d. rose to 4s. 7½d. After the war, and especially when the market was free and

prices began to drop, those people gradually cleared out; they went out of the trade altogether. Builders, for instance, began during the war to convert their waste material, if they had spare time, into wooden toys, and tin box makers used to make tin toys, and so on. The result was this, that you get the allegation that the Trade Board has killed the trade. People say: "You see how many people have gone out of the industry." I have had it put up again and again on the Board, and on each occasion I have discovered that those businesses went out of existence before the Trade Board rates were working, and in some cases before the Trade Board was formed.

11,352. *Lord Weir*: You mean that they could not stand the wages of the pre-Trade Board days?—Yes; and they were shocking in some cases.

11,353. When was the Toy Trade Board established? It would be a war-time rate of wage that would be paid, would it not?—With the exception of those special sections of the industry of which I have been speaking, Meccano and, say, the soldiers, I think you will find that during the war there was not very much increase in the rates of the toy trade. It is very difficult to speak at all definitely about this trade, because a great many of them do not know of the existence of the others. It is not organised. It is organised to an extent on the employers' side, but on the other side it is not organised at all, except in Liverpool.

11,354. *Mrs. Lyttelton*: Your point is that it is not the rates which have made it fail?—I do not think so for a minute.

11,355. *Lord Weir*: Can you explain to us the reason why in a trade like this curious trade, where foreign competition is the largest factor effecting the trade, the present rate should be so much higher than the minimum rates in other Trade Board industries? For instance, we have, I presume, a comparable trade in the jute trade. Now the workers in the jute trade are protected to the extent of 43s. 6d., but if you take the toy trade the worker gets 56s. One would have expected to find your toy trade rate right down at the bottom.—I thought that was where it was. We are constantly told—I have it put against me by workers every time we sit—that we are lower than any other rate. I thought the only lower rate was a time rate fixed in the lace trade, but that was really not a working rate.

11,356. I am speaking, of course, of the male rate at the moment. The male rate is 56s.?—Yes.

11,357. The male rate of the corresponding worker in the jute trade is 43s. 6d. They are both highly competitive?—Yes, but I do not know about the amount of skill there. In the case of the jute worker, is he not an unskilled labourer? I do not know.

11,358. *Mrs. Lyttelton*: It requires immense skill to make toys?—I know they regard the jute trade rates as very low. It is confined, is it not, to one or two localities?

11,359. *Mr. Layton*: Was this rate fixed as a rate for toy makers?—Yes.

11,360. With any degree of skill?—Yes. It is not defined, it is true.

11,361. *Lord Weir*: This rate really means that you cannot have any male over 21 employed, even in connection with the making of toys, under 56s.?—That is so. That is an agreed rate.

11,362. *Sir Arthur Pease*: Do you not think that there must be a differentiation in rates between the different parts of the country?—In some trades, but I see great difficulty generally in the manufacturing.

11,363. I think you referred to the co-operative societies earlier to-day, did you not?—No, I have not mentioned the co-operative societies.

11,364. Their rates in their shops vary for a male of 21 years between 84s. in the northern district and 60s. in the southern district; that is something very near 30 per cent?—Yes.

11,365. The midland and the north-western have other rates. Those have been established without Trade Boards, from experience in the co-operative

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societies, who consider that they have to pay fair rates. If they make that difference, do you not think that other trades will have to?—That is distributive?

11,366. Mostly distributive?—I have said that in the retail distributive trade I think there should be differentiation. Those rates are retail distributive rates, are they not?

11,367. But if you do not vary the rates, you are going to put them out of joint with everything else in the district, are you not?—Yes. You cannot avoid that. That applies to every trade that I know; but we ought to fix a rate which should be a minimum for the least favoured district.

11,368. They divide the country into four districts, North-Western, Midland, Northern and Southern. That is the way in which they divide their rates?—Yes, they have very large areas. That is what I have been advocating this afternoon; that if you are going to have district rates, you ought to make your areas as large as possible. I myself see no objection to district rates in the case of a retail distributor, but my difficulty is this with the manufacturing: that we have got to look at both sides of the question, not only the worker, but also the manufacturer, or else you will not get that harmony which you hope to get. The manufacturer says: "I want to be protected as much as the worker; I want to be protected against my competitors, and why should I at my works in place A have to pay a higher rate than my competitor, who is supplying the same market, in place B?"

11,369. But if you get workers in a centre where they have been for generations carrying on that trade, they do a great deal more work in the same time than workers in an outlying district will do, very often?—Yes, I am quite prepared to accept that, but then it is impossible for a Trade Board to regard all those items, and therefore all we can do is to take the least favoured district and impose a rate for that, and leave the higher rates for either mutual arrangement or organisation.

11,370. But then that is not what many of the Trade Boards are doing. They are not fixing minimum rates, they are fixing standard rates which apply all round?—We have endeavoured to fix minima. I can assure the Committee that on every Board that I have been on, that principle of fixing for the least favoured area is considered. One may differ as to whether we have given real effect to it, but it really is a governing factor. I remember that on the Grocery Board the workers started away with a rate which was the Lancashire rate, I think

(The Witness withdrew.)

Mr. E. H. C. WETHERED, O.B.E., M.A., LL.B., called and examined.

The Witness handed in the following statement as evidence-in-chief:—

I am a Barrister-at-Law, engaged in local practice at Bristol.

Since 1913 I have been Chairman of the Court of Referees—until the end of 1918 for the Bristol and Swindon districts, and since then for the Bristol, Kingswood, Bath and Trowbridge districts.

During the War, from 1915 onwards, I was Chairman of the Local Munitions Tribunals for the Bristol and Swindon districts.

I am one of the panel of Umpires appointed by the West of England District Council of the National Wool (and Allied) Textile Industrial Council; and an Honorary Member of the National Council of the Pottery Industry.

I am also a member of the Juvenile Advisory Committee attached to the Bristol Juvenile Employment Exchange.

I am an Appointed Member of four Trade Boards, namely, the Brush and Broom Trade Board (Great Britain); the Hair, Bass and Fibre Trade Board (Great Britain); the General Waste Materials Reclamation Trade Board (Great Britain); and the

about 72s.—I will not pin myself to figures—and added to that 16s. or 18s., which made 90s., and that they put forward as their claim for a minimum rate for the whole of the country. I happened to be in the chair on the next occasion, and I took that in hand; and Professor Hobhouse came later. It took us a long time to get them to budge from the position which they had taken up. Those very people that you mention were so anxious that nothing done on the Board should weaken their position in getting higher rates. I only mention that to show you that we have not forgotten the principle, and that we do enforce it to the utmost of our power.

11,371. *Sir Arthur Pease*: If you fix a minimum rate having regard to the rates paid in the least favourable district, will not that have a tendency to drag down the rates in the better districts?—The workers say so on some of the Boards, but all we can do is to fix the minimum rate for the least favoured; we have no power to do anything else.

11,372. Unless you have differential rates in different districts?—Yes.

11,373. *Mr. Leyton*: I should like to know whether I understand this rightly; you said that the Grocery Board was not sufficiently representative to take account of the special considerations applying to different districts. Is that correct?—I do not like to say that the Board as constituted now could not sufficiently represent them, but I would rather put it in this way: that a District Committee could be so constituted as to be very much more representative. I cannot see how with 38 people you can have the whole of the country represented, with these peculiar characteristics. That is all that I meant to imply.

11,374. You think that you would have to increase the size of the Board to get the proper representation of the various districts?—I think the other would be the easier way. Yes, I think you would certainly have to increase the size, but I should have thought that district by district would have been very much the simpler way, and a more effective way.

11,375. Have you considered the question of having the same rates for different branches of the distributive trades—different kinds of distributive trade?—You mean distributive trade generally?

11,376. Yes.—I do not know what to say about that. Of course, from one's own knowledge one would imagine that distributive trades have a great similarity, but I do not know whether they have any dissimilarities.

Chairman: Thank you, we are much obliged to you for coming.

Retail Bespoke Tailoring Trade Board (Great Britain). I am Chairman of the first three and Deputy-Chairman of the last.

I was formerly an Appointed Member and Deputy-Chairman of the Laundry Trade Board (Great Britain). I ceased to serve on this Board in August, 1920, when, at the request of the Ministry, I was appointed an additional Appointed Member on the Retail Bespoke Tailoring Trade Board (Great Britain). I was appointed Deputy-Chairman of the latter Board on the 17th January, 1922.

I. THE PRINCIPLES OF MINIMUM WAGE LEGISLATION.

1. I think the Committee will be the better able to judge the reasons which have led me to the conclusions at which I have arrived as to the working of the Trade Boards system if I commence by shortly summarising my views as to:

- (a) The need for minimum wage legislation.
- (b) The guiding principles in determining minimum rates.

I will then deal seriatim with the various points suggested by the Committee for the consideration of the Appointed Members who are giving evidence.

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(a) *The need for Minimum Wage Legislation.*

2. In my opinion some machinery for fixing minimum rates of wages is necessary in every industry, for the following reasons:—

- (1) In order to secure and maintain a reasonable standard of life for considerable sections of the industrial population.
 - (2) To safeguard the economic position of women and girls.
 - (3) To safeguard the position of good employers.
 - (4) As a means of security against constant recurrence of industrial strife.
 - (5) As affording a basis upon which to establish a new relation in industry based on mutual confidence and goodwill.
- (1) *In order to secure and maintain a reasonable standard of life for considerable sections of the industrial population:*

Some form of organised effort is necessary if this end is to be attained and practical effect is to be given to the adhesion of the British commonwealth to the Labour Clauses of the Peace Treaties.

Each of these Treaties contains (*inter alia*) a declaration of the following principles (Treaty of Versailles, Article 427):—

- (i) The guiding principle that labour should not be regarded merely as a commodity or article of commerce.
- (ii) The payment to the employed of a wage adequate to maintain a reasonable standard of life as this is understood in their time and country.
- (iii) The imposition of such limitations on the labour of young persons as shall permit the continuation of their education and assure their proper physical development.
- (iv) The principle that men and women should receive equal remuneration for work of equal value.

Past experience shows that without some means of fixing and enforcing rates collectively determined, the wages of considerable sections of the industrial population tend to be depressed to an undesirably low level. This is particularly the case with reference to the wages of women and girls.

(2) *To safeguard the economic position of Women and Girls:*

The investigations conducted by the War Cabinet Committee on Women in Industry, presided over by Lord Justice Atkin, who reported on the 30th April, 1919 (1919 Cmd. 135), demonstrated that the wages paid to women and girls in the so-called "sweated trades" were little, if at all, below those generally prevailing in several thoroughly well organised trades before the War (Report, p. 174, par. 199). The Committee estimated that in 1914 the average wage of adult women in all industries could not have exceeded 13s. 6d. per week or 3d. an hour, while Dr. Janet Campbell, in her memorandum appended to the Report (Report, p. 218), estimated the average wage of women in 1914 at from 10s. to 12s. per week. The Committee reported that the witnesses who gave evidence before them, whether employers or trade unionists, were almost unanimous in the opinion that women's wages were too low, and they expressed the hope that wages would never return to the pre-war level. The Committee reached the conclusion that the great majority of female wage earners in this country, before the War, were paid less than a living wage, and that the old system was indefensible.

Similar conclusions were reached by the Committee of the Ministry of Reconstruction on Women's Employment in 1919.

The employers on the General Waste Materials Reclamation Trade Board (Great Britain) have stated that the wages paid to adult women before the war were from 7s. to 10s. per week.

My experience as an appointed member of Trade Boards convinces me that if the protection of enforceable minimum rates is withdrawn, the wage rates of very large numbers of women and girls will again speedily fall below a living wage, and all the attendant evils emphasised by the War Cabinet Committee on Women in Industry in their Report, and in the memorandum which Dr. Janet Campbell appended thereto, will again be brought into operation.

In confirmation of this view I am permitted to quote a statement made to me a short time ago by an employer, a member of one of the Boards of which I am Chairman, that if the Board in that trade was abolished, the result, in his opinion, would be most serious, since the wages of a large number of the workers involved would speedily be reduced to a figure below subsistence level. I have this gentleman's permission to furnish his name to the Committee if desired.

(3) *To safeguard the position of good employers.*

In every industry there are employers, and, I think, an increasing number, who are keenly alive to their responsibilities as employing the labour of others who depend upon them for their livelihood. These employers have become acutely conscious of the human factor in business, and are keenly desirous of doing the right thing by the people who work for them. There are, however, in every industry employers who have not yet arrived at any adequate sense of their responsibilities towards the people whom they employ, and who hold that they are entitled to obtain the labour they need at the lowest wages at which they can induce men and women to work for them. Employers of this class have given no consideration to the wider problems of industry, and are strangers to the whole body of thought on industrial and social questions which led the Government to declare their adhesion to the Labour Clauses of the Peace Treaties already referred to. Enforceable minimum rates of wages are consequently as necessary to the good employers as to the workers, inasmuch as bad employers are compelled to approximate their labour cost to that of good employers, who are thereby relieved of the pressure of unfair competition, and enabled to go forward in improving the condition of their employees to an extent which is impossible so long as they are exposed to the unchecked competition of those who conduct their business with a lower degree of social responsibility. In trades where the organisation of the employers is weak, the abolition of enforceable minimum wage standards would inevitably result in wages being depressed to the levels established by bad employers. The good employers would be unable to help themselves; the pressure of competition would compel them, speaking generally, to reduce their wage rates to the standards set by the bad employers; if they did not do so, they would, in many cases, find it impossible to remain in business.

(4) *As a means of security against constant recurrence of industrial strife.*

In the absence of any definite machinery for establishing and maintaining minimum rates of wages, there are no means open to the workers by which a reasonable standard of life may be attained, in many industries, save the coercive power of their industrial organisation. It is impossible to deprive the workers of the right to strike. The only way to prevent strikes, and the waste and bitterness involved in industrial strife, is to remove the causes of discontent. One of the root causes of discontent is low wages.

(5) *As affording a basis upon which to establish a new relation in industry based on mutual confidence and goodwill.*

While wages are not the only factor to be considered in establishing such a relation, I am convinced that a reasonable and secure wage basis is a condition precedent to the establishment of better relations between

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employers and employed and to the attainment of full productivity in the working of the industrial organisation.

(b) *The guiding principles in determining Minimum Rates.*

3. No modern definitive theory of wages exists. Various attempts have been made to frame some formula by which the adequacy of a given rate can be tested. Several tests have been suggested by the Court of Arbitration in New Zealand. In this country a guiding principle upon which the Agricultural Wages Boards should work was laid down in Section 5 (6) of the Corn Production Act, 1917, in the following terms:—

"In fixing minimum rates under this section, the Agricultural Wages Board shall, so far as practicable, secure for able-bodied men wages which, in the opinion of the Board, are adequate to promote efficiency and to enable a man in an ordinary case to maintain himself and his family in accordance with such standard of comfort as may be reasonable in relation to the nature of his occupation."

The question has been exhaustively considered by Mr. Seebohm Rowntree. Mr. Rowntree assessed the subsistence wage for an adult man, necessary to maintain bare physical efficiency, before the War, on the basis that such wage must be sufficient to provide for the bare necessities of life for a man, wife and three dependent children, at 26s. and for a single adult woman at 16s. ("Capital and Labour after the War," by various writers, edited by S. J. Chapman; published by J. Murray; p. 234).

These standards sufficed merely to maintain bare physical efficiency. They allowed no margin for contingencies or recreation. A reasonable minimum wage should provide for both. Accordingly in "The Human Needs of Labour" Mr. Rowntree carried his investigations further with a view to assessing the lowest figures, pre-war, at which a reasonable minimum wage should be determined. He adopted the following formulae for adult men and women respectively—in the case of men, the wages paid to a man of average industry and capacity should at least enable him to marry, to live in a decent house, and to provide the necessities of physical efficiency for a normal family, while allowing a reasonable margin for contingencies and recreation; and in the case of women, the wage of a woman of average industry and capacity should be the sum necessary to maintain her in a decent dwelling and in a state of full physical efficiency, and to allow a reasonable margin for contingencies and recreation. Mr. Rowntree assessed the figures to satisfy these standards, pre-war, at 35s. 3d. for a man and 20s. for a woman.

Mr. Rowntree's figures were suggested as reasonable minimum rates for unskilled labour. In determining the rate of wage to be paid to any individual worker or class of workers, a distinction must be drawn between the minimum, or basic, wage, and wages above the minimum, which may be referred to conveniently as "secondary" wages. The basic wage should be determined primarily by human needs, and the secondary wage by the value of the services rendered as compared with the value of the services rendered by workers who are receiving merely a basic or minimum wage, that is to say, by the cash value to be placed upon any special gift or qualification required for the performance of the work undertaken. The cash equivalent of the basic and secondary wages respectively in any industry or particular instance must be determined by discussion having regard to the current level of prices and relevant economic considerations.

These principles for determining wage rates were approved by a Conference of Quaker Employers, held in London in July, October and November, 1917, and January, 1918; and by a conference between organisers of trade unions, Bristol employers, and others concerned with the industrial employment

of women, held in the West of England in March, 1918, and I think they afford a practical basis on which to work.

It would, however, be utterly impracticable to immediately raise wage rates in many industries to levels which would satisfy Mr. Rowntree's formulae, especially at the present time, in view of the artificial currency values which prevail. But, nevertheless, the formulae suggested afford some guidance when the adequacy or otherwise of a given figure has to be considered.

Whether or not a given figure is practicable as a minimum rate must be considered not only from the point of view of any theoretical standard based on the cost of living, but with regard also to the capacity of the industry to pay. This is a very difficult matter to assess with any degree of accuracy. Ultimately it means, I think, arriving at the best estimation one can on the available evidence, and after "feeling the pulse," so to speak, of the parties interested, as to the highest rate which is within the capacity, if conducted with a reasonable degree of directive ability, of the weakest business which it is socially desirable to maintain in existence, in the weakest district, for the grade of worker under consideration. The discussions of a Trade Board, if properly conducted, seem to me to be the best means available for arriving at a reasonably satisfactory solution of this problem.

I shall return to this subject again later when discussing the principles upon which the Boards act.

(c) *The machinery for establishing and maintaining Minimum Wage Rates.*

4. Granted the necessity for some machinery for establishing and maintaining enforceable minimum wage rates, there appear to be four possible ways of achieving this object:—

(i) By the ordinary methods of collective bargaining between organised employers and workers.

(ii) By collective bargaining through the medium of Joint Industrial Councils, with or without compulsory powers.

(iii) By a statutory minimum wage or wages.

(iv) By Trade Boards.

(i) I need not dwell on the method of collective bargaining, which is well tried and fully recognised. It is, however, a method which, as practised in the past, has been inseparable from constant and dangerous industrial strife, which has become a grave menace to the public peace as the extent of the organisation on both sides has grown and the range of their activities has increased.

(ii) The Whitley Committee, therefore, recommended that the system of collective bargaining should be given a definitely constructive function by the formation of Joint Industrial Councils. The Whitley Councils constitute standing machinery for (*inter alia*) regulating wage rates by collective bargaining in the industries within which they are formed.

Methods (i) and (ii) have this in common, that they are only possible in thoroughly well organised industries and districts. Some other method has to be found to meet the case of partially organised and unorganised industries.

(iii) I do not think that a satisfactory solution can be found by attempting to establish a statutory minimum wage. Such a wage would in practice have to be fixed so low that it would afford no adequate protection for the great bulk of the industrial population. It would have to be fixed at a level within the capacity of the least well organised shop which it was socially desirable to maintain in existence, in the weakest district, and for the lowest grade of labour employed. If a national minimum wage was fixed at a level which would afford any reasonable protection for the bulk of the workers, it would inevitably ruin numbers of small businesses in economically weak districts. I am aware that the War Cabinet Committee on Women in Industry reported in favour of the establishment of a national minimum

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wage for women and girls, but this was only on the assumption of such a system being supplementary to a large programme of Trade Boards. The national subsistence wage which they proposed was only to affect the residue of women and girls not within the jurisdiction of any Joint Industrial Council or Trade Board, and I agree with the criticism of the proposal contained in the note of Sir William Mackenzie appended to the Report (pp. 335-341).

(iv) In my view the Trade Boards established under the Trade Boards Acts of 1909 and 1918 are preferable to any other method as a means of establishing, maintaining and enforcing minimum rates of wages. I hold this view because I think the policy for the better government of industry, contained in the Reports of the Whitley Committee, was conceived on sound lines. The essential idea of the plan they proposed was that, while individual factories and works should remain under private direction, private direction should function under a considerable measure of collective industrial control, a control imposed not from outside the industry by Statute or the Orders of a Government Department, but by determinations reached by consultation between representatives of all legitimate interests upon standing self-governing bodies within the industry itself. The bodies which the Committee recommended should be formed were (a) in organised trades, Joint Industrial Councils, with an ancillary organisation of District Councils and Works Committees; and (b) in unorganised trades, Trade Boards.

(d) *Should Minimum Wage Legislation be determined Trade by Trade or District by District.*

5. Assuming that Trade Boards are to be continued, the question arises as to whether Trade Board determinations should proceed upon the basis of legislation trade by trade or district by district.

In my opinion, minimum wage legislation, so far as manufacturing industries are concerned, should be carried out trade by trade, but I think there is a great deal to be said, in the case of the distributive trades, for making provision for legislation district by district. I have not, however, any practical experience of the distributive trades. I have not come to any definite conclusion with regard to the making-up trades. I am clear, however, that, while distributive trades might possibly be grouped, the making-up trades could not be grouped. Each requires its own Board.

In the manufacturing trades the feeling, both among the employers and workers, decidedly favours a national minimum rate for the industry. The town manufacturer cannot see what claim the manufacturer in a country district has to pay a lower rate of wages than he does, since both are catering for the same market, and if it be true that the cost of living for the worker is cheaper in the country, neither the town manufacturer nor the worker can see any reason why the employer alone should reap the advantage of the cheaper rate of living open to the country worker. Moreover, it is exceedingly difficult to arrive at any satisfactory method of demarcation between one district and another. The only satisfactory basis for a differential wage district by district is a distinct difference in the class of trade for which the employer caters, and in the case of manufacturing industries this differentiation rarely, if ever, exists under modern conditions of trading.

I think that to some extent a case for differential district rates can be made out with regard to industries dependent upon local custom, as in the case of some of the making-up trades, but there are many practical difficulties in the way of giving effect to the principle. For instance, on the Retail Bespoke Tailoring Trade Board we have this matter under consideration at the present time, and we are finding the difficulties very great, although I am not prepared to say they are insuperable. The difference, for instance, between the trade of a high-class tailor in Birmingham or Bristol and a small bespoke tailor in a country district is reproduced very closely as

between a high-class tailor in a good neighbourhood and a bespoke tailor in a poor neighbourhood in the same town. Indeed, it would seem that most of the difficulties which are presented to a national rate are reproduced within the district in the case of a district rate. Where a case for differential rates, based on the class of trade done, exists, the distinction is not between one district and another, but between shops or undertakings of a different class. I have had experience of two attempts to establish a differential district rate. The Laundry Trade Board, in July, 1920, proposed a differential rate for the district comprised within a radius of thirty miles of Charing Cross as contrasted with the rest of the country; the practical difficulties of giving effect to this were so great that the proposal was dropped. The General Waste Materials Reclamation Trade Board, acting on a suggestion made by me, originally proposed a differential rate for women employed as woollen waste sorters in the West Riding of Yorkshire as contrasted with the rest of the country; no effect was ever given to this proposal, as it was subsequently withdrawn, at the request of the employers, owing to the serious objection raised by the Yorkshire employers to a higher minimum rate being required of them than that required of employers in other parts of the country.

Another reason which leads me (apart from the distributive trades) to favour legislation trade by trade is the fact that most industries have a distinct corporate consciousness. This is more strongly marked in some trades than others, but I think it is fairly general, and I am inclined to think that the same tendency in our national psychology which has led us to stand so firmly for the principle of local self-government in our political and social life will make itself felt, and is, indeed, already making itself felt, in the government of industry. Neither employers nor workers will, I think, tolerate compulsory rates of wages unless determined by some form of legislative body within the industry. This trade consciousness has been very strongly marked among the employers on all the Trade Boards with which I am and have been associated, and is equally marked among the operatives' representatives on three of them, namely, the Brush and Broom; Hair, Bass and Fibre; and Retail Bespoke Tailoring. It is not so strongly marked in the operatives' sides of the Laundry Board and the General Waste Materials Reclamation Board, owing to the fact that the representatives of the workers on these Boards are drawn mainly from the representatives of general workers' Unions and have not the same craft consciousness as in the three Boards first mentioned.

II. THE PRINCIPLES ON WHICH MINIMUM RATES ARE SETTLED BY TRADE BOARDS.

6. I do not think that it can be said that wage rates are determined by Trade Boards on any definite principles. As I have already pointed out, no definitive modern theory of wages exists, and consequently the determinations of the Boards are arrived at by discussion and negotiation which aims at finding a rate which will be accepted by the generality of employers and workers in the industries as fair and reasonable. The Appointed Members act primarily as conciliators, but in the last resort can resolve a deadlock by their vote.

7. The procedure followed in determining a rate is, speaking generally, somewhat as follows:—

Either the employers' or workers' representatives move a rate for the class of workers in question. The proposal is considered by the other side, and is discussed by the Board as a whole, in side meetings of the representative members, and at private conferences of selected members of both sides with the Appointed Members. The proposal, either in its original or some modified form, is eventually agreed, or an amendment is moved by the other side. This in turn is discussed in like manner. Eventually the issue between the two sides is generally narrowed down to a comparatively small margin of difference between two alternative propositions. The deter-

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mination of the Board is finally arrived at by an agreement or compromise, or by a direct vote. In such case the determination of the Board is generally, but not always, decided by the votes of the Appointed Members. This is a general description only. A rate may be agreed by direct negotiation between the representative members, or may be referred to a Committee to consider and report to the Board.

8. While no definite principles have been adopted, there are certain factors which are always in the minds of the Board when considering a rate. These factors may be summarised as follows:—

- (i) The cost-of-living index figure.
- (ii) The character and economic position of the industry concerned.
- (iii) Wages paid in other comparable trades.
- (iv) The nature of the work, and the degree of skill or experience required for its adequate performance.
- (v) The relation in which the class of workers concerned stand to other workers in the industry or to comparable workers in other industries.
- (vi) Whether the workers are customarily piece workers or time workers.
- (vii) The capacity of the industry to pay the rates proposed.

These factors are, however, applied rather as tests of the adequacy or otherwise of the figures proposed than as strict determinants. They do not admit of precise statement. The capacity of the industry to pay, for instance, is very difficult to determine. How is the capacity to be tested? By the best or the worst organised shop or works—or by an assumed average shop or works, neither very good nor very bad? Again, the wage-paying capacity of an industry may be very bad because the management and organisation may be poor. In such case the workers can with justice urge that their standard of life ought not to be depressed in order to perpetuate inefficiency on the part of the employers. They may urge that if the employers are compelled to pay reasonable rates of wages, they will bestir themselves and re-organise on more efficient lines, and that this will in the end benefit the industry and the consumer as well as the workers. On two occasions prominent manufacturers have told me that, in their opinion, the average manufacturer is not a good judge of what the industry can bear in the matter of wages, and that it was surprising to find what some industries could pay when the employers were compelled to adapt their methods of doing business to higher wage rates than they customarily paid. It is unfortunate, I think, that the claim that the industries cannot pay the rates fixed by Trade Boards is advanced so readily and frequently. It tends, perhaps, to receive less consideration than it should because it is put forward so often and subsequent experience shows that it was not justified.

9. The Coffin Furniture and Cerement Making Board, on the 14th January, 1922, issued a proposal to vary the rates for male workers in the coffin furniture section of the trade on a sliding scale based on the cost-of-living index figure (all items), and the scheme seems to be framed on sound and workable lines. Several Boards have similar schemes under consideration. A difficulty in the way of adopting a sliding scale which has arisen is the absence of an agreed basis rate upon which to operate. This difficulty arises from the fact that the pre-war wages paid to women were so low that they are useless as basis rates to-day. The Paper Bag Trade Board are considering a sliding scale based on the cost-of-living index figure, which seems to me to contain some promising features. They have agreed basis rates for labourers at 32s. 6d., and for women at 20s., on the assumption of the cost-of-living figure falling to zero, and the rates at present in force are adopted when the index figure is 100. These rates drop towards the basis figures by reductions in the rates of 4 per cent. for every 5 per cent. fall in the cost-of-living index figure. The result is that as the cost-of-living figure falls below 100 the *real* wages rise, while if the cost-of-

living rises above 100 the rates rise in exact proportion. This scheme seems to me to be well worth consideration.

10. Until recently the Boards have not attempted to fix rates strictly on a cost-of-living basis as shown by the index figure. The diminished value of the currency has made this impossible. This will be apparent if existing Trade Board rates are tested by Mr. Seebohm Rowntree's figures, adjusted to the increase in the cost-of-living over 1914, as shown by the index figure for "all items." On the 1st January, 1922, the index figure was 92, but on the 1st December, 1921, it was 99, and all existing effective rates were fixed when the index figure was at or about the latter figure. I take it at 100 for convenience of calculation. It may be that some slight correction is necessary in applying the index figure to Mr. Rowntree's calculations, but I do not think that the margin of error is material for the present purpose.

Mr. Rowntree's (a) minimum, and (b) subsistence wage rates, adjusted to this figure, become:—

(a) *Minimum Wage.*

Men.—Pre-war, 35s. 3d.

December, 1921, 70s. 6d. (approximate).

Women.—Pre-war, 20s.

December, 1921, 40s. (approximate).

(b) *Subsistence Wage.*

Men.—Pre-war, 26s.

December, 1921, 52s. (approximate).

Women.—Pre-war, 16s.

December, 1921, 32s. (approximate).

No Trade Board rates, I think, satisfy these tests for a reasonable minimum rate for either men or women. Current rates are round about Mr. Rowntree's subsistence rates, adjusted to the present cost of living, but several are well below even this standard. For example, the labourers' rate on the Brush and Broom Board is at present 1s. 1½d. per hour, or 54s. per week, and it is proposed to reduce this rate to 1s. 0½d. an hour, or 50s. per week. The General Waste Materials Reclamation Trade Board, in August last, proposed 55s. for labourers in the scrap metal and scrap iron section of the trade, and 48s. for all other male workers.

11. It is generally the practice for Trade Boards to fix piece-work basis rates at a fixed ratio above plain time rates. The ratio differs on different Boards. The Laundry Board have adopted 17½ per cent., but usually the ratio is from 7½ per cent. to 15 per cent. Commonly in the case of women it is 1d. per hour above the general minimum time rate.

12. In addition to a piece-work basis time rate a few Boards have fixed a guaranteed time rate for piece-workers. When fixed this rate has sometimes been slightly below, in other cases the same as, the plain time rate. The Laundry Board have fixed such a rate 5s. per week below the plain time rate for women workers. The General Waste Materials Reclamation Trade Board have determined the same figure for the plain time rate and the guaranteed time rate for piece-workers.

III. THE METHODS BY WHICH TRADE BOARD RATE SETTLEMENTS ARE REACHED BY COMPLETE AGREEMENT.

13. The extent to which settlements of wage rates are reached on Trade Boards by agreement between the employers' and workers' representatives differs very much as between one Board and another. It depends largely on the personnel of the Boards. Speaking generally, when the trade is fairly well organised on both sides, or when both the representatives of the employers and workers have a strong craft consciousness, the Board display a certain unity in outlook and feeling which leads to rates being determined by agreement. Where, on the contrary, this unity in outlook and feeling is absent, as in cases where the majority of the workers' representatives are drawn from general workers' Unions, determinations by agreement are more difficult to obtain.

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Thus, on the Brush and Broom and the Hair, Bass and Fibre Trade Boards, both of which display a marked craft consciousness, most of our important determinations have been reached by agreement, not at once or easily, but eventually, after thorough discussion of the whole situation conducted on a very high level of excellence on both sides. On the General Waste Materials Reclamation Trade Board it has been much more difficult to achieve agreement on any important question, though even in this case agreements have been reached, and all subsidiary and minor questions have generally been determined by agreement. Although well organised and possessed of a strongly marked craft consciousness, special reasons peculiar to the trade have made it very difficult to secure agreement on the Retail Bespoke Tailoring Board.

The Brush and Broom and the Hair, Bass and Fibre Trade Boards are admirable Boards. The members are animated by feelings of confidence in one another and mutual respect, which has deepened as their work together has developed. All our discussions, in spite of very wide differences of opinion and divergent views, often strongly held, have invariably been conducted without bitterness and with consistent courtesy, the aim of every member, while doing what he believes to be his duty to his constituents, being to find a way of removing and solving difficulties and to achieve a basis of agreement. In consequence it has been the exception for a controversial vote to be taken.

The Brush and Broom Board have held 17 meetings, and 122 decisions (omitting formal resolutions) relating to rates have been taken. Of these, 110 have been adopted by agreement, and 12 only by a contested vote. Of the 12 resolutions passed by a vote, three only were carried by the votes of the Appointed Members; one was lost because the Appointed Members did not vote; the remaining eight were carried by the Board either without or irrespective of the votes of the Appointed Members.

As indicating the class of questions upon which it has been found possible on this Board to achieve agreement in almost every instance by the process of discussion and compromise, the following particulars of the Board's legislation may be of interest to the Committee. The operatives are mainly piece workers. The Board have:—

- (i) Fixed minimum time rates, piece-work basis rates and overtime rates for women and girls; minimum time rates and overtime rates for skilled, semi-skilled and unskilled men and boys.
- (ii) Fixed a national list of piece rate prices for all the major operations in the industry.
- (iii) Framed a comprehensive scheme of indentured apprenticeship for the skilled branches of the trade, comprising apprenticeship rates, conditions of training, a ratio of journeymen to apprentices, and scheduling a model indenture. This was the first apprenticeship scheme adopted by a Trade Board.
- (iv) Framed a training scheme for male late entrants, with the object of meeting the needs of ex-service men desirous of entering the industry, and scheduling a model form of contract to the order.
- (v) Reduced the piece prices and time rates for men by a $\frac{7}{8}$ per cent. all-round reduction, except in the case of unskilled men, the rate for whom was reduced by $\frac{1}{4}$ d. an hour.
- (vi) Proposed an all-round reduction of rates on the basis of $\frac{7}{8}$ per cent. for women workers other than learners and female pan hands, and a further reduction of 1d. an hour for unskilled men.
- (vii) Fixed special rates for women employed as pan hands, and framed a training scheme for girls seeking to enter this branch of the trade, a model form of contract being scheduled.

Our experience on the Hair, Bass and Fibre Trade Board has been very similar. This Board have held 8 meetings and taken 27 decisions (omitting formal resolutions) with reference to rates. Of these, 24 have been adopted by agreement, and 3 only by a contested vote, one of which was not carried by the votes of the Appointed Members, who did not vote.

14. The Appointed Members on all the Boards with which I have been associated have steadily kept in mind the view that they are not acting as arbitrators, but as members of the Board. While conscious of the fact that, inasmuch as the voting power of the representative members must always be equalised, the Appointed Members are, in almost every case, in a position to decide any contested motion by their vote, yet this power has always been kept in the background, and our prime efforts have been directed to acting as conciliators with the object of bringing about an agreement between the representative members.

15. To what extent agreement, when it is reached, is brought about by the influence of the Appointed Members it is very difficult to determine. A great deal, again, depends upon the personnel of the Board. In my experience subsidiary and minor questions are frequently decided by agreement between the representative members apart from any influence of the Appointed Members, but in major questions the influence of the Appointed Members counts for a great deal.

16. I have read with surprise the evidence of Mr. Gordon T. H. Stamper and Mr. Ashley Ward, given before the Committee on the 24th November, 1921, to the effect that the practice of the Appointed Members is to adopt the attitude, "If you don't give the figure, we shall vote for the other side."

In the most positive way I desire to repudiate the allegation, on behalf of myself and my colleagues on the Boards with which I am associated. I cannot speak, of course, as to other Boards, but I say that no such practice as they allege has ever been adopted by the Appointed Members with whom I am associated.

The evidence given by Mr. Ashley Ward contained a number of inaccurate statements which, unless corrected, are calculated to give the Committee an altogether erroneous picture of the proceedings of the General Waste Materials Reclamation Trade Board, and I must ask the indulgence of the Committee to deal with his statements somewhat fully. I have done this in a separate memorandum annexed thereto.

IV. THE PRESENT RATE FIXING POWERS OF TRADE BOARDS.

17. In my opinion the fullest freedom should be accorded Trade Boards to fix minimum rates for such classes of workers, and in such manner, and subject to such conditions, as the Boards think fit. I think that only mischief is likely to result if the powers of the Boards are confined within artificial limits prescribed by Statute. A Trade Board is the counterpart of a Joint Industrial Council in the industry with which it is concerned, and in my opinion the Boards should have the same powers with regard to rates, hours, and cognate questions as are possessed by a Joint Industrial Council. I think that full effect should be given to the recommendation to this effect contained in the Second Report of the Whitley Committee (par. ii). Business men and representatives of workers find it difficult to understand the terms of the Acts and orders defining and limiting their powers at the present time, and all those with whom I am acquainted who have experience of Trade Board work are of opinion that greater elasticity, and not further restriction, is required if the Boards are to function properly.

For example, the decision of the Minister that the guaranteed week incorporated in the first order of the Laundry Trade Board was *ultra vires* caused a great deal of difficulty and friction.

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Again, the Brush and Broom Trade Board, in 1920, were anxious to put forward a scheme for enabling ex-Service men to be trained to enter the industry. We framed a carefully considered scheme, but when we approached the Minister for confirmation of the rates we had fixed we were informed that he was advised that ex-Service men did not constitute a class of workers within the meaning of the Acts, and that accordingly our scheme could not go through. This caused a great deal of annoyance to the employers and workers on the Board. Eventually the scheme was confirmed as a scheme for late male entrants, the limitation to ex-soldiers being dropped. The difficulty, however, caused a long and exasperating delay before the scheme was made effective.

The difficulty arose owing to the narrow interpretation put by the Minister on the words "class of workers" in Section 3 (1) of the Act of 1918. I would suggest that the words "any class of workers in the trade" should be altered so as to read "any particular workers in the trade." Subject to this amendment I think the definition is satisfactory.

18. I understand that it has been suggested that the existing powers of the Boards should be confined to fixing compulsory rates for the lowest grades of workers, and that for superior grades the Boards should either (a) have no jurisdiction at all, or (b) the jurisdiction should be confined to cases where rates are agreed between the representative parties on the Boards, the Appointed Members having no vote in the proposal or fixing of such rates.

19. To limit the jurisdiction of a Trade Board to the lowest grade of workers would mean, so far as men are concerned, fixing rates for labourers only, and so far as women are concerned, fixing rates for very limited classes of unskilled workers. I think this would be exceedingly unsatisfactory. Minimum rates for skilled and semi-skilled men and women are, in my opinion, quite as necessary in some trades as minimum rates for unskilled workers, and to so limit the function of the Boards would be to deprive them practically of all their usefulness. They would be unable to do anything to secure or maintain a reasonable standard of life for the operatives proper, and their usefulness from the point of view of preserving industrial peace and fostering a spirit of co-operation in industry would be destroyed. Moreover, such a limitation of the powers of the Boards would almost certainly have the effect, I think, of tending to bring the wages of superior grades of women workers down to the level of wages fixed for unskilled workers. Whatever rate is fixed for women in many women's trades tends to become the standard rate.

May I, by way of example, direct the attention of the Committee to the orders of the Hair, Bass and Fibre, and the Brush and Broom Trade Boards?

The former industry falls into two clear divisions, (i) the Hair trade, and (ii) the Bass and Fibre trade. The latter is closely allied to the Brush and Broom industry. The first order, made effective on the 3rd August, 1920, fixed three time rates for men and three time rates for women, namely:—

- (i) For operatives in the Hair trade: Men, 1s. 6d. per hour. Women, 9½d. per hour.
- (ii) For operatives in the Bass and Fibre trade: Men, 1s. 5½d. per hour. Women, 9½d. per hour.
- (iii) For unskilled workers: Men, 1s. 2d. per hour. Women, 8½d. per hour.

The bulk of the workers fell in classes (i) and (ii). The number of labourers and unskilled women workers in class (iii) was relatively very small.

The Brush and Broom Board, in their first order, made effective on the 1st January, 1920, fixed two time rates for men, namely:—

- (i) For skilled and semi-skilled operatives, 1s. 5½d. per hour.
- (ii) For labourers, 1s. 2d. per hour.

The bulk of the workers were in class (i). The number of workers in class (ii) was small.

If the proposal which has been made to the Committee had been in operation the orders of these Boards would have been valueless, since the real operatives would not have been affected.

Another very serious objection to the proposal is that it would deprive the Boards of the power they now possess of controlling piece prices, and, by so doing, removing the objection to piece work based on the fear of unfair cutting of rates. As the Committee are doubtless aware, this is an old and serious grievance, which is largely responsible for the reluctance displayed by some sections of organised labour to adopt payment by results. By fixing piece prices or piece work basis time rates the Boards render unfair rate cutting practically impossible. I have never heard of a complaint on this score in a Trade Board industry. To deprive the Boards of this power would, in my judgment, be a serious set-back to the efforts made during and since the war to remove the causes of bitterness and suspicion between employer and employee.

I do not know whether those who made these proposals wish to exclude juvenile rates from the jurisdiction of the Boards, but if so, I think such exclusion would be very undesirable. I shall return to this question in dealing with Point 9.

20. I do not think there are such serious objections to the alternative proposal to limit the power of the Boards to fix rates for superior grades of workers to rates which have been agreed, but I am inclined to think that in practice it would mean that, while rates for superior grades of workers would be agreed and fixed upon the best Boards, none would be fixed on many Boards established for industries in which the workers were most in need of protection. If either side adopted an unreasonable attitude, nothing would be done. This would inevitably lead to unrest in the Unions concerned and consequential industrial strife, and one of the prime objects of the existence of a Trade Board would thus be defeated.

For these reasons I am of opinion that the Boards' jurisdiction over all rates should be retained.

21. A serious defect in the present practice is the length of time required to effect any alteration in a rate. In view of the evidence on the point which has already been tendered, I need not dwell on the subject. I think that a period of four weeks for objections in the case of a first rate, and three weeks in the case of a proposal to vary, is sufficient. It should be possible to vary a rate within a period of from five to six weeks from the date of proposal to that of confirmation. I think, also, that in exceptional cases a Board should be empowered to bring a variation into force at once, without any period being allowed for objections. Such action could be safeguarded from abuse by requiring the sanction of the confirming authority to the exercise of the power. I may illustrate the class of case I have in mind by citing an application which was made in December, 1921, to the Hair, Bass and Fibre Trade Board by the workers' side for a reduction in the piece prices for hand-loom weavers, who are mostly homeworkers. They were in great distress owing to their inability to compete with the factories even at the very low rates already in operation, and they proposed a new scale of lower rates, and wished them brought into operation at once. The employers agreed, and also wished the rates to come into operation at once. Legally this could not be done under the existing powers of the Board. A similar situation arose when all parties on the Brush and Broom Board desired to alter the ratio of apprentices to journeymen in the Bone Brush section of the trade. There was no necessity at all in either of these cases to go through the tedious procedure of issuing a proposal and waiting for objections before giving effect to an alteration as to which everyone was agreed.

22. Another defect which I think should be removed arises from the inability of the Boards to give any practical effect to objections which may be lodged unless they issue a fresh proposal. Unless they adopt this course the only action a Board can take is to delete a rate altogether. This results in insufficient

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account being taken of objections. The Minister on one occasion refused to allow a mistake of 1d. in one rate of a juvenile scale to be amended without a fresh proposal. Subject to such safeguards as may be considered necessary, I think that the Boards should have power, without re-proposing, to give effect to objections by amendment of their proposals.

V. THE SANCTIONS BEHIND TRADE BOARD RATES.

23. In my opinion State enforcement should be maintained, and I do not think that it should be restricted in respect of any rates or classes of workers.

Joint Industrial Councils, as at present constituted, have no sanction behind their determinations, and many of the Councils are of opinion that this is a serious handicap, and that they cannot carry out their work effectively until the force of law is given to their determinations. The possibility of this development was foreseen by the Whitley Committee (First Report, paragraph 21; Second Report, paragraph 15).

On the 18th March, 1921, the Association of Industrial Councils and Interim Reconstruction Committees passed the following resolution:—

"That this Association of Joint Industrial Councils and Interim Reconstruction Committees is strongly of opinion and recommends that legislation should at once be commenced by the Government to give the necessary power to the Ministry of Labour to make binding upon the whole of any industry any Wages Awards, or Agreements, or arrangements as to working hours and conditions made or confirmed by Joint Industrial Councils or Interim Reconstruction Committees if so requested by the Joint Industrial Council or Interim Reconstruction Committee concerned."

The recommendation of the Association combines the decisions of twenty-five Joint Industrial Councils and Interim Reconstruction Committees on the subject, and on the 20th September, 1921, the Association resolved to ask the Minister of Labour to receive a deputation on the question of obtaining legislation to give to such of the Joint Industrial Councils and Interim Reconstruction Committees as desired to possess them, compulsory powers to enforce their determinations.

24. One of the objections which I have heard raised on numerous occasions to Trade Board rates is that they are not effectively enforced, and, accordingly, those employers who pay them are at a disadvantage when compared with employers who do not. All good employers are anxious to pay proper wages to their workpeople, but are frequently unable to pay the rates they would like to pay, and feel they ought to pay, owing to the fact that their competitors are paying wages at lower rates. One of the great advantages of a universal enforceable rate is that it puts all employers on the same footing, and prevents the good employer from being under-cut by the bad employer.

25. To ensure adequate enforcement is very difficult, and apart from the practical and financial difficulties of creating a greatly increased inspectorate, constant and numerous prosecutions are undesirable on every ground. I feel that primarily the most effective sanction is organisation both of the employers and the workers, but I think the legal obligation and liability to penalties for default should be retained with regard to all rates prescribed by the Boards. So as to remove any possible doubt on the point, I think that a clear right to recover Trade Board rates by civil process should be conferred by statute upon the workers entitled to them. While the Irish Courts held that an individual worker was entitled to take proceedings before Justices to recover the minimum wage prescribed by the Agricultural Wages Board (*Buchanan v. Osborne* (1919), 2 I.R.; p. 52), I am not clear as to the right of the workers to sue in the Civil Courts for wages due under the Trade Boards Acts. The point so far has not been decided in any reported decision of the superior Courts.

26. With regard to the arrangements as to the control of the inspectorate and enforcement of orders. I agree with the whole of the recommendations contained in the Report dated 4th March, 1921, of the Committee on the Administration of the Trade Boards Acts.

VI. THE MINISTER'S POSITION AS THE RATE-CONFIRMING AUTHORITY.

27. I do not consider that the Minister of Labour, or any Minister, is a satisfactory confirming authority. I cannot see what advantage would be gained by substituting the Board of Trade for the Minister of Labour. I feel strongly that an industrial and not a political authority is required. So long as a Minister is the confirming authority, it is inevitable that people who disagree with his decisions will allege that political considerations have influenced his actions. I am not suggesting, and I have no reason to think, that such is the case, but the mischief is done if people believe it to be true, whether it is so or not.

I do not think that the present practice of deputations waiting on the Minister, or upon high officers of the Department, to urge reasons for and against the confirmation of rates, is at all satisfactory. I think it is most unsatisfactory. Each group is received and heard separately, and can say what they please without the other groups affected having any effective way of challenging statements which may be made. One of the difficulties with which Trade Boards are faced arises from the fact that they have to deal with so much hearsay evidence. The danger of this is lessened when others are present who can challenge and correct misstatements, but the danger of wrong decisions being taken upon unverified statements is very great under the procedure I have indicated, however careful the Department may be. Let me say at once that the greatest trouble and care is, in my experience, taken by the Department to ascertain the facts and do justice between competing claims.

28. I feel very strongly that some confirming authority is absolutely necessary

(i) To prevent action which is *ultra vires*.

(ii) As a check on hasty or ill-considered legislation.

(iii) To secure some measure of co-ordination in the rates in related trades.

(iv) For the protection of the consumer.

29. As I have already said, I think the confirming authority should be an industrial authority. There would appear to be only two alternatives:

(i) To utilise the services of the Industrial Court, or

(ii) To constitute a Central Trade Board Council.

I fear that the effect of making the Industrial Court the confirming authority of Trade Board orders would be

(i) To weaken the Boards by undermining their sense of responsibility. If this happened, the Boards would in effect become merely advisory bodies, and the real rate-fixing body would be the Court.

(ii) To emphasise the element of arbitration in the Trade Boards system at the expense of the legislative element. In effect it would transform the Trade Boards system into an elaborate procedure of compulsory arbitration. I do not think this would be satisfactory or desirable.

For these reasons I have come to the conclusion that the objections to which this suggestion is open are too serious to render it acceptable.

30. I think, therefore, that the best authority would be a Central Trade Board Council conceived somewhat on the lines of the Central Wages Committee for Scotland under the Corn Production Act, 1917. The Scottish District Wages Committee fixed wages, which were then required to be submitted for confirmation to the Central Wages Committee for Scotland before they became effective.

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If this plan was adopted, the constitution, membership and powers of the Central Council would have to be very carefully considered. Obviously the Chairman should be a man of considerable standing and experience. The Council would be a confirming, not a rate fixing, authority, that is to say, the rates submitted should be confirmed unless good reason was shown why they should not be confirmed. The burden of proof should be on those objecting. The power of the Council should, I think, be confined to confirming a rate or referring it back for reconsideration by the submitting Board. Provision would have to be made to avoid prolonged delays. A right should be given to associations of employers or workpeople, and probably also to the Minister of Labour, to lodge an objection to the confirmation of a rate within fourteen days of the Board giving notice that they had fixed a rate. Notice might be given by publication of a notification to that effect in the London and Edinburgh Gazettes. If no notice of objection was lodged within the prescribed time, the Council would then proceed to examine the provisional order made by the Board, and if they saw no serious objection, would confirm it; otherwise they would refer it back for reconsideration by the Board, with a statement of their reasons for so doing. If an objection was lodged, the Council would appoint a date for hearing, and hear arguments for and against the confirmation of the order, and then confirm it or refer it back.

I am not unaware of the difficulties presented by such a scheme, but I think they could be overcome. The difficulty of members of the Council having to meet frequently and at short intervals could, I think, be got over by a rota system.

VII. THE NEED FOR APPOINTED MEMBERS.

31. In my opinion the appointed members are essential to the proper working of a Trade Board, and should be retained. It is obviously necessary that great care should be taken in selecting suitable people for the posts, and they should have a good general working knowledge of industrial conditions and practice. I think that the Boards should have some voice in the choice of the appointed members, and that the better plan would be to give them a right to veto a suggested appointment.

The happiest relations have always existed between the appointed members and both groups of representative members on the Brush and Broom and the Hair, Baa and Fibre Trade Boards.

32. My experience leads me to the conclusion that the appointed members, providing they have a good general knowledge of industrial conditions and practice, are of very considerable assistance to the representative members of the Trade Board. They can rarely, if ever, have sufficient knowledge of the particular trade to enable them to decide technical questions, but they can very often be of assistance to both sides in making suggestions. I may illustrate what I mean by an example of my experience on the Brush and Broom Board. As already stated, practically all the important determinations of this Board have been arrived at by agreement after full discussion, and our discussions have always been carried on at a very high level of efficiency. Where the appointed members have been of service is that they have been able to make, from time to time, useful suggestions drawn from their experience in other spheres of industrial administration. For example, while nobody but the representative members on the Brush Board could have framed and carried through the Apprenticeship Schemes adopted by the Board, the task was undertaken at the suggestion of the appointed members. Once the suggestion was made the representative members were quick to see its importance, and the task was carried through with great keenness and efficiency.

33. It has been proposed to the Committee that a single appointed member, as chairman, should replace the three or five appointed members under the present practice; or, alternatively, that the chairman should sit with, or have the power to call in, two assessors drawn from the trade concerned. In my opinion the

practice of having three appointed members is preferable to either of these proposals. It is a tremendous advantage to the chairman to have the assistance of two independent colleagues. It is often represented that the appointed members have no technical knowledge of the industry. While this is true when they are first appointed, it is not true as time goes on. They subsequently acquire, or should acquire, very considerable technical knowledge, and I think that the presence of three such persons, gradually acquiring in some measure a specialised knowledge of the industry with which they are associated, and possessing a good general knowledge of industrial and economic conditions, is of much greater assistance to the Board in coming to wise determinations than would be the case if the chairman was alone.

34. Neither do I favour the suggestion that the chairman should be assisted by two trade assessors. The suggestion savours too much of arbitration pure and simple.

I have had considerable experience of industrial arbitration, both as a sole arbitrator and sitting with assessors, and where arbitration is concerned I hold the view very strongly that a court composed of a chairman, possessing both legal knowledge and industrial experience, sitting with two or more assessors, is preferable in every way to a single arbitrator.

A Trade Board is not a Court of Arbitration. It is an industrial legislature. To introduce the principle of having a single chairman, with or without assessors, into the Trade Boards system, is to place an undesirable emphasis on the chairman's position as a final arbitrator rather than chairman of a legislative body whose prime object is to legislate by agreement. Moreover, I do not see that the assessors would add much to the information at present obtainable by the chairman from the discussions on the Board and in conference with representatives of the two sides.

35. As to the voting powers which should be accorded the appointed members: In my opinion they should be regarded not as arbitrators, but as members of the Board, and should have the same voting power as any other member of the Board. I think their presence is a check on hasty and ill-considered determinations, and in some cases might be very important for the protection of the consumer, although no necessity for such protection has manifested itself on any of the Boards with which I have been connected. So long as we have a competitive system I think the consumer has in that system adequate protection save in very exceptional circumstances. I think the presence of the appointed members, plus the existence of some confirming authority, which I consider essential, should afford adequate protection to the consumer in any exceptional circumstances which may arise.

It has been suggested that the voting power of appointed members should be restricted to fixing a minimum rate for the lowest grade of unskilled workers. I do not favour this proposal for the reasons given when discussing the question of limiting the jurisdiction of the Boards, but if it is adopted I would urge that it should be qualified by conferring upon the appointed members the power to vote if the exercise of this power was requested by both sides. A situation might arise, for instance, where the representative members had very nearly, but not quite, arrived at agreement as to a particular rate. There might be a difference of 1d. per hour one way or the other—I have known such a situation arise—and it would be deplorable if the economic interests of a whole class of workers were prejudiced owing to the breakdown of negotiations on a small margin of difference such as that. And it must be borne in mind that if the negotiations on a Trade Board are properly conducted, the final decision taken is nearly always upon a relatively small margin of difference. I am of opinion, however, that the voting power of the appointed members should not be restricted in the manner proposed. To so restrict it would be to

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confine the powers of Boards, in many cases, to fixing rates, other than by complete agreement, to relatively small classes of workers, and would leave the great bulk of the operatives in the trade concerned unprotected by a minimum rate unless complete agreement could be attained between the two bodies of representative members, and such agreement would be most difficult to attain in those industries where such protection was most needed. It is in the less well organised trades that this protection is most needed, and it is precisely in those trades where the composition of the Board would render the attainment of agreement most difficult, at any rate in the initial and early stages of the Board's history. Moreover, although the appointed members may keep the decisive character of their voting power well in the background, the fact that it exists is constantly in the minds of representative members, and is, I think, often a potent factor in attaining agreement. If this factor was absent I am inclined to think that agreement, in many cases, would be more difficult to attain than it is at present. If the appointed members had no voting power, it would be very easy for a body of employers, accustomed in the past to pay undesirably low rates of wages, to effectively prevent other employers from making any improvement in the economic status of the people they employ.

VIII. PROVISION FOR SPECIAL LOCAL CONDITIONS.

36. I have already expressed the view that minimum rates, in the case of manufacturing and wholesale industries, should be fixed on a national basis, but some of the considerations which lead me to this conclusion in the case of manufacturing and wholesale trades do not apply or apply only to a limited extent in the case of retail distributive and making-up trades. The latter industries cater for a local custom, and the labour cost which they can carry is materially affected by the economic strength or weakness of the local market. The problems which are raised by this consideration are, however, I think, difficult, and, so far as the distributive trades are concerned, I do not feel that I am competent to express any opinion on the matter, as I have no experience of these trades. The only industries of which I have any knowledge which fall within the description of "retail" and "making-up" trades are the Laundry trade and the Retail Bespoke Tailoring trade. These two industries have this characteristic in common—they cater in the main for a local custom. I think, however, that in the retail and making-up trades special local conditions require careful consideration, and that differential rates for different districts may be found necessary or desirable.

On the Laundry Board from the commencement we made special provision to meet the case of emergency workers at seaports for workers whose employment was of a casual nature, and for workers employed in localities subject to considerable seasonal fluctuations. As I have already mentioned, we attempted to create a differential rate to apply within a definite area in and around London; no effect was, however, given to the proposal, as it proved in practice unworkable.

Considerable evidence has been given before the Committee by Mr. Adams and Mr. Gordon in support of the necessity for differential district rates in the Retail Bespoke Tailoring trade, and Mr. Adams stated that on two occasions the employers had made proposals for district rates, and on each occasion the motion had been lost because the Appointed Members had voted against the proposal. The Appointed Members voted against the proposals not because they were opposed to the establishment of district rates, but because, after giving very careful consideration to both the schemes proposed by the employers' side, they unanimously came to the conclusion that they were unworkable. The matter is still under consideration by the Board, and the

Appointed Members are rendering all the assistance they can to enable the Board to work out a practical scheme of differential rates by districts. The chief difficulty is that in the Retail Bespoke Tailoring trade the need for differentiation is rather between shops of different types catering for different classes of custom in the same town or place than between one district and another. The Board at the present time are seeking to devise means of getting over this difficulty.

37. All the Boards with which I have been associated have, after very careful consideration, decided against establishing, at any rate for the present, statutory District Committees under section 12 of the Act of 1909. The technicalities involved in working statutory District Committees are felt to give rise to difficulties which it is well to avoid. It would appear, moreover, that so far as it might be necessary to give effect to local conditions by establishing differential rates, the differentiation can be made equally as well, if not better, by a National Board, obtaining when necessary local evidence with regard to local conditions which require to be met. I am afraid that a scheme of autonomous local District Committees, such as that suggested by Mr. Adams and Mr. Gordon in their evidence before the Committee, would not in practice be found to work as smoothly as my colleagues seem to think. I think they would be very expensive. They would certainly require a permanent secretariat. This conclusion is warranted by the experience of the best Joint Industrial Councils and by the many examples which I have seen, and sometimes had to construe, of local agreements drawn up between bodies of employers and workers who have not had the advantage of a draftsman in settling the final form of the instruments in which their determinations are embodied. Great difficulty has arisen on the Retail Bespoke Tailoring Board owing to the unfortunate language in which the Board clothed their earlier determinations. I think, also, a permanent independent Chairman would be found to be necessary.

Of the actual working of statutory District Committees under the Trade Boards I cannot speak, as I have no experience of the working of such Committees.

IX. THE VALUE OF THE SPECIAL POWERS OF TRADE BOARDS IN REGARD TO JUVENILES.

38. In some respects the Trade Boards have greater power in relation to juveniles than to any other classes of workers. The Boards have power, under the Act of 1918, not only to fix minimum rates for young workers, but to fix rates for learners, and to prescribe such conditions to the payment of learners' rates as the Boards think necessary for securing the effective instruction of those persons in the particular trades. This power confers upon Trade Boards full control over the industrial training of young people entering the trades for which they are responsible. Accordingly, Trade Boards may have to consider (i) scales of minimum wages for juvenile workers pure and simple—that is to say, for all workers under the age at which the minimum wage for adult workers is fixed, usually, though not in all cases, 21 for men and 18 for women; (ii) rates for learners, and the conditions which ought to be attached to the payment of those rates; and (iii) rates and conditions for apprentices.

39. With regard to plain juvenile rates, I am of opinion that these rates should be based upon age, but if necessary the inexperience of late entrants can be met by a lower rate for a reasonable period sufficient to allow of the requisite experience being gained. Examples of such provision being made will be found in the order of the Laundry Board dated 5th December, 1921 (W. (10)), and in that of the Jute Board dated 3rd September, 1921 (J. (13)), and in the proposal of the latter Board issued on 10th November, 1921 (J. (15)). I am inclined to think that in some cases the qualifying period fixed for late entrants is not of sufficient length, and so militates

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against their obtaining employment. This is a matter, however, which will, if necessary, be corrected as the Boards gain greater experience.

Juvenile rates should not start too high. There seems to be no good reason why the minimum wage payable to very young persons immediately on entry into industrial employment should necessarily be a full subsistence wage, but the rates should approximate more closely to full subsistence wages as the age advances, and a big jump in wage rates should be avoided at the point when adolescence merges into maturity. If care is not taken in this respect, there is a tendency on the part of some employers to employ young persons and to discharge them as soon as they attain an age which entitles them to the full rate, and the evil of blind-alley employment is thereby perpetuated. The increases in rates should take place at yearly or six-monthly periods, but it is well, I think, that the increases should take place not with reference to the worker's birthday but at fixed periods in the year, for instance, on the first Monday in January and July next after the worker attains the required age. Misunderstandings and mistakes are thus prevented and book-keeping simplified. This plan has been adopted, for example, in the proposals issued by the General Waste Materials Reclamation Trade Board.

The juvenile rates on the Brush and Broom Trade Board and the Hair, Bass and Fibre Trade Board were all reached by agreement.

40. As to learners' rates: The reasons which lead me to express the view that plain juvenile rates for the lower ages need not necessarily satisfy the standard of a full subsistence wage apply equally to learners' rates; but inasmuch as the form of condition generally adopted by Trade Boards for the payment of learners' rates, namely, "that the employer shall afford the learner reasonable facilities for such learning," places no definite obligation upon the employer to teach, I am not prepared to say that it applies more strongly. But in cases where circumstances require a distinction to be drawn between learners and plain juvenile workers, and the young people employed as learners do definitely obtain some substantial advantage with regard to training or industrial experience beyond that which they would obtain simply as plain juvenile workers, it is obvious that the plain juvenile scale should be slightly higher than that applicable to learners, so that an inducement may be thereby held out to the employer to employ the young people as learners rather than as plain juvenile workers. An instance of such distinction being made is afforded by the proposals of the General Waste Materials Reclamation Trade Board. In my opinion the practice of the older Trade Boards of varying starting rates for learners according to age of entering the trade was open to criticism. The same practice has been adopted without, I think, in some cases, sufficient consideration, by some of the new Boards. Examples of this method of fixing learners' rates are afforded by the rates fixed by the clothing Boards. One unsatisfactory result of this method is that children who have been kept at school beyond the age of 14 find themselves handicapped when they come to enter industrial employment at the age, say, of 15 or 16, as compared with children who have left school at the age of 14, owing to the fact that the Trade Board determination requires that they shall be started at a wage substantially higher than that which can be lawfully paid to the younger workers, and employers tend accordingly to give preference to younger applicants. The Retail Bespoke Tailoring Trade Board originally fixed their learners' rates on this basis, but have now discarded the method in favour of the plan of fixing one starting rate irrespective of age, and increasing this rate by yearly increments in accordance with experience. The order of this Board dated 12th November, 1921 (R.B. (13)), provides for girls a learnership period of four years, and prescribes a rate of 10s. a week for the first year, 15s. 6d. a week for the second year, 21s. 6d. a week for the third

year, and 27s. 6d. a week for the fourth year; and the same rates are payable as minimum rates whatever the age of entry may be. Similar provision is made for boy learners. This plan is, I think, generally speaking, preferable to the older practice, and is, I understand, winning favour with other Boards. If this method had been adopted earlier I think a great deal of the criticism to which some of the clothing Boards have been subjected would have been considerably modified.

41. It is far too commonly assumed that industrial apprenticeship is dead. There can be no doubt that in recent years it has very largely fallen into disuse. In several industries, I think, this has arisen owing to want of foresight upon the part of both employers and workers. Indentured apprenticeship is still necessary in many craft industries, and this fact is slowly being recognised. Owing to the abandonment of apprenticeship there is a dearth of properly qualified journeymen, and there has been a distinct revival of interest since the war in the question of apprenticeship and industrial training.

In 1918, at the request of the Ministry of Reconstruction, the Bristol Association for Industrial Reconstruction conducted a local inquiry into the necessity for apprenticeship in several local industries, namely, those of engineering, ship building and repairing, building, printing, and boot and shoe manufacture. The result of this inquiry revealed a very wide measure of agreement, both among the employers and the operatives concerned, that indentured apprenticeship should be revived and extended. As an outcome of the inquiry, schemes, on modern lines, to secure proper and adequate industrial training under indentures for the boys concerned, have been brought into operation through the instrumentality of the Juvenile Employment Exchange at Bristol, or are now under consideration, in the following industries, namely, the building trades, engineering trade, boot and shoe trade, watch and clock making trade, furniture manufacturing trades, and dressmaking and allied trades. A permanent Central Apprenticeship Sub-Committee, of which I am Chairman, has been formed to supervise the schemes, and standing trade Apprenticeship Sub-Committees have been constituted in the several trades.

42. Several of the trades under the jurisdiction of the Trade Boards afford scope for indentured apprenticeship, and in my opinion it is most important that in those trades the Boards should consider and prepare proper schemes of industrial training on approved modern lines, with suitable apprenticeship rates. In framing such a scheme the most important matter is to so draft it as to secure to the apprentice a thorough and practical training. The wages paid should obviously be on a lower scale than those prescribed for plain juvenile workers or unbound learners. Rates which are unobjectionable as juvenile or learners' rates may often be much too high for bound apprentices. If the rates fixed by a Trade Board for juveniles are too high for apprentices, the inevitable effect must either be to kill apprenticeship in the trade in question, and so deprive the young entrants of proper training in their craft, or to cause the employers concerned who require apprentices to revert to the practice of demanding a substantial premium (a practice which during recent years has tended to decrease), with the result that apprentices will be drawn from a different strata of the population, and from homes where the parents can afford to pay a substantial premium in one sum within four weeks of the date of commencement of employment, in accordance with the provisions of Section 7 (1) of the Act of 1918.

Six Trade Boards (of Great Britain) have put forward schemes of indentured apprenticeship, namely the brush and broom, fur, boot and shoe repairing, retail bespoke tailoring, tobacco, and flax and hemm.

The first apprenticeship scheme proposed by a Trade Board was proposed by the Brush and Broom Board on the 4th February, 1920. The scheme was suggested by those which had been brought into existence at Bristol. The Board carefully considered the best existing practice in the trade, standardised it,

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and in its final form the order (dated 15th October, 1920 (M.16)) consisted of four schemes referring to different branches of the trade and a model indenture applicable to all four schemes. The schemes made provision for a fixed ratio of apprentices to journeymen. These schemes have been favourably received by the trade, and are, I believe, working well.

43. The apprenticeship schemes put forward by the other Boards have been largely modelled on that of the Brush and Broom Board, and each successive scheme has been to some extent an improvement on the last. The most comprehensive of any is that of the Retail Bespoke Tailoring Trade Board (Order dated 5th October, 1921, (R.B. (II)), which deals with both boys and girls (i) who live out; (ii) who live out, but are provided by the employer with dinner and tea; and (iii) who live in and receive full board. This scheme was adopted by agreement on the report of a special Committee of the Board to whom the matter had been remitted. In view of the fall which has occurred in the cost of living and in wage rates generally since this scheme was proposed, it was recognised by all sections of the Board that the scale of rates must be reduced, and a proposal for a reduced scale of rates, both for apprentices and learners, was passed by the Board on the 20th January, 1922. The new rates are as follows:—

	Apprentices.		Learners.	
	Male.	Female.	Male.	Female.
	s. d.	s. d.	s. d.	s. d.
1st year ...	7 0	5 0	9 0	6 6
2nd year ...	10 6	8 0	12 6	10 6
3rd year ...	15 0	12 6	17 6	16 0
4th year ...	22 6	20 0	24 0	24 0
5th year ...	32 0	29 0	34 0	—

I may add that on the 7th December last I discussed the Board's apprenticeship scheme at a meeting of the National Federation of Merchant Tailors (Bristol and District Branch), at Bristol, and at the conclusion of the meeting a resolution was passed unanimously approving the policy of the scheme and promising support to it providing the rates were reduced in accordance with a revised scale recommended by the meeting. The new rates adopted by the Board on the 20th January, 1922, are in substantial agreement with this scale.

44. I feel very strongly that the Trade Board machinery for fixing and enforcing minimum rates for juvenile workers is absolutely necessary both in the interests of the trades and in the interests of the workers. In the past the conditions governing the employment of juvenile workers in many trades have been very unsatisfactory, and comparatively little attention has been given to the problems of juvenile labour either by employers' associations or trade unions. The Trade Boards afford an opportunity for quite a new departure in this respect, and I think there are distinct signs that they are gradually awakening to their responsibilities in the matter. It is obviously of very great importance to the craft trades that they should obtain a constant and sufficient supply of properly trained operatives. If this is to be secured, rates and conditions of employment must be prescribed and enforced which on the one hand do not throw too heavy a burden upon the employer, while on the other afford terms sufficiently attractive to the parents and children to secure an adequate supply of entrants of the right type.

If the apprenticeship schemes framed by Trade Boards are, however, to be used to the best advantage, I think some local organisation, on the lines of the standing Apprenticeship Sub-Committees constituted at Bristol, is required for the purposes of making the schemes known and securing their adoption both by employers and workers, interviewing and advising parents and entrants, and exercising some supervision over the training afforded by the employers of the apprentices. We are experimenting on these lines at Bristol, and I think that two further sub-committees to supervise two of the Trade Board schemes will shortly be constituted.

X. THE INFLUENCE OF THE WORKING OF TRADE BOARDS ON RELATIONS BETWEEN EMPLOYERS AND WORKERS.

45. I think that, speaking generally, the working of the Boards has improved relations between employers and workers. The effect of the Boards in this respect has, however, been less on some Boards than upon others. Personal factors and the nature and difficulty of the problems to be solved have had an important bearing on the extent to which the work on the Boards has resulted in suspicion being dispelled and feelings of confidence and respect engendered. Those Boards, such as the General Waste Materials Reclamation Trade Board, who commenced their work just when the trade slump began, have been severely handicapped. The history of this Board would, I think, have been very different if it had first met under happier auspices.

46. So far as the Brush and Broom and the Hair, Bass and Fibre Boards are concerned, I have no hesitation in saying that the work of the Boards has led to a great improvement in the relations between employers and workers.

The following resolutions passed by these Boards in 1921 support this conclusion:—

Brush and Broom Trade Board—10th March, 1921:

"It was moved by Mr. Mallon, seconded by Mr. Matthew, and unanimously agreed, that the attention of the Trade Board having been drawn to attacks and criticisms which have been made against the method of regulation of wages by means of Trade Boards, the Trade Board desire to place on record their view, which has been reached after an experience of 18 months of the working of the system, that the Trade Board has proved of great advantage in securing industrial peace in the trade and in the settlement of all questions relating to wages and conditions. The Trade Board further desire to record that, while there are certain administrative difficulties, towards the removal of which steps are now being taken, the establishment of the Trade Board in the Brush and Broom trade is regarded as an important step towards the attainment of self-government in the industry."

"It was further agreed that copies of the resolution be forwarded to the Prime Minister, the Minister of Labour, the National Union of Manufacturers and to the Press."

Hair, Bass and Fibre Trade Board—28th September, 1921:

"It was moved by Mr. Unwin, seconded by Mr. Laing, and agreed, that the Board record their opinion that the Trade Board has been of great assistance and utility to the trade both to the employers and to the workers, and that in the opinion of the Board the principle of the Trade Boards Acts was sound, but that the machinery of the Boards was in urgent need of radical amendment with the object of giving the Boards greater freedom of action and enabling them to fix and vary rates much more rapidly; and that copies of the resolution be sent to the Minister of Labour and the Press."

47. My experience is that the generosity of employers and workers have given an extraordinarily small amount of attention or thought to the larger questions of industrial policy and organisation. While successful employers are generally well informed with regard to the commercial side of their undertakings, they often appear to have surprisingly little knowledge or appreciation either of the broader considerations affecting the organisation of industry or of what I should term comprehensively "the human needs of labour." The workers, on the other hand, while acutely conscious of the human needs of labour, have very little knowledge or appreciation, as a rule, either of the commercial problems connected with the conduct of industry or of the larger economic questions. In justice it should be added that they have had very little opportunity of

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acquiring such knowledge. Let me make it quite clear that there are many exceptions among employers, Trade Union leaders and rank-and-file workers. On the Brush and Broom Trade Board and the Hair, Bass and Fibre Trade Board in particular we are fortunate in having an unusually well-informed body of men and women on both sides. The ill-equipment both among bodies of employers and bodies of workers to sympathetically appreciate the problems of the other group in the respects just mentioned is one of the most serious results of the organised employers and workers having drifted so far apart in the years immediately preceding the war.

48. When a new Trade Board is constituted the need of greater knowledge on both sides is soon made apparent, but as time goes on, and the members take part in successive debates and discussions, and are called upon to face and solve the bigger problems of their industry, they begin to gain a more adequate grip of the problems which have to be solved and a new understanding of and sympathy with the difficulties and outlook of the other side. I am inclined to think that much of the criticism to which some Trade Boards have been subjected recently has arisen not so much from any questions of principle or policy in the Trade Boards system, but owing to the personal failure in the first instance of the personnel of the Boards to adequately appreciate the problems which they were called upon to consider and solve. It must not be overlooked that many of the Boards have only been in existence a very short time, and have hardly had time to really settle down to their work.

49. Before the war the organisations of employers and workers were drawn up for battle, and their relationship had become strained to a dangerous extent. During the war the necessities of the country compelled them to forsake old animosities and to come together in joint consultation on many subjects of national importance. This led to a very great improvement in their relations, and during the years of the war the foundation was laid for a new relation in industry based upon mutual confidence and goodwill. But this was a war product, and it was obvious that when the tension of the war period was removed there was grave danger of the old antagonisms again appearing unless steps were taken in time to retain, in a form suitable to a state of peace, the new habit of consultation which had arisen during the war. The proposals of the Whitley Committee were directed to achieving this end. Apart altogether from the wish to gain an increased share in the product of industry as a means of enhancing the standard of life of industrial wage earners, organised labour had become desirous of a new status which would enable the workers to acquire some measure of control over the conditions under which industry was conducted. The scheme of industrial government through the instrumentality of Joint Industrial Councils (with ancillary District Councils and Workshop Committees) and Trade Boards, proposed by the Whitley Committee, was directed to providing machinery whereby this aspiration for some measure of control over industrial conditions might be satisfied.

In my opinion the policy has already achieved a large measure of success. The Trade Boards, possessing as they do a legal sanction for their determinations, when confirmed by the Minister, are, within their limited jurisdiction, true organs of industrial government, and the importance and implications of this fact are slowly becoming recognised. The recognition of this fact, I think, has been a not unimportant factor in producing the relative freedom from unrest which has characterised the industries under Trade Boards since the close of the war. There have, so far as I know, been only two strikes, and those not of serious importance, in any Trade Board industry since 1918. This is doubtless largely due to the fact that the great bulk of

the workers have been reasonably well satisfied with the rates prescribed by the Boards, but I think the psychological factor to which I have alluded has been not unimportant.

50. Where the members of a Board are rightly selected and have an adequate appreciation of the responsibility of their position as members of an industrial legislative body, I am convinced that, as time goes on and the Board settles down to constructive work, old suspicions and animosities will tend to disappear and be replaced by feelings of respect and confidence and a sympathetic understanding of one another's difficulties. One difficulty I foresee is that of keeping the industry as a whole in sufficiently close touch with the Board and its proceedings. We have experienced difficulty on the Brush and Broom Board in bringing the employers and workers as a whole to understand and appreciate the reasons which have led to some of the Board's determinations, and I am afraid we have not always succeeded in doing so. I feel that some means should be sought to give wider publicity to the considerations which have caused Trade Boards to reach their decisions. I do not, however, at present see how this can be done save through the organisations of employers and workers, and probably this is the best channel by which the requisite information can be conveyed.

I have on two occasions, by invitation, and with the sanction of the respective Trade Boards, addressed bodies of employers connected with two of the Boards with which I am associated with the happiest results, and I think this practice should be extended.

XI. QUESTIONS OF SCOPE.

51. While I agree that a Trade Board should be consulted by the Ministry on questions of scope, I do not think that a Board should be empowered to give authoritative decisions on such questions. Work of this character could be done quite satisfactorily by some Boards, but in the case of others I feel sure that it would not be done satisfactorily. It would often happen, I think, that the members would seek to read into their determinations what they think they intended instead of applying their minds to the task of construing what they had written. Trade knowledge possessed by the Boards is of great importance and assistance to the Ministry, and it is convenient that the Ministry should know what they really meant if difficulty arises as to the construction of an order, but this, I think, is the limit of their usefulness in this respect. Questions of scope are bound to arise, and, until settled, cause great embarrassment and difficulty, and it would be a great advantage to all concerned if some authority existed with power to give a binding and authoritative decision on such questions. At present only the Courts, when proceedings have been taken to enforce penalties, can finally settle disputed questions as to the interpretation of Trade Board orders. This is, I think, very unsatisfactory, especially as a decision given may be only a determination of Justices in Petty Sessions. Very few cases under the Trade Boards Acts have been brought before the King's Bench on appeal by special case.

Under the Unemployment Insurance Act, 1920, the Minister of Labour is empowered to give authoritative decisions on questions of scope, and an appeal against his decision is given to a single Judge of the King's Bench Division of the High Court of Justice. I would suggest that similar provision be made in the case of Trade Board Orders.

In concluding this statement I should like to bear my testimony to the very efficient manner in which the Office of Trade Boards is conducted.

Mr. Popplewell and the Assistant Secretaries have acquired a most remarkable and intimate knowledge

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of the trades covered by the Boards, and their assistance, so readily placed at our service at all times, is invaluable.

(Signed) E. H. C. WETHERED.

Albion Chambers,
Bristol.

January 25th, 1922.

MEMORANDUM by Mr. E. H. C. WETHERED (Chairman of the General Waste Materials Reclamation Trade Board) (Great Britain), with reference to the Evidence given by Mr. Ashley Ward on the 24th November, 1921.

Mr. Ashley Ward gave evidence before the Committee at the Eighth Meeting on the 24th November, 1921. Mr. Ward is a member of the General Waste Materials Reclamation Trade Board, but tendered evidence on behalf of the National Union of Manufacturers. In the course of his evidence Mr. Ward made a number of statements as to the proceedings of the General Waste Materials Reclamation Trade Board which are not only inaccurate but calculated, if not corrected, to give an entirely erroneous impression of some of the proceedings of the Board. His evidence, moreover, has been given a wide publicity in the trade press. In consequence, I must ask the indulgence of the Committee to permit me to deal with his evidence at some length.

1. Mr. Ward dealt specifically only with one of the rates which has been proposed and fixed by the Board, namely, the rate of 55s. for a week of 48 hours for the lowest grade of adult men in the Scrap Iron and Scrap Metal section of the trade, and with reference to this rate he made the following statements, which for convenience I have set out, with paragraph references, together with my observations on each:—

2. *Par. 2954.*—"Chairman: Could you tell us what the employers proposed in this case?—Mr. Ward: If I remember aright, 48s. a week. . . ."

This statement is incorrect. 48s. was the original proposal moved by the employers at the meeting of the Board on the 10th August, 1921, but the final offer, which was proposed on behalf of the employers by Mr. Watson, and seconded by Mr. Hall, was 52s. for a week of 48 hours. The employers moved two rates together, namely, for the Scrap Iron and Scrap Metal section of the trade 52s., as already stated, and for all other sections 47s. The workers moved as an amendment 53s. and 48s. respectively for the same sections. There was thus only the difference of 1s. between the two sides. The appointed members were not prepared to support any figure below 48s. as a rate for adult male workers, and accordingly they voted for the amendment, which subsequently became the resolution of the Board.

In justice to Mr. Ward, I ought to say that the rate of 52s. was moved in his absence after he had left the meeting.

3. *Par. 2983.*—Mr. Ward: "—, I attended the August Board meeting myself, and I can tell you that the workers' rate proposed in August, when we started that meeting, was £3 5s. a week—"

This statement is not correct. The rate proposed by the workers on the 9th August, 1921, for men in this section of the trade, was 62s. 6d.

4. *Par. 2951.*—Mr. Ward: "—the actual wage to-day for the steel works labourer, as required by the Steel Smelters' Union and the South Wales steel manufacturers, is £2 4s. 10d.—"

Par. 2952.—Mr. Ward: "—In the tin plate trade, which of course is allied, the rate is only actually £2 2s. 7d. to-day—"

With reference to the comparison drawn by Mr. Ward between the rate of 55s. fixed by the Board for adult male workers in the Scrap Iron and Scrap Metal Section of the trade and that payable on the

24th November, 1921, to the steel works labourers, namely, 44s. 10d., and in the tin plate trade of South Wales 42s. 7d., I desire to make the following observations. This matter was fully considered when the rate was proposed at the meeting held on the 9th and 10th August, 1921. The figures furnished to the Board at that meeting were as follows:—

	s.	d.
South Wales steel labourers ...	52	5
Staffordshire Iron Works ...	54	0
Railways ...	57	0
Sheffield Steel Works ...	58	1
Labourers in Waste Trade yards ...	55	0
	to 56	0

Mr. Ward informed the Board on that occasion that his firm were "paying shillings higher to-day than that of the steel workers."

I have fortunately preserved my note, made at the time, from which these particulars are taken, and I shall be happy to produce it to the Committee if desired.

As I understand the matter, the labourers in the steel works of South Wales are paid a wage under a sliding scale agreement made some time ago, by which the rates of wages paid to the men employed vary according to the selling price of steel bars. It is, in effect, a profit-sharing arrangement, and it was pointed out to us on the Board that under this arrangement the workers get the advantage when prices are high, and must take the consequences when prices go down. By way of an irreducible provision no "stop" by which the workers have no control at all over the figures at which the selling prices of steel bars are fixed, this matter being entirely under the control of the employers. We were also informed that under this arrangement the steel works labourers in South Wales during the recent boom were receiving a wage of £4 6s. a week. If the wages of the steel works labourers rose again in consequence of an improvement in the price of steel bars, I imagine Mr. Ward would object very strongly to the suggestion that the rates for labourers in scrap metal yards should follow the same upward movement.

The appointed members felt that the position of the steel works labourers in South Wales under these circumstances was so peculiar, and the wage which they were in receipt of on the 24th November last was such as could not be regarded as a living wage—or, to use Mr. Ward's phrase, such as to provide "a reasonable standard of frugal comfort"—that the considerations urged by Mr. Ward were not sufficient to warrant them in refusing to fix a rate which was only 1s. above that proposed by the employers themselves on the 10th August, 1921.

5. *Par. 2955.*—"Chairman: These proposals were made some time ago?"

Mr. Ward: In August, and they were forwarded to the Minister for confirmation . . . and the Ministry have sent them back to-day . . . for reconsideration by the Board."

Par. 2957.—"Chairman: I think the rate was proposed in January, was it not, and that was sent back by the Minister, and then this new rate was proposed, and it has been referred back again?"

Mr. Ward: That is so."

This is not so. No rate was proposed for these workers in January, 1921. Only one rate has ever been proposed by the Board for men in the Scrap Iron and Scrap Metal section of the trade, namely, the rate of 55s. proposed on the 10th August, 1921, and fixed on the 24th November, 1921. This rate has not been referred back by the Minister. It is, I understand, still under consideration by him.

The rates proposed in January, 1921, related solely to female workers. These were agreed rates, save as to the piece work basis time rates; the latter rates were adopted by vote, the appointed members voting with the employers. After these rates were proposed the industry felt the full force of the trade slump, and a large number of objections were lodged to the

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proposal. On the understanding that the Board would forthwith consider a fresh proposal reducing the rates, they were fixed by the votes of the appointed members on the 11th March, 1921. Eventually the Minister referred the rates back, and on the 10th August, 1921, a new scale of women's rates was adopted by agreement and was fixed by the votes of the appointed members on the 24th November, 1921. These rates are, so far as I am aware, still under consideration by the Minister.

6. *Par. 2956.*—"Mr. Layton: Is that a first fixing of the rate, or a variation?"

Mr. Ward: No, it is the first fixing. It has taken twelve months to do that, and 27 days of argument."

It is quite true that the male rates for this trade have been under consideration by the Board for twelve months, but it is not true that the male rates proposed on the 10th August, 1921, were arrived at after 27 days of argument. Including the meeting on the 24th November, 1921, the Board have met for all purposes on 18 days only. In addition 6 days have been occupied by meetings of Committees. Male rates have been before the Board on 14 occasions, but on 9 occasions only was the rate for labourers in the Scrap Iron and Scrap Metal section of the industry under consideration, and then as one item only on a long agenda. In addition this rate was on two days considered by Committees.

7. *Par. 2949.*—Mr. Ward: "... for myself I have put something like 24 to 27 whole days in the endeavour to come to a settlement."

I have referred to the Minutes, and I find that Mr. Ward has attended meetings of the Board on 6 occasions only, namely, on 6th January; 8th, 28th and 29th April; 9th and 10th August, 1921. He has not attended any meetings of the Committees.

8. The history of the rate proposed on the 10th August, 1921, for men in the Scrap Iron and Scrap Metal section of the trade is as follows:—

A proposal for adult male workers was brought before the Board at its first meeting on the 28th and 29th September, 1920. No action was, however, taken, and the question of a rate for workers in the Ship Breaking, Scrap Metal and Scrap Iron sections of the trade was referred to a special Committee. It was agreed that a representative from the firms of Messrs. T. W. Ward, Ltd., and Messrs. G. J. Cohen and Co., Ltd., should be invited to attend the meeting of this Committee. The Committee met on the 21st October, 1920, but Mr. Ward did not attend the meeting.

On this Committee I ruled that ship breaking was outside the scope of the Board. This view was confirmed by the Minister.

After a full discussion the Committee arrived at unanimous agreement to recommend to the Board the adoption of 70s. for a week of 48 hours as the minimum rate for adult male workers in the Scrap Iron and Scrap Metal section of the trade.

This recommendation was reported to the Board on the 5th November, 1920, and was adopted (Minute 33) subject to the understanding that the recommendation would not apply to any male workers in respect of time during which they are engaged in the operations of loading and discharging water borne craft.

Further consideration of this rate did not take place until the meeting of the Board on the 3rd February, 1921.

At the meeting of the Board on the 29th April, 1921, the workers moved (Minute 24) that a notice of proposal be issued to fix the rate of 70s. referred to in Minute 33 of the Minutes of the Board meeting of the 5th November, 1920. The employers, as an amendment, moved (Minute 25) that the Board's resolution contained in Minute 33 of the meeting of the 5th November, 1920, be rescinded. No vote was, however, taken on either the motion or the amendment, and no action was taken at this meeting.

In view of the depressed state of the trade and the

alteration which had taken place in the cost of living figure, the question of male rates was reconsidered by the Administrative Committee on the 27th July, 1921. No agreement was reached, and the Committee so reported to the Board on the 9th August, 1921.

After a lengthy discussion on the 10th August, 1921, the rate of 55s. was adopted by the Board. On the 24th November, 1921, the Board fixed the rate, and, so far as I am aware, the Minister still has its confirmation under consideration.

The following statements refer to matters other than the 55s. rate:—

9. *Par. 2949.*—Mr. Ward: "The rate has been fixed, not for the lowest paid worker on the subsistence level, but for every grade of worker."

Mr. Ward was referring here, I gather, not to any particular rate, but to all the rates fixed by the Board. This statement is not correct. The Board contains what are, in effect, four separate trades, namely (i) Scrap Iron and Scrap Metal; (ii) Woollen Rags and Woollen Waste (including Hosiery Waste); (iii) Waste Paper and Paper Making Materials; and (iv) Marine Store Dealers. The Board have fixed one minimum rate for men for all sections of the industry except the Scrap Iron and Scrap Metal section, and one rate for women, together with a juvenile scale, for each section of the industry, and have made no attempt up to the present to fix differential rates for superior grades of workers.

10. *Par. 2949.*—Mr. Ward: "... nothing could have been more futile than the refusal of the Chairman and the Minister to consider 12 months ago the postponement of the operations of this Board from six to 12 months to allow conditions to stabilize."

I have some recollection of a suggestion being made on behalf of the employers, that the operations of the Board should be postponed, and that I explained that I had no power to postpone the operations of the Board. No definite motion for such postponement was ever moved.

11. *Par. 2949.*—Mr. Ward: "The Chairman's attitude was this: 'I have been appointed by the Minister to fix minimum rates for this trade, and fix rates I will—some sort of rates.' He made that statement in my hearing."

I am sure that Mr. Ward's recollection is at fault as to this. I say positively that I never made any such statement. I am not appointed to fix rates. To fix rates is the duty of the Board, not of the Chairman.

12. *Par. 2955.*—Mr. Ward: "The general procedure, in my experience, is that of practically the whole of the Trade Boards."

Par. 2974.—Mr. Ward: "You can take it as a general fact that the case for the workers is conducted by the recognised labour leaders. It is never conducted by, or spoken on by, any workman, and if any workman attempts to speak he is very quickly shut up."

Par. 2955.—Mr. Ward: "The whole of the employers' representatives speak On the workers' side no practical workman, if he is on the Board, ever speaks. The case is always presented, in other words, in political oratory by Union people in connection with the labour leaders, and instead of the Trade Board being a reasonable group of practical men out to solve a difficulty, the whole procedure of the Board is sacrificed to tactics You will see that procedure such as that does place the whole situation in the hands of the Appointed Members and induces the situation mentioned by Mr. Stamper."

Mr. Ward is not a member of any Trade Board except the General Waste Materials Reclamation Board. On this Board, as already stated, he has attended on six occasions only.

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[Continued.]

My experience is different. It is true that upon the General Waste Materials Reclamation Trade Board most of the speaking on the workers' side has been done by the more prominent Trade Union leaders. This is quite understandable. The bulk of the workers' side are content to leave the expression of their views in general debate to the leaders of their side. The importance of what I may call the "rank-and-file" worker on the workers' side of a Trade Board lies rather in the side meetings and the conferences than in the general debates. This practice is not confined to the workers' sides of Trade Boards. During the time I was upon the Laundry Trade Board, practically the whole of the speaking on the employers' side in general debates was undertaken by three or four leaders on their side, while the speaking on the workers' side was much more evenly distributed over the whole membership. Upon the Brush and Broom; Hair, Bass and Fibre; and Retail Bespoke Tailoring Trade Boards, the general debates are taken part in fully by the whole membership.

13. *Par. 2955.*—Mr. Ward: " . . . they (the Appointed Members), did go in my hearing to the length which Mr. Stamper has mentioned, and say 'You have mentioned such-and-such a figure; the labour members such-and-such a figure; we cannot vote for your figure. If you will come to this mean figure, we will vote for it. If you will not, we will vote for the original resolution on the higher figures.' "

Neither I nor the Deputy Chairman, Professor Daniels, who acted on occasions in my absence, have any recollection of any such incident, and I think Mr. Ward's recollection is again at fault. On the 12th January, I wrote to Mr. Ward requesting him to furnish me with the name of the Appointed Member whom he alleges made the observation, the date when it was made, and the rate then under discussion. The receipt of my letter has been acknowledged, but up to the time of drafting this statement no further reply has been received. If Mr. Ward means to suggest that I or either of the Appointed Members have at any time threatened the employers on the Board that if they did not agree to what we thought right we should vote for the other side, I say that no such threat has ever been made.

14. The Deputy Chairman, Professor Daniels, has read this Memorandum, and desires me to say that he fully endorses my statements.

(Sgd.) E. H. C. WETHERED.

Albion Chambers, Bristol.

January 25th, 1922.

ADDENDUM TO MEMORANDUM by Mr. E. H. C. WETHERED (Chairman of the General Waste Materials Reclamation Trade Board (Great Britain)) with reference to the Evidence given by Mr. Ashley Ward on the 24th November, 1921.

1. Since forwarding to the Committee my Memorandum dated 25th January, 1922, with reference to the Evidence of Mr. Ashley Ward, I have received a letter from him dated 27th January in reply to my communication to him of 12th January. My letter and Mr. Ward's reply are as follows:—

Letter from Mr. Wethered to Mr. Ward, dated 12th January, 1922.

"Dear Mr. Ward,

I have been requested to give evidence before Lord Cave's Committee on the 1st February, and the transcript of your evidence, given on the 24th November last, has been forwarded to me by the Secretary to the Committee for my observations.

It is very distasteful to me to have to criticise the evidence of a colleague, but I regret to say that your evidence before the Committee contains a number of statements with reference to the proceedings of the General Waste Materials Reclamation Trade Board (Great Britain) to which I am bound to take exception. In particular, in *par. 2955* you state that "they (the Appointed Members) did go in my hearing to the length

which Mr. Stamper has mentioned, and say 'You have mentioned such-and-such a figure; the labour members such-and-such a figure; we cannot vote for your figures. If you will come to this mean figure, we will vote for it. If you will not, we will vote for the original resolution on the higher figures.' "

I should be glad if you would kindly inform me by whom this statement was made, on what date, and with reference to what rate.

Yours faithfully,

E. H. C. WETHERED."

Letter from Mr. Ward to Mr. Wethered, dated 27th January, 1922.

"Dear Sir,

I am sorry for the delay in replying to your letter of the 12th inst., which has been caused through my absence from the office.

In the first place I wish to tell you that it has never been maintained by me that the Appointed Members have endeavoured to force a settlement by a threat to vote for the resolution of the other side, rather has it been that the procedure of the Board and tactics of the Labour side has been such as to force you virtually into that position that the employers are compelled, under pain of something worse, to assent to a rate which they know is not economical. There is no question that both yourself and Mr. Daniels made the statement repeatedly, to those whom you were meeting in private consultations, that you would be compelled to vote for one of the resolutions and that it would not be ours because you considered them too low, it was possible therefore for a Labour resolution to go through at a high rate but not ours at what you considered to be a low rate.

This sort of thing occurred specially in regard to the women's rates, but it also occurred in regard to the meeting which was held on August 11th.

To my mind there has never been any question but that this has occurred but I have first of all secured confirmation from Mr. Watson and Mr. Hyman before writing you.

You are aware I think that my colleagues have never expressed the slightest disrespect at the way in which you have conducted the meetings of our Board, you have always treated them with the greatest courtesy and consideration and it has never been suggested by us that the Appointed Members have deliberately adopted this method of bargaining to force a decision, it is simply that the method and conditions under which these Trade Board negotiations are carried out have forced such a position upon you and us.

Yours faithfully,

ASHLEY S. WARD."

2. I fully accept Mr. Ward's explanation, but I venture to think that his statement to the Committee (*par. 2955* of Minutes of Evidence; *par. 13* of my Memorandum with reference to Mr. Ward's Evidence), unless explained, was calculated to leave in the minds of the Committee and of anyone reading the print of his evidence, a very different impression from that which would be given by a perusal of Mr. Ward's letter of the 27th January, associated as his statement was with the allegations made by Mr. Stamper. Mr. Ward's statement in his letter of the 27th January does not, I think, differ substantially from the suggestion made by Mr. Ponlton when Mr. Stamper was giving evidence (Minutes of Evidence, *par. 2943*), with which I entirely agree.

3. I do not question for a moment that the Appointed Members, in the course of the discussions on the women's rates in private consultation, informed the employers that if the matter came to a vote they would be compelled to decide on which resolution before the Board they would cast their votes, and that it would not be the employers' resolution then under discussion because they considered the rates proposed by the employers too low. It did not, however, follow that we should have supported the proposals of the workers' side. On several occasions we told the workers that we were not pre-

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pared to support their proposals because we considered them too high, and I may add that with regard to the discussion of the men's rates on the 10th August last (not 11th August, as mentioned by Mr. Ward in his letter), the Appointed Members, after doing their best to bring about an agreement, and having failed to do so, informed the Board that they were not prepared to vote on either the employers' or the workers' resolutions, and that, if the matter had to be decided by their vote, the Board must be adjourned, as they desired further time to consider the position in view of the serious issues involved. This announcement was made by me to the full Board. Thereupon the leaders of both the employers' and the workers' sides stated that they were very anxious to avoid a further adjournment of the Board, and asked that they might have an opportunity for further consultation between the leaders of both sides. To this I assented, and the leading representatives of the two sides left the Board for private consultation. On returning, Mr. Watson, on behalf of the employers, stated that they had had a very useful conversation, although unfortunately they had not arrived at an agreement, but in order to reach a decision and to avoid a further adjournment, the employers were prepared to move 52s. for a week of 48 hours for the lowest grade of male workers in the scrap iron and scrap metal section of the trade, and 47s. for all other adult male workers in the industry. To this resolution the workers moved, as an amendment, 53s. and 48s. respectively. Since both sides had expressed their desire that the matter should be decided at that meeting, and in view of the small margin of difference, namely, 1s. on each rate, which then existed between the two sides, the Appointed Members felt that they were bound to reconsider their decision not to vote, and voted in support of the workers' amendment, which was carried.

(Sgd.) E. H. C. WETHERED.

Albion Chambers,
Bristol,

January 28th, 1922.

11,377. *Chairman*: I think you are a Barrister-at-Law?—Yes.

11,378. You have been since 1913 Chairman of the Court of Referees, until the end of 1918 for the Bristol and Swindon Districts, and since then for the Bristol, Kingswood, Bath and Trowbridge Districts?—Yes, that is so.

11,379. During the war, from 1915 onwards, you were Chairman of the Local Munitions Tribunals for the Bristol and Swindon Districts?—Yes, that is so.

11,380. You are one of the Panel of Umpires appointed by the West of England District Council of the National Wool (and Allied) Textile Industrial Council, and you have other experience?—Yes.

11,381. You are an Appointed Member of four Trade Boards?—Yes, that is so.

11,382. They are the Brush and Broom Trade Board; the Hair, Brass and Fibre Trade Board; the General Waste Materials Reclamation Trade Board; and the Retail Bespoke Tailoring Trade Board?—Yes.

11,383. You are the Chairman of the first three, and the Deputy Chairman of the last?—Yes. I have recently been appointed Deputy Chairman of the last, on January 17.

11,384. You were for a time a member of the Laundry Trade Board?—Yes, that is so. I ceased to be a member of the Laundry Trade Board when I was transferred, at the request of the Minister, to the Retail Bespoke Tailoring Trade Board.

11,385. You first deal in your statement with some general considerations. You say that some machinery for fixing minimum rates of wages is necessary in every industry?—Yes, I think so.

11,386. First to secure a reasonable standard of life, secondly to safeguard the economic position of women and girls, thirdly to safeguard the position of good

employers, fourthly to prevent industrial strife, and fifthly to establish good relations in industry?—Yes.

11,387. As regards a reasonable standard of life, you refer first to the declaration contained in the Treaty of Versailles?—Yes.

11,388. You say that without some means of fixing and enforcing rates, wages tend to be depressed to an unreasonably low level?—I think that is so. I feel that very strongly.

11,389. Especially in the case of women and girls?—Especially with women and girls. I think that if the machinery existing at the present time for the protection of the rates of women and girls were removed, there would be a hopeless collapse of the wage rates of women and girls in almost every industry.

11,390. *Dame Adelaide Anderson*: At some time or other I should like to know what you think are the real reasons for that. I mean what is it that makes the women and girls so liable to this depression?—You will recollect that the question was analysed and a great many reasons given for it by the War Cabinet Committee on Women in Industry in their Report, and in the Memorandum of Dr. Janet Campbell contained in the Report: first, they are very difficult to organise and very difficult to maintain in unions when they are organised; they do not look upon their work as being a permanent fact as men do; the great majority, of course, marry, and they are therefore not so insistent on demanding and seeking a proper wage; and I think there is a general view that women's labour is of less value than that of a man.

11,391. Is there not a great distinction between what women are good for and what men are good for in industry?—I think there is, most emphatically.

11,392. Then why does that operate?—I think it is a time-honoured prejudice more than anything else.

11,393. They are at least as skilled in their own lines as the men are in theirs?—I think so, certainly.

11,394. And their industries are just as essential?—Yes, quite.

11,395. In some industries both are essential?—Yes.

11,396. And each contributes something which is of fundamental value, however different?—Certainly.

11,397. Perhaps this is rather going off the main line; but therefore there ought to be a greater effort made to organise them?—Certainly.

11,398. In order to fight against that tendency?—I think the Trade Boards help to organise the women and girls very much.

11,399. *Chairman*: There is one other difference: that most men have dependants and most women have not?—I was going to say that. There is that great differentiation: that when one is dealing with minimum wages one has to have regard to the fact that the man normally has to provide for a family, while, dealing again with the normal case, the average woman has no dependants, and you have to deal with her as a single economic unit. Therefore when you are fixing minimum wages for men and women you have to fix them on entirely different datum lines. I think it must be borne in mind that I only say that that is the position of normal women. Mr. Seebohm Rowntree's investigations show that 12½ per cent. of women workers in England have dependants.

11,400. *Mrs. Lyttelton*: And it operates very hardly upon the 12½ per cent.?—It does, because no women's rates are fixed with any regard to dependants at all.

11,401. *Dame Adelaide Anderson*: But assuming that a woman normally has no dependants?—Trade Boards consider that a woman normally has no dependants. Trade Boards fix their rates for women on the basis of their being single, independent economic units.

11,402. So that the fact that they have no dependants does not really militate against their getting the minimum which is suitable for them?—I am afraid I do not quite follow.

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[Continued.]

11,403. It is admitted on all the Boards that a lower rate is adequate for them?—Yes—not a lower rate against an individual man. I do not know that that has ever arisen, because when you are dealing with men's rates you have to fix a rate which is suitable to a married man, that is to say, a man with a family. I mean you have to fix a minimum rate for a man which is above what a single man needs, because when you legislate for a class you must deal with the family condition.

11,404. You mean that it is more difficult for a woman to get her rate than it is for a man to get his rate?—Yes, I think it is. Apart from the reasons which I have given, one knows that the average rate was given in the Report of the War Cabinet Committee on Women in Industry as being 10s. or 12s. per week before the war, and the average wage for all women 13s. 6d.

11,404A. As a matter of fact, although the girl or woman is not normally the supporter of others, she does, more generally probably than the male worker, put her money earnings into whatever home she is in?—Certainly.

11,405. Entirely?—Certainly.

11,406. So that whatever she gets is of immense value to the home?—Undoubtedly. I think the fact that a great many women are earning and bringing money into the home is one of the facts which have led to less trouble over the unemployment problem at the present moment than otherwise would have arisen.

11,407. Mr. Layton: You would limit the remarks which you make in supporting your view, that if Trade Boards were removed there would be a collapse of wages, to industrial employment alone?—Yes.

11,408. It would not apply, for example, to domestic service?—No.

11,409. What is the essential difference between them?—I do not think that the rates prevailing in industrial employment have much bearing upon the rates paid to domestic servants. I have never heard of any connection.

11,410. What are the essential differential factors which do not tend to depress wages in domestic service in that way, compared with industrial employment? You made a statement that, in the absence of Boards, you would have a definite collapse of women's wages?—I suppose one of the reasons why the rates are higher now for domestic service—I do not know whether relatively higher, but certainly in cash higher—than they were before the war, is that, during the time of the war, so large a number of women and girls were drawn off to munition factories that very few people entered domestic service, and there is at the present time a great dearth of skilled domestic servants, though not of unskilled domestic workers, and that scarcity, to a great extent, is keeping their wages up.

11,411. It does not necessarily follow that, in all circumstances, absence of organisation means constantly depressed wages?—May I quote an example: I have quoted it in my evidence. A considerable employer of labour on one of the Boards with which I am associated—in fact I am at liberty to mention his name if you desire it—he told me I might—said to me the other day: "If this Board is abolished it will be a very serious thing for everybody." I said, "Why?" He said, "Because if this Board is abolished, in a very short time a great number of the workers in this industry will have their wages forced down well below the level of subsistence. We ought to have had this Trade Board 12 years ago."

11,412. Chairman: Which Board was that?—Shall I give it to you?

11,413. I do not ask the name of the employer, but which Board was it?—The Hair, Bass and Fibre Board.

11,414. Mr. Layton: I only put my question wondering whether you were giving all the elements in the problem—whether there is, in fact, a much larger supply of women's labour than is needed, that is to

say, an available surplus of women's labour. You mentioned that, and I wondered whether you took that into account?—I have not attempted to give an exhaustive list. I answered on the spur of the moment. I should want some time to think about an exhaustive list; but the fact that there is a very large reservoir from which to draw women's labour is, of course, a very important factor.

11,415. Dame Adelaide Anderson: As a matter of fact the number of domestic servants in normal times, compared with the number of women and girls in industry, say in the last 10 to 20 years, is very small?—I am afraid I could not answer that question. I think it may be so.

11,416. It is so.—I am afraid I could not answer that.

11,417. Lord Weir: You speak of the means or the lack of means of fixing and enforcing rates tending to depress wages to an undesirably low level. Of course, you may have an undesirably low level coupled with a very effective means of fixing rates. As to those principles to which you refer in the labour clauses of the Peace Treaty, how are they being given effect to, for example, in mining and agriculture, and iron and steel wages to-day in this country?—I am afraid that they are not being given very much effect to.

11,418. How do you suggest they should be?—You mean how do I suggest they should be given effect to in those trades?

11,419. Yes. Those are trades employing a very much larger number of British workers than the Trade Board trades?—Yes, quite. The cases which you have instanced differ very much in their circumstances. The steel trade, at the present time, is, of course, subject to very fierce competition, especially from Germany. Owing very largely to the depreciated external value of the mark at the moment, competition is almost impossible. Then, with the very low wages which are now ruling in the steel trade in South Wales, I see from a Trade Journal this week that trade is so depressed that hardly any orders are coming in at all. It is very difficult to know how you are going to deal with an abnormal situation like that. Agricultural wages, of course, are coming down tremendously. I suppose that they are not below subsistence level at the present time, but I should imagine that some people must have an exceedingly difficult job to live at the present levels, having regard to the current cost of food. The question is what the industry can really bear in agriculture. I think the outlook of the agricultural labourer is very bad.

11,420. Suppose you take the miner?—You are dealing with a question there of which I have no experience at all. I do not know anything at all about the coal mining industry.

11,421. It is quite true that you may have no experience of it, but you make generalisations here, and the mining industry is an industry which employs a million British workers?—I say that I have no experience of the mining industry, and therefore I cannot express any opinion about a matter as to which I know nothing at all; but I do know that I have frequently spoken with those who are brought into connection with the mining industry, and they do not know what is going to happen if wages in the mining industry go down any further, or do not improve. They think that very serious things are likely to happen, because if you have got a married man with a family dependent upon him, he simply cannot maintain anything like a standard of life on the wage that is being paid in some districts. If there are two wage earners—if, for example, a son is bringing something into the house—they can manage to struggle along, but if a man is receiving 6s. 11d. per day, for instance, which is the present wage for labourers in some of the coal districts, I should say that it is a very serious state of affairs.

11,422. So that really it is a situation with which no machinery can suitably deal?—I think that is very possibly so. I think that in an abnormal situation like the present that conclusion is probably quite justified.

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[Continued.]

11,423. *Sir Arthur Pease*: Before the war a very large part of the population was below the level which is put forward, I think, by yourself and Mr. Rowntree as a subsistence level?—Yes.

11,424. Do you not think that, having regard to the loss which we have sustained in the war, every class of the population will have to be worse off now for some years than they were before the war?—No, I do not, because I think that the level of the standard of life attained by a large part of the industrial class before the war was so low that there is no possible space for any further compression. I think they were really on the poverty line. If one reads the Memorandum of Dr. Janet Campbell annexed to the Report of the War Cabinet Committee on Women in Industry, presided over by Lord Justice Atkin, and the opinion which she formed as to the physiological effect upon women of the low wages prevailing, and the very grave warning which she uttered, which I think has not received anything like the attention it should have received, as to the future prospects of the nation if something is not done to improve the physical standards of women, which she regarded as partially due to the low wages paid to women, I think it will be agreed that there is no room for any further depression of the standard of life.

11,425. But where is the money to come from to pay for this?—I am not actually engaged in industry, but I have often heard it said, and it is said very frequently, that one really does not know what an industry can bear in the way of wages until one has tried it. It is wonderful what you can do when you have to adjust your circumstances to a higher wage standard. I have heard manufacturers say that to me in many cases.

11,426. Without putting up prices?—I do not know about that.

11,427. If you put up prices it tends to reduce your business?—Of course you cannot go on putting up prices indefinitely, but a great deal can be done by introducing improved methods of production. I think that there is at the present time an enormous wastage, because our productivity is not efficient. I think low wage standards are a very great factor in perpetuating a low level of productivity in certain industries.

11,428. I agree with you that where wages get up to a certain height it makes it necessary to put up machinery to do the same work?—Quite.

11,429. But taking the thing as a whole, of course we are always improving?—Quite so.

11,430. Do you think that anything we could possibly do within a reasonable period would enable us to pay wages on a higher basis than we did before the war—taking the whole thing all round?—Do you mean at once—now?

11,431. Within a few years?—It is very dangerous to prophesy. Now everything is so abnormal; but I think you can certainly in some industries.

11,432. I have seen calculations that in some of the big trades a 10 per cent. rise in wages would have wiped out the whole of the profits for 10 years before the war?—I know.

11,433. If you come to figures like that there is not very much room, is there?—If that is really so, no; if that really can be established there is not much room.

11,434. I think it is established. That does not relate so much to the distributive trades, of course, where the wages are a comparatively small part of the cost; it is in manufacturing trades?—Quite so.

11,435. We have had evidence here to show that wages run at anything from 40 to 80 per cent. in some trades?—Yes, in some trades. Of course I know nothing about the pre-1918 Boards; I came into the Trade Board work after that date; but I think the same argument was advanced, was it not, in the clothing trade when the 1909 Act was passed; it was argued that the industry could not possibly bear higher rates, and would be broken if the rates proposed by the Trade Board were put into force; but it did not happen.

11,436. Were you not really dealing there with just a comparatively small pocket, who raised their prices to compensate them for the rise in wages, whereas now if you extend the Trade Boards over everything, you have got to raise the whole level of wages?—Quite. Of course I have no practical actual experience myself of industry; I can only deal with what friends of mine engaged in manufacturing industries tell me; and manufacturers of wide experience constantly tell me that in many cases there is a margin of waste owing to bad management, obsolete methods, and so on, and they do not think it is necessary to return to the comparatively low level of pre-1914.

11,437. In spite of the heavy taxation and so on, which we have to bear as well?—We hope that that may be reduced some day. I mean it is very difficult at the present time, and I have said so in my statement—at the present time I should regard it as quite impossible, by a Trade Board or anything else—to fix standard rates of minimum wages which would satisfy Mr. Rowntree's figure now, or probably for some time to come. I candidly admit that.

11,438. You have really come to the point as to whether it is worth while making a rate so that these trades can struggle on, or whether you will make rates which will stop them altogether in many cases?—I have never so far come across a case in which it has been suggested that they have stopped industry. What I think may happen if a reasonable standard rate is insisted upon is, that old-fashioned and badly managed shops in an industry may find it impossible to come up to the standard of wages imposed; but I have never heard a suggestion of an industry being stopped as such.

11,439. A large part of an industry?—I have never heard of such a case. You see rates which have been fixed by Trade Boards, as far as my experience goes, have never been at all in excess, or at any rate appreciably in excess, of rates which were already being paid by well-managed shops; or reasonably managed shops—I will not say "best managed"—in that industry; that is to say rates which those in well-managed shops in the best places are in fact paying.

11,440. Of course everyone wants to get the best wage he possibly can?—Quite so.

11,441. But it is no good fixing a wage which will not give him anything at all?—Quite; but in trades with which I am associated—take, for instance, the Brush and Broom Trade Board, which is the one I have been connected with longest, and it is a very fine Board—the rates which we have fixed from time to time on that Board have nearly always been fixed by agreement. Those rates have not been in excess, or to any appreciable extent in excess, of rates which were actually ruling in good shops in the industry. The actual effect of the Trade Board fixing a rate right through the country has been to bring backward shops which wanted to keep in business up to the more reasonable standard which other people had found it possible to achieve.

11,442. *Mrs. Lyttelton*: In fact the standard has been rather set by the well-managed shops in the industry?—Yes. The effect of the minimum wage legislation by the Trade Boards has been to put the screw on the apathetic and slow employers in many cases and to make them put their house in order and to bring their business up to a higher level of efficiency. In my judgment that is one of the most important things Trade Boards have done.

11,443. Your point is that they have not screwed up the wages above the level which was paid already by well-managed businesses?—No, certainly not.

11,444. *Sir Arthur Pease*: Are not the lowest paid wages often paid in workshops which are not making the better class of manufacture, and are therefore competing most keenly with cheap foreign production?—I should think that is very often the case.

11,445. And that good manufacturers are doing the high-class trade?—I think that is probably broadly

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true, but in the Brush trade to which I was referring many of the good manufacturers do an all-round trade, which I should think is quite typical of a section of the whole industry. On Boards with which I have been connected, so far as we have fixed time rates we have always definitely laid ourselves out to fix minimum rates, not standard rates; that is to say, we have been dealing with national rates. They have objected to district rates in every case; but they are all manufacturing industries. I beg your pardon, I am talking about the Brush and Broom Trade Board for the moment, and the Hair, Bass and Fibre Trade Board. They are manufacturing industries. They have definitely rejected the idea of district rates being discussed, and we have fixed our rates as national minimum rates, that is to say, as far as time rates are concerned they must be rates which are within the capacity of a reasonably managed shop which it is socially desirable to keep alive in the poorest district; but when you come to piece-rates—not piecework basis rates, but piece-rates—you are really fixing piece prices and you are practically always fixing standard rates.

11,446. Do you find that a minimum price for the whole country has a tendency at all to pull down wages where the rates were higher before?—I should say that the answer to that question may be this—that it differs in different trades according to the calibre of the employers you are dealing with. Where you have a large proportion of good employers, no; if you had a large proportion of poor employers with a less degree of responsibility, yes.

11,447. Do you agree that a minimum always tends to become a maximum?—Well, I will qualify my answer in this way. In the case of women and girls any rate that you fix tends to become a standard rate.

11,448. *Mrs. Lyttelton*: That is due to want of organisation on the part of women, probably?—And I think the psychological attitude of many employers towards women's labour as being an inferior type of labour, which they pay at a lesser rate.

11,449. *Sir Arthur Pease*: But not so much with men's rates?—But not so much with men's rates, no. I think I can answer that quite firmly, no.

11,450. *Lord Weir*: Do you think that with regard to female rates there is far less grading of rates than in the case of males in the past?—Do you mean Trade Board industries?

11,451. Industries generally?—I think that probably is true. May I repeat—on the question of why women's wages were so low before the war, the findings in the War Cabinet Committee's Report on Women in Industry—a report which has been very largely shelved and has not received the attention it ought to have received—are really an exhaustive analysis of the reasons why women were paid lower rates than men.

11,452. *Chairman*: It is a very long report, and I daresay that prevents people reading it as they should do?—It is rather a long report, and somewhat technical.

11,453. *Dame Adelaide Anderson*: There was another Committee that reported about the same time?—You mean the Report of the Sub-committee of the Reconstruction Committee on the Employment of Women?

11,454. It afterwards became a Committee under the Ministry of Reconstruction?—That reported in 1917.

11,455. It was 1919. They sent an interim memorandum in 1917, but the final report was in 1919?—That is quite right.

11,456. *Lord Weir*: Just to go back to these ideals and principles that you have laid down here in your Section 2, you do agree that those are more or less abstractions at the moment?—No, I do not. Do you mean paragraph 2 on page 25?

11,457. Yes?—No, I could not say that. I think that is absolutely correct.

11,458. In spite of the industries we have spoken of?—No; I do really think that they are correct.

11,459. *Dame Adelaide Anderson*: Is it not this, that it becomes a necessity for the nation that its members should not go below a certain level?—Well, I think so.

11,460. In the case of women the point was raised that they must share in the depression, but before the war if they were below a certain subsistence level very broadly, then the nation was suffering from that?—Certainly.

11,461. And it is to the interest of the nation to maintain a proper subsistence level, and share and share alike up to a certain point?—Certainly.

11,462. That is, the higher prices must be faced as far as the community can bear them in its own vital interest?—I think so, certainly. I should regard it as a national calamity of the first magnitude if there was a great universal and rapid collapse of wage rates all over the country. I would much rather see wage rates preserved and short time worked. I believe the fact that the rates have been preserved and short time has been worked is one of the reasons why there has not been more serious trouble arising out of the unemployment crisis than there has been, because where there has been more than one wage-earner in the house they have managed to help the household over this appalling crisis. I think it would have been much worse if there had been a general collapse of wage rates all round.

11,463. *Lord Weir*: That is, you do not put any great value on the cost of production?—Well, ultimately the cost of production must govern any rates which are paid.

11,464. *Dame Adelaide Anderson*: It might mean greater cost of production in the end if you let the worker's strength go below a certain margin?—Yes, I think in some cases that might be so.

11,465. And it might mean higher taxation?—It might be so; I could not say.

11,466. *Chairman*: Perhaps we can go on now with your statement. You deal next with the guiding principles determining minimum rates, and you say that no formula has yet been framed for governing minimum rates of wages, and you quote the Corn Production Act?—The definition, or rather the guiding principle—it is not really the definition—which the legislature laid down for the guidance of the Agricultural Wages Board—

11,467. That the Board "shall so far as practicable secure for able-bodied men wages which in the opinion of the Board are adequate to promote efficiency and to enable a man in an ordinary case to maintain himself and his family in accordance with such standard of comfort as may be reasonable in relation to the nature of his occupation." That, of course, gives no consideration to the question of how much a trade will bear?—No, it does not.

11,468. But is not that rather a serious consideration?—Well, I suppose the legislature in passing that meant that the Agriculture Wages Board must aim at that test, apply that test broadly, having regard also to the consideration of what the industry could bear at any given time.

11,469. The Act did not say so?—It did not say so.

11,470. That Act is repealed?—That Act is repealed.

11,471. *Mr. Layton*: Is not it also an important consideration that that Act was passed during the war when the Government was in a position to make a wage effective?—Quite.

11,472. By controlling the cost of living, and so on?—I think that clause was inserted—I was not directly concerned with it, but I was familiar with some of the discussion that took place—with the idea of seeing whether something could not be done by the new Wages Board to give a reasonable standard of life to the agricultural labourer.

11,473. *Chairman*: It was coupled with a guarantee of prices?—Coupled with a guarantee of prices.

11,474. Then you refer to Mr. Rowntree's figures in his two well-known books?—May I make this one correction there? I have given in my evidence that figure of 16s. as comparing it with the 26s. for the

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men. I have given the figure of 16s. before the war as the Mr. Rowntree's subsistence level. I was not aware until yesterday that while that figure of 26s. for a man with a hypothetical family of a wife and three dependent children is a definite studied figure, arrived at by Mr. Rowntree on what he calls the poverty line standard, the figure of 16s. is not; it has not been arrived at in quite the same way, and I think it should simply be regarded as the lower of Mr. Rowntree's two figures, 20s. and 16s. I was not aware of that, and I am sorry. Mr. Rowntree's figure of 16s., as far as I can see in "Capital and Labour after the War," is arrived at by taking the cost of food, lodging, laundry and clothing, and cutting out the contingencies and recreation. It is a subsistence level.

11,475. He takes the two figures, the poverty figures, so to speak?—Yes.

11,476. Subject to what you have just said?—Yes.

11,477. And then later on he fixes—?—35s. 3d. for a man and 20s. for a woman.

11,478. As being not the poverty line but a reasonable minimum wage?—A reasonable minimum wage.

11,479. *Lord Weir*: That is "The Human Needs of Labour"?—Yes, that is the name of the book. I do not think that figure of 16s. is far out as a poverty line figure, but I am not right in saying that Mr. Rowntree has assessed that figure as a poverty line figure.

11,480. *Chairman*: Do you think it would be possible or practicable to raise all wages in all industries to that level?—To which of Mr. Rowntree's figures?

11,481. To the higher of them?—No, I do not. I am reluctantly bound to come to the conclusion that it certainly would not be possible. No Trade Board figures which have been fixed at any time for the lowest grade of workers, either men or women, have ever approximated to Mr. Rowntree's standard.

11,482. *Mr. Layton*: What do you consider to be the equivalent at the present time?—I give that as at December 1st. When I wrote this draft the cost of living figure at 1st December was 99, and that was the figure at which it stood when all existing rates were confirmed and made effective, and therefore it was an easy figure to take because 100 made a convenient calculation; you had simply to double it. 35s. 3d. would become 70s. 6d. Mr. Rowntree's true adjustment is 71s. 5d. to 1st December.

11,483. And the lower figure becomes 52s. 6.—52s.

11,484. *Chairman*: When you said that the rates do not approximate to Mr. Rowntree's figures you meant to the modern translation of Mr. Rowntree's figures?—Yes.

11,485. Having regard to the rise in the cost of living?—That is at December 1st; it was a convenient time to take—first because all existing effective rates were fixed when the figure was at that level, and secondly that as it was 100 you simply had to double the figure.

11,486. The equivalent in December of his "Human Needs" figure was, I think, 72s. 6.—71s. 5d. If you simply double it by adjusting it to the cost of living index figure it is 70s. 6d., but I am informed by Mr. Rowntree, with whom I communicated a few days ago, that there is, as I thought, a margin of error in applying that method, and if you correct it to Mr. Rowntree's actual calculation, his figure of 35s. 3d. is to-day 71s. 5d. I am speaking from memory, but I think that is right. (*After referring*) I see it is 71s. 5d., and his 20s. is 39s., and his 26s. is 54s. 1d.

11,487. *Mr. Layton*: That is the adult male poverty line?—51s. 1d. is the poverty line figure. Those figures have been furnished to me by Mr. Rowntree's Secretary this week.

11,488. *Chairman*: Professor Hobhouse had these figures too, I think?—That is so.

11,489. Then you pass to the machinery for establishing and maintaining these minimum wage rates, and you classify that machinery under four heads: Collective bargaining in the ordinary way; then collective bargaining through Joint Industrial Coun-

cils, with or without compulsory powers; thirdly, by a statutory minimum wage or wages; and fourthly, by Trade Boards?—That is so.

11,490. As regards the statutory minimum wage for all trades, that you do not approve, I think?—No, I have given some consideration to it. I do not. I think it would be very difficult to fix, and I think if it was fixed it would be absolutely useless. Such a wage would have to be fixed so as to be within the reach of the weakest shop—at any rate the weakest shop which it was desirable to keep in existence in the weakest district and for the lowest grade of labour, and the rate so fixed would afford no protection to the great bulk of the industrial workers in this country.

11,491. And if it were so fixed as to afford protection to the bulk of the workers it would have a serious effect?—It would shut up a large number of shops which it was desirable to keep alive in weaker districts, and I think it would have a tendency to bring down the wages of considerable groups of workers, in all probability, especially women and girls. I agree with the view of Sir William Mackenzie about a national minimum wage, which was appended as a note to the War Cabinet Committee's Report on Women in Industry.

11,492. Therefore upon the whole you think that the Trade Board system is better than the third?—I do. The Secretary will find at the end Sir William Mackenzie's note. It is the last thing in the book.

11,493. As between the Trade Board and the Whitley Council, which do you think is the better, supposing there is a choice between the two?—I am an Honorary Member of the National Council of the Pottery Industry, which was the first Whitley Council to be recognised by the Minister of Labour under the Whitley Report. I am very strongly of opinion that the Whitley Councils will never really fulfil their function intended by the Report until they have Trade Board powers. I think they require the power of making their determinations obligatory.

11,494. Some of them are asking for it?—25 of them are asking for it.

11,495. How exactly is a Whitley Council appointed?—It forms its own constitution entirely. The Minister may advise, but he never does it for them. They form their own constitutions; they decide themselves—of course it only applies to organised industries—what interests are entitled to be represented and in what proportion they should be represented, and they frame their own constitution entirely.

11,496. So it differs from the Trade Board in this, that the Whitley Council has behind it these great organisations which have appointed the members?—Certainly.

11,497. And if a member of the Whitley Council makes a mistake, the members of his great union suffer?—Yes, that is undoubtedly so, and the same is true of some of the Trade Boards, at any rate. It is true of the Brush and Broom Trade Board, for instance.

11,498. Well, the Trade Board, of course, is not appointed by those organisations; it is appointed by the Minister?—But all the members of the Brush and Broom Trade Board were elected by their own organisations in the same way as they would have been if it had been a Whitley Council, and the Minister simply appointed whoever those organisations nominated.

11,499. They were simply recommended to the Minister, and he appointed them?—Yes, I think that is the usual way.

11,500. Does that mean that that trade is a thoroughly organised trade?—It means that the employers' side is very thoroughly organised, but the employees are not so well organised.

11,501. *Dame Adelaide Anderson*: And is it in fact found that women get really well represented in these Whitley Councils?—That I could not tell you. On the National Council of the Pottery Industry there are a few women, but I should say that most of the women in the pottery industries are represented by the male representatives.

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11,502. Is that a factor of Trade Boards, that the representation of women is particularly provided for?—It is a factor, certainly.

11,503. Being weaker?—I do not think there is an essential distinction between Trade Boards and Whitley Councils in that respect.

11,504. But it is particularly provided for?—It is particularly provided for, and I think would be provided for in the constitution of most Whitley Councils.

11,505. Mr. Layton: But does not your suggestion amount to this, that a majority of the trade would be given legal authority to impose its decisions on a minority, even a very large minority, which might include a slightly different section of the trade?—Yes, that would be the result, and I do not think we are ever going to get any real peace in industry, or any basis of industrial peace, between employers and employed until something is done to achieve that object.

11,506. But is it possible to have the present rather looser way of Whitley Councils creating themselves, so to speak, and giving them legal power? Would not your suggestion in fact mean the gradual spread of the Trade Board system to the whole of industry?—It would mean the gradual spread of Trade Board powers to the whole of industry.

11,507. And power on the part of the Minister to determine representation on the Board?—I think so. Yes, I think he would have to have some influence in the constitution of the Boards, and I think there would have to be a confirming authority.

11,508. Chairman: That is universal wage regulation?—Yes, I think so.

11,509. By a State-appointed body?—I think there must be a State-appointed body. I think there must be some form of that. I have something to say about what I think the confirming authority ought to be. I hold some views about that—but I think there must be a confirming authority; I think there must be a second Chamber.

11,510. Dame Adelaide Anderson: Was it not by Justices of the Peace that that was done for nearly two hundred years under an Elizabethan Statute?—It was so, of course. In certain industries wages were regulated by Justices of the Peace.

11,511. So as to give a sufficiency in times of scarcity as well as in times of plenty?—I suppose that was the object. I am afraid I am not very well up in that.

11,512. Chairman: Do you know with what results?—I do not think the result of trying to regulate wages by Justices of the Peace was very happy; but that is not the authority I should ever have selected.

11,513. Dame Adelaide Anderson: I only wanted to bring out the fact that it was done?—I should have thought it was a very unsuitable body for the purpose.

11,514. Sir Arthur Pease: But the whole Guild system of regulating wages broke down absolutely, did it not, in the Middle Ages?—Yes, I think it did.

11,515. Mrs. Lyttelton: Are not you afraid of the effect on organised industries of a general wage regulation system?—No, I am not. I am very much afraid of what is likely to happen if we do not have it. We have either to face the problem of wage regulation or the continual menace of industrial unrest growing worse and worse as the organisation extends and the resources of organisation improve.

11,516. I hope that is not the only alternative?—I think that was the view of the Whitley Committee, and I think the view was sound.

11,517. Sir Arthur Pease: But have you not heard the same thing every time when there has been a boom in trade, that there would be a state of unrest for evermore? I mean, we have never had such a long period as we have now with high prices during the war, or a boom, and therefore it is exaggerated. Do you not think we shall get back to normal working again?—I doubt it; I very much doubt it. By normal working do you mean the condition of affairs in 1914?

11,518. Normal relationship between employers and employed?—I do not quite know what you mean by normal relationship. The normal relationship before the war was very bad in many industries.

11,519. Immediately before the war it was?—It was very bad, and was getting worse.

11,520. Chairman: I did not understand your last answer. You say that was the view of the Whitley Committee. Surely that Committee recommended that there should be Industrial Councils wherever possible, and that if Trade Boards were established they should in time disappear in favour of Industrial Councils?—As the organisation improved so as to admit of organisation based on free association to take the place of the Trade Boards; but in paragraph 21 they foresaw that it might be necessary to give the Joint Industrial Councils a legal sanction to their determinations, and expressed the view that although they thought that would probably be the case, a movement in that direction had better come from the trades when they were organised in Joint Industrial Councils rather than from the Government; but they foresaw that.

11,521. But as between a Trade Board and the Industrial Council they gave preference to the Industrial Council?—Oh, certainly, and I should give preference to the Whitley Council with compulsory powers.

11,522. Mr. Layton: Plus State appointment?—But if they had compulsory powers I think there would have to be some confirming authority.

11,523. Compulsory powers plus State appointment?—But they would not be compulsory unless there was State enforcement.

11,524. If say State appointment of the members?—I think there would have to be some supervision to see that important interests were not left out, but I should like to see that limited to the very smallest dimensions. The representation of clerks, for instance, on some Whitley Councils has been a trouble.

11,525. Chairman: Then you discuss the question of trade-by-trade regulation and district-by-district regulation, and you certainly favour trade-by-trade rather than national wage fixing?—Yes, I take it that that is the same question in the points which have been circulated, the difference between Trade Board legislation and a national minimum wage.

11,526. I think it really comes to that.—Yes.

11,527. As regards the district rates, you think that there may be a case for them in regard to certain industries, and I think you instance the distributive trades and the making-up trades?—Yes.

11,528. I suppose the case of the distributive trades is much stronger than that of the making-up trades?—I have said here that I have no knowledge of the distributive trades at all, and I prefer to express no opinion about them; and the only retail or making-up trades I have any knowledge of are the laundry trade (which I think ought to be classified in that group), and the retail bespoke tailoring trade.

11,529. In the country trade I suppose that work is capable of passing from district to district?—We tried to work out a differential scheme on the Laundry Board, and eventually we did so. We prescribed a district rate for thirty miles round London from Charing Cross as against the rest of the country; we prescribed a slightly higher rate, I think it was 2s. 0d. a week higher, but I am not quite sure, for that area, and eventually it proved unworkable, and had to be given up. At my suggestion we tried to do the same thing on the General Waste Material Reclamation Trade Board. We were dealing among others with women engaged as woollen rag sorters, an industry on the fringe of the woollen industry. I happen to be one of the umpires appointed by the West of England District Council of the National Wool (and Allied) Textile Industrial Council, and I knew the rates paid to the women woollen workers in Yorkshire were much higher than in the West of England or Scotland, and I suggested the same principle ought to

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be applied; it was adopted, and we prescribed a different rate for the heavy woollen district as against the rest of the country, and that had to be given up because the manufacturers in Yorkshire objected to pay a higher rate than their competitors in other parts of the kingdom.

11,530. *Mr. Layton*: Is there not a special London rate for practically every important trade, the building trade, for example?—In building that is so; but does not that stand by itself?

11,531. Take other trades, such as engineering. A whole lot of trades have special London rates?—A good many trades do, but some do not. The brush trade does not.

11,532. In fact they do under their own negotiations. Why is it an insuperable difficulty in Trade Boards? I mean, it has been in existence for a decade.—There is in a good many trades, of course, a percentage added on any wage settlement as regards London; there is in the case of the railways, but in the case of the laundry trade—I left the Board before it was really settled, but I do not think my information is far out—the difficulty is when you come to draw your line you will have your laundry inside, and then have their gathering ground outside. That is the difficulty. It happened after I left the Board. I thought it would work, but after I left the Board it was found to be quite unworkable, and the proposal was withdrawn. Why it was withdrawn I cannot tell you, because I had left the Board.

11,533. We constantly get this put forward, but it is so difficult to see why that particular arrangement is impossible in Trade Board work, whereas in fact it is the general practice, I should say, in most highly-organised trades?—So far as London is concerned.

11,534. And so far as other districts are concerned, the building trade has a whole schedule of rates and so has the engineering trade, and so do all the big organised trades?—Yes.

11,535. In none of them is there a general flat rate, practically speaking?—Well, the building trade is of course by itself. You have your local rate; it is on the spot; it is not competing with another area.

11,536. It is not more localised than laundry work?—No.

11,537. And engineering certainly is not. You could place your orders in one town or in another far more than in the laundry trade?—I am sorry I cannot tell you the reason which led to the abandonment of the differential rate on the Laundry Trade Board. It was after I left the Board; but I do know why it was abandoned in the first proposals of the General Waste Materials Reclamation Trade Board so far as Yorkshire was concerned; it was abandoned because the Yorkshire employers raised such a protest against being asked to pay a higher rate than their competitors in the rest of the country, and at their request, and somewhat reluctantly, the other employers withdrew the proposal.

11,538. Were they in fact paying a higher rate at the time?—Oh, yes, that is so, certainly.

11,539. They were?—In some cases; there were no generally recognised rates at all in that trade.

11,540. But they were following the general practice in regard to the general condition of higher wages in Yorkshire; they probably were paying, but their objection was to having it legally fixed?—I have no exact information as to that. I should think that is probably correct, because the rates ruling in the heavy woollen textile industry in Yorkshire were considerably higher than in the West of England.

11,541. *Lord Weir*: Surely the practice is this, in many large trades, as Mr. Layton has pointed out: There is differentiation by district to a very large extent. If you have Trade Boards and you start with the principle of having national minima, then you are making a very big change indeed?—In some districts I suppose you are, and I think in some districts you ought to, because I think in some districts in the country the state of the industrial popu-

lation is a state, or was before the war, of chronic social misery which, if it is possible financially to do it, should be put an end to.

11,542. But that is not a question of district differences there?—Well, I do not know. I had in my mind, for instance, the sort of wages prevailing around Bridgwater in Somerset.

11,543. Surely that was a very comprehensive statement you made, that it would only vary very little on account of district differentiation?—I am afraid I have not quite got the meaning of your question. My attention was distracted at the moment.

Lord Weir: Well, I will not pursue it at the moment.

Witness: I mean there are some difficulties in a case like Cornwall. Cornwall is so far off from the great centres of distribution that I have often felt that a very strong case does exist for a differential district rate for Cornish industries. In Cornwall the engineering rates, for instance, are very much lower than elsewhere, or at least they were some time ago when I was down there, but the great difficulty in most manufacturing industries that I have had anything to do with is that the employers say: "Well, we are all really catering for the same market, and why should my competitor out in the Eastern counties and far down West have the pull over me by having to pay a lower rate of wages?" That is what I hear again and again. We have discussed district rates on every Trade Board I have had anything to do with, and in the end the decision of the whole Board has been against it, except in the case of the Retail Bespoke Tailoring Board.

11,544. *Mr. Layton*: But is it not the fact that in almost all cases he is in fact paying different wages, and he is maintaining his position against the low wage district because in the low wage district, probably, economic development is rather behind; there are probably longer distances to carry his goods when he has made them. Take the Eastern counties, a district away from the power sources, and so on; all the economic conditions are weighted against the low wage districts. As Lord Weir suggested just now, if you imposed a flat rate, if you imposed a uniform wage, you would be introducing a new and disturbing economic element which would upset the existing adjustment of industries between different districts.—Well, the view taken by the bodies of employers with whom I have been associated is this, that so far from being a disturbing economic factor it has been an economic factor which makes for healing and for getting rid of difficulties.

11,545. I did not mean disturbing in the relation between the groups, but disturbing in the localisation of industry and shifting the direction of trade?—I suppose that must be so, to some extent, but again and again when the matter has been thoroughly discussed in all its bearings—it looks very attractive at first sight; it has often attracted me—but when I have heard it discussed I have felt bound to come to conclusions which my colleagues have come to. On the whole they are in favour in manufacturing industries of one national minimum rate for the trade. Mark you, I do not think that applies to the distributive trades; I do not want to speak about those.

11,546. They come to that conclusion in spite of the fact that, in their own special and private negotiations, they accept and have a system of local variation right throughout the country, and not only that but in the wage negotiations in the districts. I think it is true on both sides—it is certainly true on the employers' side—that they are opposed more than anything else to national negotiation. They insist upon a special local determination in accordance with local conditions.—Well, that has not been my experience on the manufacturing boards with which I have been connected. For instance, on both the Brush and Broom and the Hair Bass and Fibre Trade Boards the employers, after considering the matter, have dis-

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tinctly turned down the district committees; they have decided definitely that the whole evidence favours a national rate, and they have distinctly turned down the proposition of having any separate rate for Scotland as compared with the rest of the country.

11,547. *Mrs. Lyttelton*: Does that include all rates or only the minimum rate?—All rates.

11,548. *Dame Adelaide Anderson*: And is it not so largely just a habit or a custom, this variation in manufacturing industries?—I have often heard it said—

14,549. Coupled with a slightly less efficient rate of output; and is it not to the advantage of the manufacturer in the district where the custom is to build up on a lower wage that their workers should be made stronger and more efficient?—I have heard that reason put forward, amongst others, in favour of it.

11,550. *Lord Weir*: Is it not also the case that those Boards are quite new to their business; that they are only learning?—Well, that would not apply to the Brush and Broom Trade Board, which came into existence in 1919, nor would it apply to the Hair, Bass and Fibre Trade Board.

11,551. That is not a very long period?—It is not a long period, that is quite true.

11,552. Have you had examples on any of your Boards where you have dismissed the idea of differentiation and have afterwards required to take it up?—No, I do not think I have. I have had the converse case, where we have taken cognisance of district differentiation, and then have had to drop it.

11,553. I think there were some Boards whose experience has been the other way.—May I make myself quite clear, so that there shall not be a misunderstanding? With regard to Bespoke Tailoring, a making-up trade; I am on that Board, and I think that is quite different. I think a case is undoubtedly made out for differential rates in bespoke tailoring. Mr. Gordon and Mr. Adams dealt with that in full before this Committee, but I do not think they brought home to the minds of the Committee that the Board is earnestly considering that at the present time, and has been considering it for some months. It is quite true that on two occasions a motion in favour of differential rates has been voted down by the votes of the appointed members, but not because the appointed members did not approve of the principle of district differentiation; it was because, in their opinion, the proposals put forward by the employers were absolutely unworkable; and we are now trying to get a workable basis, and I think we shall get it.

11,554. *Mr. Layton*: What Board is that?—The Retail Bespoke Tailoring.

11,555. *Sir Arthur Pease*: Is it not a fact that where you have a Board, and a great part of the industry is carried on in a centre like the woollen industry in South Yorkshire, that they practically control the whole thing, and would overbear the small districts in the West of England—that the small districts would hardly get their full crack of the whip?—Well, that is what I was afraid of when, as Chairman of the Waste Trade Board, I suggested that there was possibly a ground for differentiation as regards the heavy woollen district and the rest of the country, and I still think that that is sound, but at the employers' request it has been abandoned.

11,556. But I should far rather, if I were a workman, work in the West of England than in Bradford, even if I got a little higher wage in Bradford?—I agree with you; but I am afraid that must be prejudice, probably, because I live there! I live at Bristol.

11,557. *Mr. MacCollum Scott*: Is it not the case that if you fixed a national minimum wage it would probably be lower than it would be in the highest districts if you fix a district rate?—Certainly, it must be.

11,558. That would account, from the employers' side, for a large number of them preferring a national

wage?—They might in some cases, but I do not think that is the reason which has animated any of the employers I have been speaking about.

11,559. Following on that, what was the attitude generally of the workers' representatives with regard to the question of a national or a district wage?—They were always all in favour of a national, as against a district rate—always. It is only with the greatest difficulty that we have I think at last got the workers' side of the Retail Bespoke Tailoring Board seriously to consider a question of working out a differential scheme. They are now really earnestly trying to co-operate with the employers and the Appointed Members to make a working scheme; but it was very difficult.

11,560. *Mr. Layton*: What are the grounds that brought them to that view?—They have a very strong sense of craft consciousness. They are very proud of their trade, and they feel it is being killed by the wholesale houses, and I am very sorry for them; I think they are in a difficulty. They have come to the conclusion that there is a case, that if they are to maintain anything like a decent rate for the real skilled tailors and tailoresses in the towns, they must have a lower rate for skilled tailors and tailoresses in country districts.

11,561. They are having the lower rate to prevent the shifting that would otherwise be brought about by a flat rate?—Quite, but the difficulty we are up against is this: the real basis of differentiation is not district and district; it is between different types of shops in the same district.

11,562. *Chairman*: Is not the conclusion this, that you would certainly not make District Committees compulsory, but you would leave the matter to be determined by each Trade Board?—Oh, certainly. I need not deal with this because the Committee understands; but I think the present position of District Committees is much too hard and fast; it wants to be more elastic. People are afraid to set them up because if you set them up you cannot get rid of them.

11,563. *Sir Arthur Pease*: Is not one of the functions of the District Committees to bring the two sides closer together?—Yes; I think one of the great difficulties of the present Trade Board system is that it is too aloof and too far from the provinces. I think something ought to be done to bring them into closer contact with the country, and I think if District Committees could be worked that would be a very important function, and would be performed.

11,564. Because where employers have taken the trouble to get into personal touch with the employed, things have worked very much better than where they have not done so?—It is absolutely essential that they should get into close touch, otherwise misapprehensions are bound to arise.

11,565. And you cannot do that if you centralise them in London?—I think that is quite true.

11,566. *Chairman*: Then you pass to the principles on which minimum rates are settled by the Boards, and I think the effect of your statement is that there are no such principles?—No definite body of theoretical principles. No definitive theory of wages exists.

11,567. The whole position is considered: the cost of living, what the trade will bear, what is paid in other trades, and so on; and then you come to your conclusion?—It is negotiation of a special type, but it is negotiation. I have tried to gather together, as I thought it might interest the Committee, in paragraph 8 of Section 2, some of the factors which I think guide the Trade Boards in coming to a decision. I have not attempted to range them in order of merit.

11,568. Those are factors, some of which I have mentioned?—If your Lordship please.

11,569. Then there is a reference to a sliding scale?—Yes.

11,570. You have on one of your Boards considered the question of sliding scale?—No, my Lord, I have not; we have attempted to discuss, we have begun to discuss, a possible sliding scale on the Waste

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Trade Board, but we have not proposed one, and have not got far with it.

11,571. Has not the Coffin Furniture Board considered that?—I am not on that Board. I give an example of the first Board that has issued a proposal in the form of a sliding scale. It seems to be well considered. Much the most interesting suggestion is one which is under consideration at the present time by the Paper Bag Board, which I have given as an example in my statement. It is a very interesting proposal.

11,572. Yes, I have the Coffin Trade Board suggestion.—It drops 2s. for every 12 points, I think, does it not—the women's rate?

11,573. 13 points, I think?—It may be 13 points. I have it here. I see it is for every 12 points.

11,574. We are both right, I think. The upper line is every 12 points, and the lower line seems to be 13?—That is so. I was looking at the other one.

11,575. That is, as you say, a very interesting proposal?—It is a very interesting one.

11,576. *Mrs. Lyttelton*: In what way does the Paper Bag proposal differ from this?—In this way. They are proposing this very ingenious device: they are providing for a 4 per cent. drop in wages for every 5 per cent. drop in the cost of living, so the result is that as the figure goes down the real wage goes up. It is most ingenious. They are taking 100 as their datum line, and for all falls below 100 that applies. If it goes up above 100 then the wage goes up in exact proportion; but for all falls it goes down 4 per cent. for every drop of 5 per cent. So that as the scale operates the real wage goes up, and they will arrive at zero, pre-war cost of living, at a wage rate between 15 and 30 per cent.—it varies in some cases—above their old rates.

11,577. They calculate on that basis?—They calculate on that basis so as to give a definite enhanced standard of living when zero is reached.

11,578. *Lord Weir*: You get an equivalent result by fixing a portion of the wage and making the other portion of the wage fluctuate?—Yes. I should say that that really is the position at the present time, that one has got to regard every wage figure at present as containing two elements, a permanent wage and a bonus owing to cost of living on the top.

11,579. *Mr. Layton*: But this particular scheme is in effect adding 20 or 30 per cent. to the base wage ultimately?—Yes, they have there. The great difficulty of getting a cost of living sliding scale is to get a new base rate, because the rates for women were so low before that they cannot be taken as a basis of comparison.

11,580. *Lord Weir*: Is it not also complicated a little by the change in the hours?—Yes.

11,581. That is a very valuable and important point that is not brought out here in any of these?—?—I had to deal with that in the West of England when I settled the wages in the Woollen Textile trade. We had first of all to adjust the whole of the pre-war rates to the change in hours, and that is a very important factor.

11,582. And one which is very frequently forgotten?—Very often forgotten, yes.

11,583. *Chairman*: Where do you draw the line in some of these cases? On what date would you alter the rate?—The view of the Minister, as I understand it, at the present time is that the Board cannot do that; it is really under the power to fix successive rates which is contained in the Act, to fix what they call a series of rates, and you get your period by fixing your date periodically, by taking the cost of living between 101 and 113; between those figures one rate operates, and when it moves to 100 then a new rate operates. You do not get fixed dates; they say they cannot do it under the present Act.

11,584. Then it moves on publication of the new index figure?—That is so. I do not know whether this provides that this new rate is to come into operation on the day the publication is made. I think that ought to be done.

11,585. *Lord Weir*: It is practically a dodge to get

round the Act; this system is a dodge to get round the legal decision?—Oh, no, I do not think that is so. So many of the Trade Boards have been pressing, or the employers have been pressing for Trade Boards to issue Orders in the form of sliding scales, that a great deal of enquiry has been made to see whether it could be done under the Trade Board Acts. At one time the Minister thought he could not do it; then he was advised that he could do it in this way.

11,586. *Sir Arthur Pease*: The sliding scale is based on the cost of living only?—Yes, but as a matter of fact, it could be adjusted to any standard. It does not matter what you take as your measuring rod. In this case it is the cost of living, but it might, of course, be prices.

11,587. *Chairman*: This is a change by time; that is why I suppose you can do it. You can fix successive rates of wages, and therefore you can say the rate should be so much during the period for which the cost of living falls within certain limits, and then another during the period in which it falls within another limit.—Yes, it does in fact fix a period of time.

11,588. And I see the date is fixed by these; it is payable from the first pay day in the week following the 20th day in each month?—That is so.

11,589. That, I am told, is the date on which publication of the Labour Gazette generally takes place?—That is so; it comes out about the 20th of the month, giving the figure as from the 1st of the month.

11,590. *Sir Arthur Pease*: Then if all wages were regulated by this system, everybody would get about 30 per cent. more when conditions were the same as compared with before the war?—Not on this one. I do not know how this works out on the Coffin Furniture Board; I have not worked it out. On the Paper Bag Trade Board they have not got a proposal out yet; they are still considering it. What they have done is this. First of all, before they talked about the sliding scale, they definitely fixed a new basis rate to which they were to slide, which is based upon a certain percentage increase on what they were paying in July, 1914. It works out at about 25 per cent. up.

11,591. If that scale was adopted by all the Trade Boards of the country you would have the wages permanently 25 per cent. above the pre-war standard?—Yes, and I do not know that you could do that.

11,592. I am afraid you could not.—I am afraid you could not do it.

11,593. *Dame Adelaide Anderson*: Would that mean another proposal when the time was reached?—Yes. Still, if it would not work they would simply have to cancel it and issue another proposal.

11,594. *Lord Weir*: Of that 25 per cent. approximately 15 per cent. is due to hours?—Yes, in consequence of the reduced hours the hourly rate, of course, has automatically gone up. It has gone up in order to meet the reduced week.

11,595. *Chairman*: Then you mention piecework basis rates. They are usually so much per cent. above the general minimum?—Yes.

11,596. *Mr. Layton*: The 25 per cent. is not merely 25 per cent. in hourly rates; it is 25 per cent. in weekly rates, certainly, in this case that you are referring to?—May I just refer to it? I think it is in the hourly rate; it is in order to yield a weekly wage, I think, about 25 to 30 per cent. above what was actually being paid in 1914.

11,597. Yes; so that the hourly rate would be a very much higher increase than that?—Yes. I am giving that information on the information of Mr. Foster Robinson, who is the leader of the employers' side of that Trade Board, and who told me about it the other day. He is one of the authors of it.

11,598. *Chairman*: Then you deal with methods by which rate settlements are reached. I think we follow that.—Would you mind giving me the page?

11,599. I have got to page 11. You say it depends very much on the personnel of the Boards. Then you indicate the classes of questions which have been settled by agreement?—I desire to draw attention to what I have said on page 12 there, in view of some of

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the evidence which the Committee has had previously. I think it is rather a remarkable record that on the Brush and Broom Trade Board we have taken altogether 122 decisions with regard to rates, and of those, 110 have been arrived at by complete agreement; and of the remaining 12 which have been decided by votes, only 3 have been decided by the votes of the Appointed Members.

11,600. That is a particularly good Board, I think?—It is a very good Board, of which I am proud to be Chairman.

11,601. *Sir Arthur Pease*: Then they do not vote by sides?—No, those 8 votes have been cross-voted.

11,602. Is there cross-voting both ways?—No, I think the cross-voting has been on the employers' side there.

11,603. Have you ever known a case of cross-voting where some of the workmen have voted against other workmen's representatives?—Oh, yes; it happened at the last meeting of the Retail Bespoke Tailoring Trade Board. It just did not happen on the Hair, Bass and Fibre Board. It did not go to a vote, but if it had gone to a vote there would have been cross-voting there. I was so informed after the meeting.

11,604. *Mr. Layton*: Do none of the Boards have, as a rule, side voting? Have they adopted the side voting?—No, none of them; they are all against it.

11,605. *Chairman*: It depends on the Regulations, I think?—It has to be in the Regulations. The Bespoke Tailoring Trade Board, or rather the employers there, have expressed a view that in time they would like to have side voting; but I do not think it is in our Regulations. It has never arisen on the other Boards. On the Hair, Bass and Fibre Trade Board we have had exactly the same sort of experience. We have taken altogether 22 decisions, and only 3 of those have been taken by contested voting. All the rest have been arrived at by agreement.

11,606. Is it not 25 decisions?—I see it is 27 decisions; I am sorry. Twenty-seven decisions, and of those 24 have been taken by agreement.

11,607. I cannot make those figures add up?—I beg your pardon, it is a misprint. It should be 27 decisions, and 24 have been taken by agreement. I desire to alter a word there. I say, "adopted 27 resolutions"; it should be "taken 27 decisions," because I have calculated, amendments, which are not resolutions. That is why I alter the word.

11,608. Then you refer to a statement by Mr. Gordon Stammer, and Mr. Ashley Ward?—Yes, I do.

11,609. Which was dealt with by Mr. Willis this morning, to the effect that the practice of the appointed members is to take up the attitude: "If you do not agree the figure we shall vote for the other side." Have you ever known anything of that kind?—Never anything of that sort; and I must say I do take very strong exception to the evidence given by Mr. Ashley Ward about the proceedings on the Waste Trade Board. With the permission of the Committee I should like to put in a statement, because Mr. Ashley Ward's evidence from beginning to end was full of the most amazing inaccuracies. I cannot understand how such statements were made. For instance, he told this Committee that he had taken part in 24 full days' debate in attempts to arrive at a settlement. He has only attended six meetings, and I notice that Mr. Ashley Ward gave the impression, in answer to a question by your Lordship, that the rate for scrap metal had been first proposed in January, confirmed by the Board, referred back by the Minister for re-consideration, again proposed in August, again confirmed, and again referred back. It is not so; nothing of the sort has ever happened. It has never been referred back, and it has been confirmed by the Minister. It was confirmed on the 25th January. It has never been referred back at all, and it was never proposed twice; it was only proposed once, in August. I cannot understand how Mr. Ashley Ward made such a statement. I have dealt with it somewhat fully, and I desire the permission of the Committee to do so, because very great publicity has been given to Mr. Ashley Ward's evidence. It has appeared in the trade journals; it has been the subject of

speeches; and it has been spoken of as a grave indictment of the Trade Board system; and it has been mostly founded upon very inaccurate statements. I think I am entitled, in view of what he said about the appointed members, to refute it. With regard to the question to which you just drew my attention—

11,610. Do you desire me to go through this statement with you?—No, I do not think it is necessary for you to go through the statement with me, because it is simply a pure question of fact; but with regard to that last statement, to which you have just drawn my attention, in regard to Mr. Ashley Ward's statement as to the proceedings of the appointed members, I have put in an additional memorandum, an addendum, because on the 12th January I wrote to Mr. Ashley Ward and asked him to give me particulars as to his allegation. I asked him to give me particulars of the appointed member who had made the statement, the date when he said it was made, and the rate under discussion. I did not get any reply from him until the 28th January, three days after I sent in my evidence, so I have put in a supplementary memorandum and exhibited the letters, and, as you will see, Mr. Ashley Ward has not persisted in his statement. He says he never made it, and makes another statement which is of a different character altogether, to which I take no exception at all. I think your Lordship has that before you.

11,611. What Mr. Ashley Ward's letter comes to is this, that there never has been a case where the appointed members have tried to force a resolution?—Yes, he says it never has occurred, but I am afraid that is the view which the Committee must have formed, of what Mr. Ward meant when he said he supported Mr. Stammer, and said it happened on the Board that the appointed members had said to them: "The workers have proposed such-and-such a rate; you have offered such-and-such a rate; we cannot vote for your figure, and if you will not come to this mean rate we are going to vote for the higher." I notice that when Mr. Stammer was giving evidence that was the impression made on the mind of Mrs. Lyttelton, and I think you must have understood Mr. Ashley Ward to mean the same thing. Now he says nothing of the sort ever happened, which is true.

11,612. I think the statements of Mr. Stammer and Mr. Ashley Ward are printed in our evidence?—They are.

11,613. You would like these memoranda also printed?—I should.

11,614. Then you pass to the rate-fixing powers of Trade Boards?—May I just say this, in order to make one correction in the memorandum which I have lodged with reference to Mr. Ashley Ward's evidence. It was filed on the 25th January, and you will notice that in it I have said that the rate for the scrap metal workers was still under the consideration of the Minister. I was not aware that he had confirmed the rates on that date; they were confirmed that very day. I am informed that they were confirmed on the 25th January and come into force on the 1st March.

11,615. What page is that?—I have stated in the course of the memorandum that the rate which Mr. Ashley Ward was discussing, the 55s. rate for the scrap metal workers, had not been referred back, but was still under the consideration of the Minister. That was so when I drafted my evidence, but the rates have subsequently been confirmed.

11,616. Yes, I have that; it is in paragraph 5 of your memorandum.—All the rates proposed by the Board in August have now been confirmed.

11,617. Then perhaps you will go to the question of the rate-fixing powers of the Trade Boards. That is page 14. You say that the power should extend to fixing minimum rates for all classes of workers?—Yes, I do. We have never had the least difficulty on this ground, the difficulty about superior grades of workers on any of the Boards with which I have been connected, except upon the Retail Bespoke Tailoring Trade Board, where there is a great difficulty.

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11,618. On such questions as the cost of living, and so on, I take it that a gentleman like yourself and other appointed members may be very good judges, but do you think you are equally good judges upon the question of the value of skilled labour of a particular class?—My answer to that would be this: In the abstract, No, I think not; but when we sit and listen to the arguments of both sides, and if the negotiations between the two sides are conducted properly, ultimately it is only a very small margin of difference, it may be a farthing an hour, which divides the two sides, and which cannot be bridged, and it is only upon that that the appointed members ever have to vote. I have never known a vote upon skilled rates by appointed members upon any large margin of difference; and I may add this, that some of us have been chosen sometimes by employers or workmen, and sometimes by both, to act as arbitrators to decide precisely this same sort of question, and if we are considered competent, having heard the arguments, acting in a quasi-judicial capacity, to fix such rates when acting as arbitrators, I cannot see why we are any less capable of dealing with the same propositions when sitting on Trade Boards with a trade with which we are thoroughly conversant.

11,619. *Lord Weir*: Surely, as a rule, you have only been asked to fix rates affecting a comparatively small number of workers?—Well, I was asked by both sides of the West of England District Council of the National Wool (and Allied) Textile Industrial Council to fix the whole of the rates for the whole of the woollen textile industry throughout the Western counties, and doing away with the differential rates between the four districts, and making them one district.

11,620. But that was merely for a district, and what you fixed had no statutory validity?—That is so.

11,621. But surely that is a very different thing?—No.

11,622. *Chairman*: Surely a penny an hour may be a tremendous difference to a trade?—I said a farthing.

11,623. I say a penny. If you make a mistake, it cannot be remedied; the employer has no recourse unless he can get the rate altered if he does not pay that sum. Take the Boot and Shoe Trade; take the sum of 74s., I think it is, or something like that, for certain skilled work; if an employer pays a man 73s., the man being willing to take it, he is subject to prosecution?—Yes; I feel that difficulty.

11,624. It is a tremendous power, is it not?—Yes, but, my Lord, what is the alternative? If there is not to be some means of fixing some sort of wage or standard for those folk, how are they to be fixed? The only way to fix them as the Unions become organised is by free negotiation between associated employers and associated workers, which ultimately means the threat of the strike or the lock-out behind it. To my mind the most important question in the handling of this is to secure industrial peace, and to remove from industrial concerns the threat of industrial strife. One of the great things that the Trade Boards have done is to prevent that sort of trouble. I only know of two strikes in the whole of the Trade Board industries, and they were very small and local.

11,625. You have got very much beyond the sweating legislation?—Yes. I think the 1918 Act was not only dealing with sweating.

11,626. You will give to these few selected trades an organisation which the great trades have not got, and never will have. You give them Boards appointed by the State, paid by the State, with power to fix rates which are enforceable by the penal law?—Yes, I know; I feel that; but 25 of the bigger industries, at any rate, which have Joint Industrial Councils, as your Lordship knows, are pressing the Minister to institute legislation to give them the same powers.

11,627. They are pressing, but they have not yet obtained it?—That is so.

11,628. *Lord Weir*: What was the big difference between the two Acts? Surely in connection with the establishment of the Trade Board for a specific trade; it did not change the duty laid on the members of the Board?—No, it did not. I think the difference between the two Acts which some of the witnesses have emphasised here is wrongly conceived. So far as the principle of the two are concerned,

there really is no essential difference. The difference lies in the desideratum which moves the Minister, as to whether he is going to bring a Trade Board into existence or not. Under the 1909 Act the matter which he had to consider was whether the wages were so low that there ought to be a Trade Board. Under the Act of 1918 the question is whether the state of organisation provides an effective means for the regulation of wages.

11,629. But once the Board is established, the new Act does not change the duties of the members of the Board?—No, I do not think it does in substance. I think the difference between the operation of the two Acts which has been emphasised before this Committee is misconceived.

11,630. *Chairman*: Then if your view is right, these 50 Boards may grow into 200 or more?—Why?

11,631. There must be a network of Boards covering the whole country and regulating the wages of all grades in all trades. As an economist, do you think that a desirable thing?—I think it would be. I feel myself that some step in that direction is essential if industrial peace is to be attained. The alternative seems to me to be nothing but associations of employers and workers drawn up for battle, and when they cannot agree paralysing the nation with successive stoppages.

11,632. Is it not a fact that as organisation grows, as it has grown, disputes do not become more, but less?—But when they do occur they become more devastating.

11,633. *Dame Adelaide Anderson*: In the cotton trade, which is one of the oldest and most organised, they have had very few disputes, have they not?—Very few.

11,634. The further back you go it does seem as though you get the better avoidance of strikes?—But the cotton trade is very highly organised. I always understood that its wage basis is very thoroughly organised and regulated.

Mrs. Lyttelton: That is Dame Adelaide's point; that it happens when you have a highly organised trade.

11,635. *Dame Adelaide Anderson*: And where you have a real understanding, which goes back a very long way, in my recollection?—And a real understanding arrives when you do bring people together to engage in mutually constructive work round the same table, and they get confidence in one another. Unless you bring people together face to face so that they can really learn one another's difficulties and learn to respect one another, then you have not any basis for industrial peace; and the Trade Board affords that opportunity.

11,636. *Chairman*: So does the Whitley Council?—So does the Whitley Council. I regard the Trade Board as the complement of the Whitley Council in partially organised industries.

11,637. *Mrs. Lyttelton*: You do not think that if you merely safeguarded the minimum rates all over the country you could safely leave the skilled rates to negotiation?—No, I do not think so. I think that in many cases, especially in the case of women and girls, the tendency of fixing minimum rates would be to bring down the rates of more highly skilled workers. I appreciate this point. May I give an example of how fixing simply one minimum rate would work in two of my Boards? In the Hair, Bass and Fibre Board, which is a tiny Board, and in the Brush and Broom Board, which is a bigger one, in each case you have on the men's side a very small number of labourers and a very small number of quite unskilled women, in both cases quite tiny numbers. If the powers were restricted as has been suggested, we should have simply power to fix a rate for those very small, practically insignificant, numbers of people, and the real operatives would be without any protection at all.

11,638. Except organisation?—Except organisation; and the whole *raison d'être* of a Trade Board is that that organisation does not exist.

11,639. *Chairman*: Is there not a way out of that: that the Board should be authorised to fix minimum rates for the lowest class of ordinary worker in the

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trade, and possibly to fix a different rate for what I call the auxiliaries—the labourers whom you have just mentioned?—That would be better, but I think that the tendency of that would be certainly to lower the occupational rate of the more highly skilled workers, especially in the case of women and girls. Whatever rate you fix for women and girls tends to become the standard rate, however careful you may be.

11,640. *Dame Adelaide Anderson*: You mean it would be brought down from above in order to recoup the trade for paying higher wages?—Possibly.

11,641. *Sir Arthur Pease*: Before the war, in the organised trades where they had a labourers' rate, was not the tendency for the higher branches of the trade to go up and up—I mean in the more skilled parts?—I should not like to attempt to answer that question, because I had really very little experience outside the Insurance Act before the war. I could not tell you.

11,642. During the war it has been the general tendency to level up the lower paid men on account of the cost of living?—I think too closely.

11,643. But before the war the difference seemed to be getting greater?—That may be so.

11,644. *Mr. Layton*: I should like you to develop the point which you make, where you say that a wage rate for women tends to become a single actual standard rate, in view of the fact that differences exist apart from organisation. Is it not organisation which has brought these differences into existence?—No, but from the sort of picture which I have in my mind from reading objections, I am inclined to think that as soon as you have a Trade Board rate, or any other rate, fixed, which is definitely fixed, a good many of the employers immediately say that that is the rate, and they are not going to pay anything much above it. I had a case the other day; I cannot explain this, I simply tell you what happened. An employer said to me: "If this Trade Board brings this rate into operation, I shall bring my rates down to it at once. At the present time I am paying shillings above the rate which the Board is proposing, but if the Minister confirms this rate I shall bring my rates down to that rate." I said: "Why? What for? At the present time you have a free market, and you can practically pay these people anything you like, because of the economic crisis at the present moment; but you are paying them 2s. or 3s. above what we are proposing. Why should you bring that rate down?" He said: "Well, I shall," and that is what happens; any rate you fix tends to become the maximum.

11,645. *Chairman*: You say that is what happens, that is what a man says will happen?—My Lord, it happens; it happened in the brush and broom trade.

11,646. *Mr. Layton*: Why was he paying higher rates before?—That is what I want to know. That is the rate that he was prepared to pay, and could afford to pay.

11,647. *Lord Weir*: Would it not be better to leave him to pay it, and not to change it?—So far as he was concerned, yes; but having regard to the rates which were paid in that industry in other parts of the country, certainly not.

11,648. *Mrs. Lyttelton*: It is an argument really for raising the Trade Board rate?—I do not think that in that case it was.

11,649. *Mr. MacCallum Scott*: Was his action a protest against raising the wages paid by his competitors?—I do not know. I have often tried to understand why he made this remark, but he did. I simply instance it as an interesting thing that happened.

11,650. *Mr. Layton*: But there is no new factor introduced by the Trade Boards which would diminish the reason for paying a higher rate?—No rational factor that I know of.

11,651. Usually rates are fixed for some economic reason. Would not the economic influences continue? I assume, for instance, that a man pays a rate of that kind because he finds that at that rate he gets the labour that suits him—the labour that does the

work well—and that he can afford to pay, and so on. Various considerations come in?—Yes.

11,652. Would not those still operate?—I think they would in some cases. I do not think they would in many others. Once you get a rate fixed, it is regarded as the rate. Let me give an example. The other day I came across an article in a trade paper which was frightfully angry because the trade union at Liverpool was agitating to get a rate for Liverpool higher than the Trade Board rate in the industry. It was put forward as being a perfectly outrageous action that when the Trade Board had fixed a rate for the whole country a trade union in Liverpool, a big town, should try to get a higher rate. It was asked: What was the good of having a Trade Board at all if they were going to get higher rates than the Trade Board fixed?

11,653. *Chairman*: I do not know who said that, but we have had many cases of unions exacting higher rates, and getting them.—That was an article in a trade journal the other day, and that is the sort of factor that one has to deal with.

11,654. I think the trade unions would know how to deal with it?—Quite. Of course it is a ridiculous argument.

11,655. *Dame Adelaide Anderson*: But it does not have an effect in industries where you have unorganised women. I mean in the big organised industries they can deal with it?—Yes, quite so.

11,656. But it is a common attitude, is it not, that so much is a woman's wage?—Certainly.

11,657. And if she earns more on her piece rate her piece rate had better come down?—Yes. I once knew a case where a woman was sent home on Friday if she earned on piece rate more than a certain figure which was regarded as her figure for the week. If women earned more, home they went.

11,658. *Chairman*: We have kept you a long time; perhaps I can take the rest of your statement rather more shortly. In paragraph 21 you deal with the time required to alter a rate?—There is one point, if I may just emphasise it before you part with that, about that question of not giving any jurisdiction except over the lowest rate, a point which I regard as of very great importance. It would destroy the control of the Trade Board over piece rates. As your Lordship knows, that question of the greatest causes of friction in the past, I am sure that the relative peace that we have had in the Trade Board industries has been very largely due to the fact that by fixing a piecework basis rate or a piece rate we control the cutting of piece rates and remove that grievance from the minds of the workers. If this proposal were adopted which would give us no jurisdiction at all except over minimum rates, our power to help industrial peace by controlling piece rates and thereby preventing unfair rate cutting would be taken away.

11,659. *Lord Weir*: If you had the power of fixing a piecework basis time rate only, that would prevent it?—In some piecework industries, of course, that would help. I may say that on the Boards with which I have had anything to do, apart from the Retail Bespoke Tailoring Trade Board, we have not had any difficulty about fixing rates for skilled workers. I have not known of a case where we have had to vote in favour of a rate.

11,660. Does it not strike you as rather strange that it is possible to fix, say, in the Brush and Broom Trade prices for doing that very large scale of operations?—Piece rates?

11,661. Yes.—You see the brush and broom trade is essentially a piecework industry. The time rate is relatively unimportant. The whole thing is on piece-work, and always has been from the start.

11,662. Does every brush and broom maker make his brushes and brooms exactly in the same way, and with exactly the same facilities?—To a very large extent they have standard methods, yes.

11,663. You do not get anyone saying: "We want a special rate because we have a special way of making them"?—I have never had such an application; or rather we had one, and after discussion it was dropped. When we have such an application we have

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power under the Act to fix a special piece rate for that employer.

11,664. Yes, that is so?—May I say that the piece rates which we adopted on the Brush and Broom Trade Board were adopted on the suggestion of the employers, and were adopted in every case by agreement, right through. They felt that to get rid of the difficulty of each employer having to worry about fixing a rate for every worker, having regard to the circumstances of his factory, and to get rid of the difficulty and the uncertainty of a test of the ordinary worker in the circumstances of the case, it was much better to have a national piece rate list.

11,665. Mr. Leyton: Could you not get the same result if you had that national piece rate list agreed upon on the Trade Board, but nevertheless the legal sanction only applying as though you had fixed a piecework basis time rate—or even a minimum time rate, but, say, a piecework basis time rate, because really that is the point?—Simply enforce the piecework basis time rate?

11,666. Yes, the piece rates being discussed and agreed upon by the Board?—Voluntarily?

11,667. But not legally enforceable rates?—But then the trouble about that would be this, would it not, that it would be all right so long as decent employers played the game, but they would be at the mercy of the man who did not play the game.

11,668. Is it not the point that this would meet the objection which you just made to Lord Weir that the other firm would have to fix its own rate for the ordinary worker? You would go over that if you fixed a piece rate by agreement, because although somebody else might have different piece rates, in fact, you would always have the schedule to which you could refer, which would get over the difficulty?—Yes.

11,669. And you would enforce the spirit of the Act by ensuring that the ordinary worker got the piecework basis time rate?—If the employer paid the scheduled rates, he would be quite all right, quite irrespective of that; is that what you mean?

11,670. Yes, the inspector would know that this rate would yield to the ordinary worker the piecework basis time rate?—You see the advantage which the employer has got if you have a piece rate list, which I agree are standard rates and piecework prices which are not minimum rates at all, I agree; if you have a list, as we have in the Brush and Broom Trade Board, he is not concerned to see what the worker earns; so long as he pays the price he is free of all responsibility under the Act, and he has not to trouble himself whether the rate yields, in the circumstances of the case a certain figure; he is not bound to do so.

11,671. And ought he not to do so? Is not the object of the Act that the worker should get minimum earnings?—To establish a reasonable standard of life for the industrial population, yes.

11,672. And the way in which the Act provides for that in piecework industries is by the device of the piecework basis time rate?—Yes.

11,673. If you stopped there you would really be fulfilling the function of the Act?—Quite, but I think the intention of the Act was also to help secure industrial peace by providing machinery for the effective regulation of wages, and I regard the power, in a proper and suitable case, where it is a piece-work trade, to fix definite piece-work prices, as a very valuable power indeed.

11,674. But I took you up on the argument which you used just now, that if you did not fix piece rates you would be subject to the difficulty of having piece rates constantly cut?—Yes.

11,675. The protection against that is having a piece-work basis time rate?—So long as we have a piece-work basis time rate we have adequate protection against rate cutting.

11,676. Yes, that is my point. Therefore, it is not necessary to fix piece rates in order to get the protection of the Act?—No, but the great object of fixing piece rates is to simplify matters and save the employer having the work and responsibility of fixing his prices and working out his prices so that they shall yield the piece-work basis time rate.

11,677. But you agree that you can get that by a discussion across the table, without any legal sanction, do you not?—I should like to think that out. You could get it done.

11,678. I mean you could get your schedule worked out?—Yes, you could get a schedule done. Of course, we did really work out this schedule with a particular piece-work basis time rate in our minds by which we tested all the prices.

11,679. Chairman: Now we will go on to your next point. I am going to take you quite shortly about time. You think that four weeks for objections in the case of the first rate should be enough, and three weeks for proposals to vary?—Yes.

11,680. And that the Board should be empowered to bring a variation into force at once without allowing any period for objections? That is rather dangerous, is it not?—Really what I mean about that is this: it seems to me that where you have got a small matter—an alteration, a variation or correction of a mistake—it is perfectly dreadful to have to go through all this tedious process of issuing a proposal and waiting two months for objections, and so on and so on. Let me give you an example of what I mean. We made a mistake on the Brush Board; it was not a clerical mistake; it was a mistake of $\frac{1}{4}$ d. on the wage rate in grading a juvenile scale. We could not correct that without issuing a new proposal; we had to wait until we issued a new proposal and we had to go through all this tedious business of waiting for objections. We want now on the Hair, Bass and Fibre Trade Board immediately to bring into operation a reduced scale of piece-work prices for the home-worker hand-loom weavers, who are working in their homes in the Eastern Counties. They are exposed to keen competition; it is a dying industry; we do not want to kill them; we have fixed very low rates as it is, but they have come to us on the Board and said: "We want even to reduce those by 10 per cent., because we cannot compete with the factories." We want that brought into operation at once, and the employers want to bring it into operation at once, but we have to wait two months after issuing a proposal, and four months have to go by before relief can be given to those workers. It seems a great pity, and it is unnecessary.

11,681. If you are going to allow that, must you not apply it both to raising and to reducing rates?—Yes.

11,682. If you are going to raise rates without notice, will not that put the trader into a difficult position?—If you have a confirming authority—let me use that neutral expression for a moment, without saying what form of authority—would there be any objection, in a case where the Board was agreed, to saying that you could bring an alteration of that sort into operation at once in a minor matter, with the consent of the confirming authority, in exceptional cases?

11,683. If it were agreed on the Board?—If it were agreed on the Board, I should limit it entirely to agreement. I really think that is necessary, with the consent of the confirming authority as a safeguard. We had some difficulty in altering the ratio of journeymen to apprentices in the apprenticeship scheme on the Brush Board, too.

11,684. Then you say that the Board should have power to give effect to objections lodged without issuing a fresh proposal?—Yes, with proper safeguards.

11,685. Similar safeguards would be sufficient in that case?—I do feel very strongly about that. I do not know whether you wish to hear me further upon it. I think the fact that you cannot give any effect by way of amendment to objections is one reason which leads very often to objections not being sufficiently considered.

11,686. Personally I do not think that needs insisting upon at all. We have had it before us.—I thought your Lordship would say that.

11,687. Then you say that State enforcement should be maintained. That is really the point that we have been discussing. You then say that Joint In-

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dustrial Councils have no sanction behind their determinations?—I set out a resolution passed on March 18, 1921, by the Association of Industrial Councils.

11,688. I do not quite understand the statement at the top of page 19. You say: "While the Irish Courts held that an individual worker was entitled to take proceedings before Justices to recover the minimum wage prescribed by the Agricultural Wages Board (*Buchanan v. Osborn* (1919) 2 I.R., p. 52) I am not clear as to the right of the workers to sue in the Civil Courts for wages due under the Trade Boards Acts?"—I think I am clear about that now. It is only by inference in the Act, but what I do think would be desirable, if a new Act were passed, would be to make it perfectly clear, beyond all question of quibble. I think it is clear by inference. In the 1909 Act it was quite clear, but Section 7, the Section in which it is contained, was repealed by the Act of 1918, and it is left entirely to inference in the Act of 1918.

11,689. As to inspectorate, you agree with the report of Mr. Wolfe's Committee?—Yes.

11,690. Then as to the Minister's position, I think we have discussed that incidentally. You think that there should be some confirming authority which should be an industrial authority?—Yes.

11,691. Either the Industrial Court or a Central Trade Boards Council?—I should prefer to call it a Trade Board Second Chamber. That is really the idea I have in my mind—a revising authority.

11,692. You might get into conflict with Mr. MacCallum Scott if you called it a Second Chamber?—We might call it a Senate. I set out there the reasons. I think those are the only two alternatives: the Industrial Court, or the Central Trade Board Council; and I give reasons for thinking that on the whole the Industrial Court would not do.

11,693. You instance the Central Wages Committee for Scotland under the Corn Production Act, 1917, but that is not quite an instance, because it related to one trade?—Yes, one trade only; that is quite so.

11,694. That Central Wages Committee was really a Trade Board with District Committees?—But the District Committees were the wage-fixing authority; the District Committees were not advisory bodies in Scotland; they were wage-fixing authorities subject to the Central Wages Committee for Scotland.

11,695. I think we fully understand.—I only gave it as an idea of what I had in my mind.

11,696. You say that the Central Council would have to be carefully constituted; that the Chairman should be a man of considerable standing and experience; and that the Council should be a confirming and not a rate-fixing authority. I do not know whether you take the view which I put forward just now, that the Central Council should always consist of the same members?—I should like it to consist of the same members always. I think it ought to have a permanent Chairman, but I think it would be desirable to include a voluntary element in it, and it seems to me that if it were to function it would have to meet so often that it would be absolutely necessary to introduce a rota system apart from the Chairman.

11,697. It is very important, is it not, that the Council should have a consistent policy, and not come to one decision one day and another decision the next?—If it had a permanent Chairman who always sat, do you not think that that would be a sufficient safeguard for the consistency of the policy?

11,698. If the members always paid proper attention to their Chairman?—I am sure they would do that. Was not that the fact very largely when they had one permanent Chairman of the Trade Boards under the Act of 1909?

11,699. I believe it was so in the old days?—May I say this: I rather had in my mind there an experience which I had myself when I sat as Chairman of the Munitions Tribunals during the war in three counties, and of course had a fluctuating body of assessors, workpeople and employers, who sat with me. I found no difficulty so long as I was always

sitting in maintaining a reasonably consistent policy in the decisions which were given.

11,700. However, that is quite a detail?—That is a detail.

11,701. You refer to the need for Appointed Members?—Since writing this I have had an opportunity of just reading through Professor Hobhouse's view about this, and I should like to say that I am in substantial agreement with him.

11,702. Then the suggestion that they should only vote on the minimum rate is one which we have really been dealing with?—Yes. May I add this, as one point which I have mentioned: if it were eventually decided that the jurisdiction of the Trade Boards should be continued, and should include the rates of workers of higher degree, but that the Appointed Members should not have a vote with regard to the rates to be fixed for workers of higher degree, might I suggest that it is desirable that that should have some proviso to it that they might do so if requested by both sides, because in some cases, assuming that they had jurisdiction to fix rates for higher grades of workers by agreement, the parties might have started shillings apart, and have come down to simply a question of a farthing, and it would be deplorable if a whole section of workers should be deprived of the protection of an enforceable rate simply because that difference of a farthing could not be bridged? I have known that happen—that the difference has been that of a farthing, which no power on earth could bridge.

11,703. Mr. Layton: You would be asked to arbitrate in those cases?—We should be asked to arbitrate; except that all the way through my evidence I have had a desire to keep the arbitration idea out of it. A Trade Board is a legislative body; it is not a tribunal; it is not a Court. That is why I think that the confirming authority should not be the Industrial Court. I think it would introduce the idea of arbitration much too prominently.

11,704. Chairman: They would still not be arbitrators: they would come in as additional members of the Board?—Yes, they would not be arbitrators; they would come in as additional members of the Board. I do think that anything that is done ought to preserve the essentially legislative character of the work of the Board, and should not mix it up with arbitration. In our Boards we have never regarded ourselves as arbitrators, but as members of the Board who can help, keeping the decisive character of our final vote well in the background.

11,705. I think we have dealt with local conditions, to some extent, in discussing District Committees.—Yes.

11,706. Then on page 25 you deal with the value of special powers of Trade Boards with regard to juveniles?—Yes.

11,707. That is to me a very interesting statement.—If I can render any assistance to the Committee upon this branch I should like to. It is a matter which has been a special subject of mine for very many years.

11,708. I know that that is so. You still think that in manufacturing trades apprenticeship is a good system and a system which should be encouraged?—I am quite certain that apprenticeship is not dead. There is a most distinct revival of interest in apprenticeship at the present time in many industries. In the past it has been allowed to fall into the background, but now people are awaking to a knowledge of the very serious situation which has arisen in some trades because it has been allowed to decay. There is not a sufficient supply of craftsmen coming on, and the only way in which a sufficient number of craftsmen can be obtained is by indentured apprenticeship in a real workshop. The movement which we started in Bristol is spreading to other places, and when the idea had been given to the Trade Boards upon which I have been sitting it has been taken up with the greatest keenness and a very high degree of efficiency.

11,709. Have your Boards settled the form of apprenticeship deed?—Yes. The Brush and Broom

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Trade Board was the first Trade Board to promulgate an indentured apprenticeship scheme under Trade Board Order, and we scheduled a model deed under the Order.

11,710. Do they do what other Trade Boards do to encourage employers to take apprentices, by slightly reducing the rate for apprentices?—Considerably reducing it.

11,711. That is a good plan, is it?—I think so. The rate for apprentices must certainly be lower than the rate for unbound learners, to say nothing of juveniles. It certainly must be below the juveniles' rate, and if there is also an unbound learners' rate it must be somewhat below that, because a rate which may be unobjectionable as a plain learners' rate or a juvenile rate may be perfectly impossible for bound apprentices. I do not want to criticise another Board, but I think that is largely responsible for a good deal of the criticism which has been directed to some of the sewing trades Boards, because they neglected the fact that in the retail trades, drapery, millinery and the women's light clothing trade, there was no scale for apprenticeship, and the juvenile scales were too high for apprentices. They may have been perfectly right for juvenile scales, but they were too high for apprentices. What has happened is this: either employers have given up taking apprentices altogether, or they have reverted to charging a substantial premium to counteract what they regard as the excessive rates fixed by the Trade Board.

11,712. *Mrs. Lyttelton*: Of course, those are trades which require a great deal of learning?—A great deal of learning.

11,713. You cannot do it under three or four years?—They require three years at least in millinery. There are six Trade Boards at the present time which have promulgated schemes of indentured apprenticeship following the general lines laid down by the Brush and Broom Trade Board, which followed the Bristol schemes.

11,714. *Chairman*: In the case of learners you have no form of deed?—No, the general condition adopted by Trade Boards does not lay upon the employer any liability to teach; the only condition is that he shall afford the learner reasonable facilities for learning. It does not lay upon the employer any obligation to teach the trade, such as the apprenticeship schemes do, the consideration which he gets in these schemes for the obligation to teach being a lower rate.

11,715. *Mrs. Lyttelton*: How is the obligation to teach enforced?—Under the indenture.

11,716. I mean, by an inspector?—In the schedule is the indenture; and the apprentice and his parents have a double sanction: compliance with the terms of the indenture is a condition of the payment of the lower rate under the Trade Boards Act, and in addition to that they have a civil remedy on the contract which can be enforced under the Employers and Workmen Act of 1875 by proceedings before the magistrates.

Chairman: It is the parents' duty to see to the enforcement of the deed?

Mrs. Lyttelton: Yes, it is the parents who are the check more than anything else.

11,717. *Lord Weir*: And inspectors?—Yes. We are trying at Bristol something new which I may perhaps explain if your Lordship is interested in this. We have set up, outside the Trade Board trades, a number of standing sub-committees in connection with the Juvenile Employment Exchange; we have a permanent Central Apprenticeship Sub-committee, of which I am Chairman, and we have a number of small committees composed of employers and workers to supervise the apprenticeships, and in fact in some cases they become fourth parties to the indentures. They supervise the training and are prepared to devise tests to see that the children are properly taught. We hope shortly to set up two more sub-committees to deal with two Trade Board schemes.

11,718. What is the youngest age of apprentices such as you have been talking of?—14 or 15 years of age. The tendency now is to take 15 or 16 rather than 14 years of age. I met the Master Tailors at Bristol the other day and discussed this matter with them, and they said that they thought that the scheme was of great assistance to the trade, and that if the Trade Board would reduce the rates they would give it their hearty support, and would co-operate with the workers in forming a committee to father the scheme in the vicinity of Bristol. They have proposed a revised scale of rates which I have brought before the Trade Board, and the Trade Board has adopted the scale with a slight variation. The matter is also under discussion in the boot and shoe repairing trade.

11,719. Have you ever heard of three rates being fixed, one for juveniles, one for learners, and one for indentured apprentices?—Yes.

11,720. In this case are you a believer in having that intermediate learner's stage, which is something very indefinite?—I do not like it, but I think that in some cases it is necessary. Take, for instance, the case of bespoke tailoring, where a high degree of craftsmanship is necessary; three or five years' indentured apprenticeship with three years' improvership in the case of girls is the ordinary practice in the trade, but then you have the sub-divisional methods coming in and quasi-factory methods in bespoke shops. There is no scope for apprenticeship then.

11,721. *Mrs. Lyttelton*: It is too easy?—It is too easy; there is no question of apprenticeship. It would not do. You are bound to have a learner-ship scheme there alongside of apprenticeship.

11,722. In the case of anything that you can learn in a few weeks, you could not have apprenticeship?—It is a pity, but I think it is impossible.

11,723. *Chairman*: What is the difference between a learner and an ordinary juvenile?—I do not think there is much.

11,724. *Lord Weir*: That is my point?—No, I do not think there is much difference.

11,725. *Chairman*: All that the learner gets an opportunity of learning, the ordinary juvenile has the same opportunity of learning?—I think where you get the three rates in one Order the position is this: apprenticeship is plain enough; the unbound learner is really a juvenile picking up an operative's branch of the trade, while the plain juvenile scale is merely a young labourer's rate.

11,726. A rate for an errand boy?—An errand boy or a stores girl or a messenger.

11,727. *Lord Weir*: I wondered whether you would not get more apprentices and better apprentices by only having apprentices and other juveniles?—I think you would. I think it is only in exceptional cases that you can justify the three rates. We have gone further on the Retail Bespoke Tailoring Trade Board; in one section we have only apprentices and learners and we have said: "You have got to register these young people or else the adult rate applies. If you are going to have young people at all you must see that they really do learn." We have no juvenile scale at all in one section, if I remember rightly.

11,728. Would you compel an employer to move them from one operation to another, so that they can get trained in more than one operation?—You can only do that under an apprenticeship scheme—under an Indenture. I am anxious to encourage the use of Indentures wherever possible.

11,729. What condition have you in connection with learners?—The condition which is attached to the payment of the learnership rate is that the employer shall employ young persons under circumstances which afford them reasonable facilities for learning. That is a condition attached to the payment of the rate, but I do not think it really means much.

11,730. That is what I was trying to bring out?—I think in most cases it is simply a juvenile scale under another name.

11,731. *Mr. Layton*: But at a lower rate?—Except that it is at a slightly lower rate.

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11,732. *Chairman*: Then you speak very highly of the effects of Trade Boards on the relations between employer and employed. I suppose that depends a good deal on the personnel of the Board?—Yes, I think it does. I think No. 10 is a difficult question to answer, I may say. I have made some inquiries among friends in industry connected with Trade Boards, and the general opinion which I have heard expressed is set forth in my evidence.

11,733. Speaking generally, the working of Trade Boards has improved relations between employers and workmen?—I think so, distinctly.

11,734. *Mr. Layton*: Have you had evidence to the contrary effect at all?—None, except that I was going to say—no, I will say none. I stopped saying what I was going to say because it might have caused friction.

11,735. *Chairman*: Practically none?—Practically none. In the case which I was about to mention I do not think it has made matters any worse.

11,736. Then as to scope, you agree that the Board should be consulted on the question of scope, but not that it should be empowered to give a decision upon that question?—No, I feel that very strongly.

(The Witness withdrew.)

(Adjourned to Wednesday next, the 8th instant, at 11 a.m.)

TWENTY-FOURTH DAY. Wednesday, February 8th, 1922.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE, G.C.M.G. (*Chairman*).

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTELTON, D.B.E.

MR. JAMES BELL, M.P.

MR. W. T. LAYTON, C.H., C.B.E.

SIR ARTHUR F. PEASE, Bart.

MR. E. L. POULTON, O.B.E., J.P.

MR. A. PUGH.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (*Secretary*).

Professor J. B. BAILLIE, C.B.E., Called and Examined.

The Witness handed in the following statement as his evidence-in-chief.

I.—*Minimum Wage should not be ambiguous and should be enforceable.*

In order that legislation may deal satisfactorily with the problem of the minimum wage, it is of the first importance to determine in what sense the term "minimum wage" is to be used, and to recognise that legislation can only be effective where decisions are able to be enforced.

(a) Much perplexity and misunderstanding in the application of the present Acts, especially that of 1918, have been created by the ambiguity of the term "minimum time-rate" (or general minimum time-rate). Apart from other meanings, it may mean in practice (1) the minimum subsistence rate; (2) the minimum economic rate, i.e., the lowest rate which the trade can afford and is prepared to pay at any given time having regard to the state of trade; (3) the standard rate paid to an average low-grade worker. (1) and (2) mean in effect a rate below which, except in rare cases, a wage would not fall; (3) means a rate above which, in many cases, a wage need not rise.

The effect of this ambiguity is that in certain cases a Board has established a rate which is a compromise between (1) and (2), and which may come to operate as a standard rate (3). In arriving at the rate each side of the Board is actuated by different aims and influenced by a complexity of motives. The two sides do not work together for the same object; they tend to work against each other for different objects. Consequently, when the rate is determined, it is interpreted in a different way by each side. The employers on the Board regard it as a minimum rate in the sense of (2); the workers look upon it as a minimum rate in the sense of (1) and point out that some employers apply it in the sense of (3).

11,737. You think that that should go to the central body which you have mentioned?—Yes. It is very difficult to get a body of people in some Trade Boards really to turn their minds on to the true interpretation of the language which they have used. They always want to read into it what they think they intended.

11,738. *Mrs. Lyttelton*: It does express it to them, of course?—Not always, I think. We have had our difficulties upon the Retail Bespoke Tailoring Trade Board, for instance, in trying to determine what the Board meant by the constructional part of a coat.

11,739. *Chairman*: You always rather tend to enlarge your own operations?—Yes, I think you do on some other bodies. I think a Trade Board is very useful just to express an opinion as to what they really meant, but I do not think the Trade Board itself is a good authority to interpret, in a binding form, its own determinations.

Chairman: Thank you. We are much obliged to you for coming and for your evidence.

Hence the rate is on the one hand difficult to establish owing to the opposition of the employers to establish a rate which in their view approximates to an economic rate; and on the other difficult to vary downwards at a time of bad trade owing to the opposition of the workers to lowering a rate which they consider to be nearly or solely a subsistence rate.

Again, the rate when established is satisfactory to neither side; for the employers regard the rate as too high, and the workers consider it too low, especially when they find, as they allege, that it is made in certain cases to operate as a standard rate.

(b) Perplexity has also arisen owing to the difficulty and uncertainty of enforcement.

There seems no doubt that the Boards have fixed rates substantially higher than the minimum subsistence rate. At a time of prospective or rising prosperity this may be no disadvantage, for in the circumstances the rate may be enforced. But at a time of trade depression it is practically inexpedient to enforce these higher rates in certain trades. The enforcement would at once lead to unemployment on a large scale. Moreover, workers have been found willing to accept rates lower than those fixed by a Board when the alternative placed before them has been that of either unemployment or lower rates than Trade Board rates; thereby showing that in their view the rates fixed by the Board were above the subsistence level. Hence the paradoxical result: a Board representative of a trade may fix rates which workers may say they do not want, which employers may say they cannot possibly afford to pay, and which the Executive cannot enforce lest unemployment be increased and workpeople become dependent on State subsidies. Such a result stultifies the procedure and operations of the Trade Board.

But even were it practically expedient to enforce high rates in the circumstances of trade depression, it has not been found possible for the Executive to

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guarantee enforcement of the rates fixed by Trade Boards, whether the rates were high or low. The inspectorate has been admittedly inadequate for the purpose.* This imperils the efficiency of Trade Board action. It has been felt both by the work-people and by the employers who are prepared to accept the decisions of the Boards, that they cannot be certain that the Trade Board really controls rates of wages in the trade. This lowers the authority and prestige of the Boards. Fortunately most of the employers are loyal to the Boards and to their Associations represented on the Boards. But good will unless supplemented by effective enforcement is not enough to guarantee that the Trade Board rates are made operative.

II.—Limits of Trade Board action.

(a) It should be understood that a Trade Board cannot fix or guarantee any minimum wage; it can only determine a minimum rate of wages. No trade and no Trade Board can guarantee the continuous work necessary to secure a wage, i.e., a rate multiplied by a number of hours constituting a normal working week.

(b) It should also be understood that while some more or less vague conception of a "standard of life" may be implied in determining a minimum rate of wages, a Trade Board is only indirectly concerned with securing a standard of life. Many elements other than wages go to constitute a standard of living. Wages form only one very important element. The maintenance of a standard of life requires a secure wage. A Trade Board can guarantee only a rate of wages, not a regular wage.

(c) If Trade Boards were invested with complete and specific power to raise the standard of living for the worker, then, in justice, legal means must also be devised to protect employers, to promote the interests of their trade, and to secure the interests of the consumer.

Responsibilities such as these seem to me beyond the scope of effective governmental action in this country.

(d) A minimum wage is only indirectly concerned with "efficiency" on the part of the worker. Efficiency is mainly a matter for the employer to determine. The Trade Board decision merely ensures that if a worker is employed, the worker shall not be paid at less than a certain rate.

(e) Trade Boards are primarily intended to ensure a minimum rate of wages. Trade Boards are therefore only indirectly concerned with standard rates of wages, that is, rates that are actually operative, e.g., for the ordinary or average worker in a given class of work, or for a specific amount or kind of piece-work.

III.—The minimum subsistence wage.

(a) Trade Board legislation undoubtedly finds its ultimate justification on the ground that the worker in a trade should not be paid for a full week's work less than a minimum subsistence wage, i.e., a wage sufficient to provide the necessities of life required by the worker in a civilised country at a given period of time, irrespective of the kind of work done.

(b) Such a minimum wage, however defined, is only valuable as a theoretical principle. The translation of the principle into the form of a definite amount of wages presents the gravest difficulties.

The practical questions are: (1) on what basis is it to be determined? (2) how is the amount to be arrived at by a Trade Board?

(c) As regards the basis, the following points seem to me important:—

(1) The minimum subsistence wage primarily concerns the family.

It concerns an individual only when and in so far as he or she has to live entirely independent of a family unit, or is self-supporting.

Many industries, e.g., textile industries, have developed from the family as the working unit. The large scale development of textile factories, especially in secluded or rural districts, has been made possible on the old basis that the earnings of certain workers—juveniles and females in particular—supplemented those of the head of the household, and were regarded as supplementary. They were not supposed to be adequate to maintain the individual worker (juvenile and female) in complete independence.

The minimum subsistence wage mainly concerns adults, not juveniles.

The wage should be different in the case of a man from that of a woman.

(2) I do not think it is possible to establish a single national minimum subsistence wage for adults, men or women. The cost of living, as well as the means of livelihood, differs in different parts of the country; and at the present time is changing from month to month.

A single national minimum wage would be either too low in some districts or too high in others.

When fixed nationally it would tend to stabilise prices, and keep up the cost of living.

It would be impossible, except in a somewhat arbitrary manner, to determine precisely what a minimum subsistence wage for the whole nation should be.

(3) The conditions of subsistence vary from trade to trade. They also vary from district to district, not merely as between urban districts, but as between town and country. It is possible to gather sufficient and relevant data for a fairly accurate estimate of the minimum subsistence wage required in a given district. It does not seem possible to do so for the whole country.

(d) As regards the method of determining the amount, there seem to me only two courses which a Trade Board could follow. One is to make a careful investigation by members of the Board into family budgets of workers in the trade. It need hardly be said that such a method could not be expected to lead to a solution. It would take an indefinite time: the data would be disputed and would be disputable: the investigators would not be sufficiently trained for the purpose. The second method is to take the amount of allowance paid by Government to the unemployed under the Unemployment Insurance Act, and put a percentage increase on this amount; the percentage might vary from trade to trade and be determined from year to year. This may be a feasible method of solving the problem. But it would hardly be possible to get the two sides to agree on the appropriate percentage, for different but equally strong reasons.

(e) Even if the amount of the minimum subsistence wage could be definitely found and determined by a Board, it would only be fixed as a wage limit. It would not be looked upon as a sound economic wage, even by most employers. The Board would then proceed to determine the general economic minimum rate of wages above this subsistence minimum; and thus the Board would have two rates, both general to the trade and both enforceable, but one higher than the other and displacing the lower rate in effect. In short, the subsistence minimum

* NOTE.—One of the Boards with which I am concerned covers 438 employers; the number of visits of inspection to firms made during the year ending June, 1921, was 24, and some of these visits were re-visits to the same firms. Under another Board there are 258 employers; during the year ending August, 1921, 44 visits of inspection were made, 26 of these being re-visits. In the case of another Board there are 3,385 firms concerned; during the year ending November, 1921, there were 57 visits of inspection made, 21 of these being re-visits.

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would for all practical purposes remain enforceable, but not operative except in extreme cases, or in unusually bad conditions of trade.

(f) It is impracticable therefore to start from a minimum subsistence rate of wages and build up other rates upon it as a bottom wage. It is best to look upon the subsistence minimum as a limit. The point at which the limit will be reached must be left to each Trade Board to determine. No exact sum can be fixed to correspond to this limit, without reference to the economic circumstances of the trade at a given time.

The minimum rates of wages with which a Trade Board deals should therefore be held to mean economic minimum rates. This seems in the best interests of both employers and workers.

IV.—Economic Minimum Rates.

(a) It was certainly the intention of the Amending Act of 1913 to give Trade Boards general powers to deal with the various kinds of rates in a trade. It is very desirable to retain these general powers, consistently with not interfering with the normal course of trade and the freedom of action of the employer. By doing so a Trade Board may prove a useful instrument for indirectly, though gradually, raising the standard of living of the worker, and for enabling workpeople to have an active share in regulating their industry. This kind of self-government in industry is in line with the natural development of free institutions in this country and with certain prominent tendencies in industrial life at the present time. All Trade Board action of this kind, however, is in its experimental stage; and if it is to be successful, it is necessary that it should not be carried out at the expense of the industrial prosperity of the country or at the expense of the employers, many of whom are at present struggling for existence.

(b) There can be no question that economic minimum rates must differ for each trade and can only be determined after discussion between the two sides of a Trade Board. Whether the rates should be national or district rates or both will depend on the trade. No clear principle can be laid down to govern all Boards in regard to this point.

One of the difficulties in working the Trade Board Acts is that they are applied to trades of such diverse character. Some trades produce solely for a home market, and in certain cases can fix a monopoly price, *e.g.*, the tobacco trade. The rates fixed by Boards covering such trades can be fairly high; and these high rates are quoted in argument at Trade Boards which deal with trades producing and competing under entirely different conditions.

If there is little or no foreign competition in a given trade, the Trade Board may be able to establish a high general economic minimum as long as the demand for the product is not seriously affected. If there is much foreign competition, any national economic minimum fixed will tend to be low. In the former case the effect of Trade Board action will be to raise the price to the consumer. In the latter case foreign competition is to advantage of the consumer. The general economic effects of Trade Board action in determining national minimum economic rates cannot yet be estimated. How important they are a few years of experience may show.

V.—The classes of economic rates.

(a) The economic minimum rates with which a Board is to be concerned should be clearly divided into two classes of rates: (1) the economic minimum rates (or "general minimum time rates") and overtime rates applicable to the *unskilled* and *semi-skilled* time-workers; and (2) all other rates.

The latter would naturally bear some relation to the former. The former should be the basal minimum economic rates for the trade.

It is on behalf of the workers who would come under (1) that the Trade Boards can in general do most service.

Obligatory and optional rates.

(b) The settlement and fixing of the first class of rates should be the only obligation statutorily imposed on a Board. It should be left entirely to the option of the Board to determine whether or not it will proceed to fix any of the rates coming under the second class.

Power of suspending optional rates.

(c) The first class of rates should remain effective and enforceable until varied in the usual way.

But power should be given to a Board with the consent of the Minister to suspend completely and forthwith the operation of any of the second class of rates for a period of time, without going through the procedure of varying these rates. This might prove of great value at a time of severe trade depression.

Methods of enforcement.

(d) The two classes of rates might differ in the manner of the enforcement of each class. The enforcement of the first class should be by penalty. It would probably be sufficient if an employer who had failed to pay rates of the second class, when fixed by a Board, were required by the Act to repay with interest the amount due to the worker, without any penalty in addition to the repayment of the sum due.

VI.—The settlement of optional rates.

(a) While the powers of the Boards concerning rates are at present partly obligatory and partly permissive, Boards have not drawn, probably for different reasons, any marked distinction in the exercise of their functions regarding rates. It would be an advantage in many respects if it were laid down either by Regulation or otherwise that the fixing of the second class of rates above referred to should be regarded as optional on a Board.

(b) The determination of the optional rates should be brought about by the method of conciliation or voluntary negotiation between the two sides, with such assistance as the appointed members might supply.

It has been too readily taken for granted, partly through want of experience of the effects of Trade Board action, that a Board, because it possesses the power to fix rates other than the general minimum time rate, should proceed to do so. Very many employers object to this being done. The success of an employer's undertakings depends, in most cases, on long contracts on definite terms. The power of a Trade Board to propose or vary at any time, *e.g.*, piece rates, is felt to be a disturbing influence in the employer's calculations so serious as to imperil security and continuity of trade. This is particularly the case at a time of trade depression such as we are now passing through, and is experienced with greater force in trades subject to strong foreign competition, such as the Linen and Jute textile trades.

On the other hand, the workers are certainly entitled to ask for the establishment of rates above the general minimum time rates; they are entitled, especially in times of good trade, to claim their share in the prosperity they help to create; and they are also justified in desiring to bring all classes of rates under the review of the Board.

There seems no reason why these different interests of the two sides of the Board should not be conserved if the settlement of piece-rates, etc., from time to time were left to voluntary arrangement under the auspices of the Board.

Joint Industrial Councils have satisfactorily arranged rates in this manner without any pressure from without. What can be done by Joint Industrial Councils can be done by a Trade Board if the proper spirit exists at the Board.

I am also of the opinion that settlement by conciliation and voluntary arrangement of these optional rates would, on the whole, be fairer both to workers and to employers. To workers, because they would be likely to receive better terms by this means than

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any other, and the rates when introduced would not be fixed at the cost of dismissing or de-grading workers. To employers, because a Trade Board can be set up whenever the Minister is "of opinion that no adequate machinery exists for the effective regulation of wages throughout the trade"; and thus employers, good and bad, may be brought under a Trade Board on account of an existing lack of organisation of the workers for which, as employers, they are not responsible. And even when "the rates prevailing in the trade" justify the Minister's order, it seems reasonable on the part of employers, especially employers paying generally good wages, to maintain that if a Trade Board is set up to fix compulsorily a general minimum time rate, it ought not to exercise similar compulsion in establishing optional rates above the general minimum time rate. There certainly seems broad justice in the employers' contention that they should not be induced to come under a Board for one purpose and then be compelled against their will to use the powers of the Acts for another purpose.

If optional rates were arranged in the manner suggested they could be made to suit more easily the exigencies and peculiar conditions of a trade; they could be brought in quickly, or varied rapidly and without so much friction as at present; they could be established in certain districts and not in others, or they could be general for the whole trade, as circumstances made possible; and they could be enforced while they lasted on the whole trade or such parts of the trade as might be affected by them. The enforcement of these rates would be less difficult because of the voluntary manner in which they were arranged.

VII.—District Committees:

(a) In connection with the Boards with which I am concerned, there has been no operation of District Committees in determining rates. Both employers and workers have in general been against District Committees.

I think more use should be made of District Committees for determining rates, especially the higher rates. They would enable the Boards to keep more closely in touch with local interests and local trade conditions, and thus to deal more effectively with all aspects of the trade; they could deal more fairly with the smaller, the non-associated and rural employers; they could take account of different kinds of machinery and forms of management which affect both the production of the employer and the earnings of the worker; they would enable the workers in the more prosperous districts to reap advantage from the prosperity they help to create; and they would recognise, without neutralising, the important factor of competition between districts engaged in the same trade.

The failure to use District Committees is often a danger to the small or non-associated employers; and it is not the business of a Trade Board to destroy the small employer, since the Board exists for the trade, not the trade for the Board.

(b) The fixing of uniform rates for the whole trade regardless of district interests operates in two ways. They may be fixed either too high or too low. A rate may be too high for the small employer and the small districts, and may be made high by the larger and associated employers simply to crush out the smaller employer. It may again be fixed low enough to suit the small employer and low paid districts. But while in appearance this may be intended to benefit the small employer, in reality it benefits the large employer still more; for it gives him the advantage in trade competition and sacrifices his workpeople to the interests of the small employer. In both cases, therefore, the large employers reap the main advantage from the uniform rate fixed for the whole trade regardless of districts.

Where Boards are reluctant to use District Committees there should be a greater representation of separate districts on the Boards.

(c) The powers of the District Committees under the present Acts are at once too great and too small. When set up, no vital decision taken by a Board regarding rates can be enacted without first being sent down to a District Committee. This makes the operation of the Board with District Committees cumbersome, slow and expensive. District Committees, again, can take no decision regarding rates without sending them to the Board for consideration. It would be better if District Committees were given relatively complete power over the rates and other matters in their own particular districts.

The Board could then be allowed to act for the trade as a whole without constant reference of its decisions to the District Committees.

VIII.—The process of settling the rates at the Board.

(a) In actual practice, in my experience, Trade Boards settle minimum rates in different ways. A general minimum time rate is arranged in one way, a piece work basis time rate in another, a piece rate in another.

Taking first the general minimum time rate. The workers' side of the Board proposes a high rate, generally a higher rate than they can possibly expect to be established. The employers' side proposes a low rate, generally lower than they expect will be accepted. After discussion, and usually at the instance of the appointed members, a certain amount of information, more or less extensive and more or less reliable, is produced regarding rates actually paid in the trade, pre-war rates, rates paid in allied trades, rates in other trades, cost of living, and the effect of a high rate on the state of trade. Neither side may be much convinced by the arguments of the other side. The appointed members may then intervene and discuss with each side separately. They make up their minds in the light of all the evidence as to what they consider approximately a fair rate, and by argument and discussion endeavour to bring the two sides to agreement on this rate. The agreement may be made willingly; it may be made unwillingly by one side giving way to the pressure of the appointed members. If there is no agreement reached by this process, the difference between the two sides will, in general, at this stage have been reduced to a small amount. At this stage representatives of the two sides may come together to see if they cannot agree by themselves, apart from the appointed members. This attempt seldom succeeds. If disagreement remains, the matter then comes to the vote, the decision lying with the appointed members.

The success of this process and the fairness of the result will depend very largely on the amount of information placed by the two sides before the appointed members, either at the Board or by each side separately. So far I have not always found sufficient confidence and frankness between the two sides to induce each side to lay before the other all the information that could be wished. Perhaps increased experience of working together for the same ends may remove this serious defect. To some extent the failure to give information is due to one or both sides not possessing the information; to some extent it is due to the feeling that one side distrusts the statements of the other, or that statements made will not remove long-standing prejudices.

(b) It is sometimes objected to the procedure of settling the general minimum time rate in this way that it is not "scientific" and not sufficiently well informed to justify legislative enactment. This objection appears to me impractical and unreasonable; and it is generally made by a doctrinaire member of a Board who, in apparent zeal for a perfectly accurate decision, in reality seeks to postpone or prevent any decision at all. In point of fact there is only one way in practice of settling a time-worker's wages and that is by bargaining. There is no "scientific" procedure adopted in such cases in ordinary life. No employer would allow a prospective employee to examine his books before accepting the wage offered; and no employee would allow

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prospective employer to examine minutely into his or her weekly budget of expenses before coming to terms. On a Trade Board one side acts as a collective employer bargaining with the other side as a collective worker.

(c) As regards the piece-work basis time-rate, this is in general determined by reference to the general minimum time-rate. The settling of it causes less difficulty as a rule. It is generally agreed to be a certain amount above the general minimum time-rate, anything from 1d. to 1s., according to the trade and the rates for piece-work generally prevailing.

(d) In the case of piece rates, these are, as a rule, more easily arranged still. The rates actually paid are used as a basis; adjustments may be made in the light of the general minimum time rate, and the scale can then be determined arithmetically. In one of my Boards comprehensive scales of piece rates were worked out by the two sides independently of the Board and without any assistance from the appointed members. Nothing could be better for the harmonious working of the Board than successful co-operation of this kind outside the Board.

IX.—Enforcement of rates by the Minister.

(a) All Trade Board rates having the sanction of the whole Board and the approval of the Minister should be enforced. The main difference between a voluntary body fixing rates and a body set up statutorily to fix rates, consists in the absence in the one case and the presence in the other of the power to enforce its decisions. To fix a Trade Board rate and not enforce it is tantamount to admitting that the rate is optional for the employer to pay and for the worker to claim.

If the decision of the Board regarding a rate is not to have full legislative effect, it would be better, both for the sake of the trade, for the sake of workers and employers, and for the legislative authority of the Board, that the rate should not be fixed at all.

(b) There can be no doubt that the Board would insist on the enforcement of the minimum economic rate (the "general minimum time rate").

It seems equally clear that employers would not be parties to fixing voluntarily optional rates by a Board unless they had the assurance that they would be enforced. For enforcement in the case of a Trade Board rate is the only method at their disposal for ensuring that the rate becomes universal in the trade. In a Joint Industrial Council the compact organisation of each side of the Council is the guarantee that the rate fixed will be practically universal in the trade. The assumption in the case of a Trade Board is that there is not complete and adequate organisation on each side. Enforcement is the instrument in the case of a Trade Board for securing what complete organisation can secure in the case of a Joint Industrial Council. It is, therefore, the necessary corollary of Trade Board legislation.

(c) The enforcement of rates is ultimately in the hands of the Minister, and should remain so. It is in every way better that this should be carried out by a single authority than that it should be left to the separate Boards to initiate and execute enforcement each in its own way. But much more could be done by each Board in securing enforcement than is done at present.

Full advantage is not taken of Clause 10 of the principal Act, which gives a Board power to receive and to consider complaints of failure to pay rates. The Boards' powers might well be extended to investigating into the payment of rates, e.g., by an approved chartered accountant. The fact that the Board could exercise such powers, and the publicity which such procedure would entail, would indirectly act as a check on non-payment; and at the same time the Boards would give great assistance to the Minister in carrying out this very important function of enforcement.

A Trade Board assumes that workers are capable of making use of the resources of the Trade Boards Acts. And it is obviously in their interest to notify any failure to pay rates.

X.—The Minister's confirmation of rates. The shortening of the period.

The Minister must retain the power to sanction or hold up proposed rates, since ultimately he is responsible to Parliament for enforcing the rates fixed.

(a) Where a proposed rate has been arrived at by agreement or substantial unanimity on the part of a Board, the Minister should be prepared to give his consent at once; and all objections to the proposed rate should be considered and the rate finally disposed of by the Board within a month.

To expedite proceedings and to avoid expense in convening the Board for the purpose of fixing the proposed rate, it should be in the power of a Board, in such cases, if it thought fit, to hand over the consideration of objections and the fixing of the rate to a Committee.

(b) Where a proposed rate has been arrived at by the decisive vote of the appointed members or with the reluctant assent of one side of a Board, it should be in the power of the Board to recommend to the Minister that the period for receiving objections should be one month, and that the interval of time between the publication of the proposal and the fixation (or variation, as the case may be) of the rate should be extended to a period not exceeding two months.

(c) In no case should there elapse a longer period than two months between the proposal and the final decision of the Board regarding a rate. The period should, in the interests of all concerned, be as short as possible. The period at present allowed has proved too long, and a most serious objection to the present Acts. It would be a great advantage if a rate were in operation two months after the proposal.

(d) Where an agreed alteration has been made by a Board in a notice of proposal, this should be accepted by the Minister without requiring a new notice of proposal, even when the alteration is substantial. The delay incurred by a new proposal being required where an alteration is substantial, regardless of whether it is an agreed alteration or not, is felt to be a hindrance and not an assistance to the easy working of a Board. It may be taken for granted that where both sides of a Board agree to the alteration, such alteration is in the best interests of trade, assuming that in other respects it is technically correct.

(e) While it is desirable to have the terms of the Board's decisions as legally accurate as possible, it seems unnecessary to cause delay in confirming them because of meticulous legal technicalities, which are not appreciated by laymen. A certain amount of risk might be taken, and difficulties might be met if and as they occurred in experience. More harm may be done to the trade as a whole by delay in confirming than would occur if a loophole of escape were discovered by one or two employers.

XI.—Posting of Notices of Rates.

The present method adopted for notifying rates, proposed or fixed, to the workers in a trade seems to me unsatisfactory and ineffective for its purpose. The notice is posted, let us say, at a part of the works where all the workers are likely to see it. This will naturally be where all the workers pass on their way to and from their work. But this gives no reasonable chance to the workers to examine this important notice, which is posted up especially in their interest.

(1) Workers may not have the time to read it; they cannot be expected to come to work earlier than is required, nor to stay in the works longer than is necessary. (2) There may be hundreds of workers in the works; if they try to inspect the notice entering or leaving the works the way becomes blocked.

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(3) The notice contains sometimes hundreds or even thousands of rates, which it is impossible to read through in a short time. (4) The notice sometimes contains clauses which only a well-trained intellect can clearly grasp, even after careful perusal. (5) The notices are frequently changed.

The employer is required under penalty to post the notices in a conspicuous and convenient place. It seems unsatisfactory to penalise an employer for not doing what, when done, is of so little service to those whom it may concern.

I would suggest (1) that the notice, if a small one, or the relevant parts of a notice if the notice be a large one, should be posted up inside each work-room; and (2) that off-prints of all notices containing the fixed rates should be on sale to the workers at the Labour Exchanges for a small charge to cover cost of paper.

XII.—Appointed Members.

(a) The usefulness of appointed members has in my experience been generally recognised by the Boards, as a means of resolving a deadlock; as impartial critics and judges of the arguments between the two sides, thus compelling each side to take a detached view of its own interests; as agents for interpreting one side to the other; as conciliators mediating between the two sides; and in certain cases as quasi-arbitrators between the sides.

Objection has sometimes been taken to them mainly, indeed solely, on the ground that they do not know the trade intimately or sufficiently. This knowledge is a matter of degree, and the defect in knowledge can be removed to the extent that the Appointed Members desire and the employers and workers make possible. As a rule there is not much difficulty in acquiring as much knowledge of the trade as is adequate to understand the discussion and the main points at issue. Appointed members, in my experience, regard it as a duty to become directly acquainted with technical matters which are under discussion. It is the duty and in the power of the two sides to give as much information as possible regarding the trade to the Appointed Members. The Board does not deal with the technicalities of the trade except as these concern wages and working conditions. In many cases the Appointed Members have proved more desirous of obtaining knowledge of the details of the trade than employers or workers have been willing or sometimes able to supply.

The more detached the Appointed Members are the better for their own position, especially in the case where the two sides of the Board are relatively or greatly antagonistic to one another. In such cases I should imagine that if an Appointed Member were an employer from within the trade he would find his position untenable; and an employer from outside the trade would not be generally acceptable on the ground that he was an employer in another trade, and most trades are closely interlocked.

(b) In my experience I have not found great importance in having three Appointed Members for all Boards. In some Boards one might prove sufficient to attend a meeting, the vice-chairman being in reserve. In others, two would be adequate if the chairman had a casting as well as a participating vote. While consultation and advice are at times useful, there are also times when considerable difficulty may arise in securing agreement between two Appointed Members where only two are present; and risk of a deadlock is then incurred.

(c) It seems obviously essential that the Appointed Members should have powers of voting on all questions, otherwise their usefulness on the Board would be very greatly curtailed.

(d) I think the Minister should rightly keep in his own hands the appointment of the Appointed Members. If the Boards were formed by spontaneous agreement or consent on the part of both sides, they might, with the consent of the Minister, be allowed to choose their own chairman and vice-chairman

from among themselves or otherwise. But since in general the Minister decides to form a Board on his own responsibility, and it is the main business of the appointed Members to see that the Boards function properly according to the Acts, for the administration of which the Minister is responsible to Parliament, the Appointed Members should be selected by himself independently of the two sides of the Board. This gives the Appointed Members the necessary support of the Minister, the independence which they require, and the detachment from the interests of either side which both sides would in general desire.

(e) It would be useful both to a Board and to the Minister if the chairman were to communicate with the Minister at the time of renomination of members to a Board. For example, the Minister has it in his power to remove a member on the ground that he is "incapable." But there is no procedure at present used by the Minister to determine whether any member is "incapable" or to indicate what the term means as applied to a member.

XIII.—Juveniles.

The Boards with which I have been connected have done little as yet on behalf of juveniles beyond fixing rates. But apprenticeship schemes have been under consideration; and more may be done in the interest of juveniles as the work of the Boards develops and trade becomes more prosperous. It is one of the few subjects on which both sides of a Board, otherwise in opposition to one another, are generally in agreement.

Whether the rates of juveniles are fixed on an age basis or on an experience basis, depends partly on the custom of the trade, partly on whether the rates are time rates or piece rates, and partly on whether the Board decides to fix rates on an age basis or by reference to the work done. It is in the power of a Board to adopt whichever basis it chooses.

Certain of the Boards in my experience have agreed to fix rates in terms of age, in spite of the custom of the trade having long been to fix rates by reference to the work done. It is possible that they may see their way to revert to the hitherto prevalent custom of the trade. Probably if work or experience is taken as the basis of the rate, there would be less chance of replacing adults (or older boys and girls) by juveniles (or younger boys and girls) when the rates for adults (or the older boys and girls) are considered by certain employers to be too high. This would be an advantage; for the interests of the adult should come before those of the juvenile, and it is most unfortunate if the effect of a rate fixed by the Board is the displacement or the dismissal of the adult worker.

When rates are fixed in terms of age and the work is semi-skilled or skilled, it is always in the power of a Board to fix a lower rate for a learner. Hence when a worker starts at, say, 17 years, it is not necessary to pay the rate appropriate to that age until after a period of time which can be determined by the Board.

XIV.—The Personal Relations between the two sides of the Trade Board.

(a) Whether a Board is established against the strong disinclination of one side, or whether the employers and workers in a trade have long been in open or secret hostility to one another, the effect of the institution of a Board has been, on the whole, in my experience, beneficial to the two sides. I have known the two sides of a Board begin operations in sheer conflict and after a time enter into satisfactory co-operation. Undoubtedly distrust and suspicion generated by long standing antagonism of interests, for which one side is sometimes more responsible than the other, form the main difficulty in the way of industrial co-operation. Open discussion at a Board in the presence of disinterested and independent persons appointed by the Minister, generally enables each side to appreciate the merits and to tolerate the defects of the other, and to cultivate a

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relatively impartial attitude on matters of vital concern to each side. The Appointed Members are also able, directly or indirectly, to tone down exaggerations, restrain incipient bitterness and interpret each side to the other in a manner which facilitates the cultivation of good feeling. All this forms part of the development of the sense of industrial partnership, which is one of the main objects of the existence of Trade Boards. Even where the result is only a very partial success as yet, it is at least a beginning of a better understanding, and more than could be accomplished if the two sides were left to independent action under the influence of long standing prejudices and unforgotten grievances.

With some Boards the success attained in this direction is greater than in others. It would not be too much to say that the entire success of Trade Boards depends on the personnel of the Board. Some people are capable of team work; others, both employers and workers, are incapable. Some see their advantage in removing hostility; others will cultivate hostility at the expense of their advantage. These matters are quite incalculable. Too much stress, therefore, cannot be laid on the importance of carefully choosing, as representatives of each side, persons who will be able and willing to work for the success of a Board and not for its failure.

There is no doubt that the effect of a Trade Board is to give the workers a degree of orderly control and direction in the affairs of their trade which they would not otherwise possess, and which, I think, they, on the whole appreciate. Only time will show whether they can take the full measure of their responsibilities and opportunities.

(b) There is a danger that the effect of Trade Board action may be to destroy or lessen the intimate and often friendly personal relationship which has hitherto existed between an individual employer and his workpeople. This relationship is very valuable not only for successful management but for the production of good work. It is a great asset for a good business, and in certain cases is a valued and important heritage from the past. It would be a serious misfortune if Trade Boards disturbed or imperilled such relationships either by making the employer feel that the care of his own workpeople is taken out of his hands, or by making the workpeople feel that they can no longer depend on their employer's personal interest in them, and that an impersonal instrument like a Trade Board has taken the place of personal loyalty to their employer. Certain employers undoubtedly look with apprehension upon Trade Boards on this ground, and perhaps with some justification. It is not necessary to do more than refer to the matter. The Boards have not yet operated long enough to enable us to say how far this fear is well-founded. But apprehension of this kind might be removed, and it would otherwise be to the general advantage, if there were as complete a representation as possible on the Trade Boards of workers from different districts actually engaged in the trade.

XV.—Suggested extension of Powers of Trade Boards.

I would suggest that the powers of Trade Boards should include those of investigating into and arbitrating in industrial disputes. All trade disputes, as well as all difficulties and differences between employers and employed, should be settled through or under the auspices of the Trade Board. A Trade Board should be given powers to institute an enquiry, by means of a committee appointed for the purpose, whenever a dispute or the prospect of a dispute emerges between an employer and his workpeople, or between the employers of a district and the workers of that district, in the trade coming under the Board. Such a committee should have power to call for evidence and go fully into all details, and report the result to the Board. The Board should be given powers (a) to appoint from its

own members, or from outside the Board, a conciliator or arbitrator to deal with the dispute; or (b) to refer the matter to the Minister of Labour for settlement, as may be found most suitable and agreeable to the parties concerned.

It might be found desirable to establish as a permanent part of the machinery of Trade Boards, some person or persons (a) to undertake systematic enquiries when disputes of the kind above mentioned occur in the case of all trades coming under Trade Boards, and (b) to conciliate or arbitrate in such cases. It would, however, be also an advantage if each Trade Board were on occasion to act as the arbitration and conciliation tribunal for the trade with which it deals. For it is always a great advantage when a trade dispute is considered and settled at once by those directly concerned in the trade. Such a function as that indicated would be a valuable extension of the powers of a Trade Board and would, I think, have the best results on the operations of the Board.

It seems to me highly probable that, when trade again becomes normally prosperous, there will be much need for some machinery of the above kind to allay or prevent disputes in trades coming under Trade Boards.

XVI.—Replacement of the present Acts by a single Act.

In conclusion I would strongly urge that the present Acts of 1909 and 1918 should be replaced by a single Act covering all the operations and powers of Trade Boards. It should contain whatever is of importance in the present two Acts as well as such modifications of the present Acts and such further additions to these Acts as experience, in the way already indicated, has shown to be desirable in the interests of the success of Trade Boards in the immediate future.

The existence of the Amending Act of 1918 alongside the Act of 1909 has been an unnecessary obstacle to the smooth working of the Boards. Legislation by reference makes interpretation cumbersome; for the layman it is apt to be bewildering as well as inconvenient. More especially is this the case where both in volume and significance the Amending Act of 1918 is the more important of the two. The Trade Boards are in effect the accepted agents of the legislature; and it is essential that those constituting the Boards should be able to see clearly for themselves what the law is which they are asked to administer. The representatives on the Boards are laymen who have neither the time nor always the patience to unravel a tangled skein of clauses and weave together the retained, the new, and the amended sections which are at present scattered over two separate Acts. They should be enabled to grasp as easily as possible the whole conspectus of the functions and objects of the Trade Boards.

11,740. *Chairman:* You are the Chairman of the Jute Board, I think, and also of the Flax and Hemp Board?—Yes, I am Chairman of those Boards, and also of the Aerated Waters Board in Scotland, and of the Linen and Cotton Handkerchief and Piece Goods Trade Board.

11,741. You have put in a statement, and you deal first with the point that "minimum wage" should not be an ambiguous term, and you say, I believe with truth, that a good deal of uncertainty has arisen in the working of the Acts owing to the fact that the term "minimum wage" or "minimum time rate" is not defined. You say it may bear any one of three meanings, first the minimum subsistence rate. That means the lowest sum upon which a man can keep himself at the time, is it?—That is one meaning, yes. There are other meanings besides these three which I mention, as you will notice. It is a very ambiguous term, the term "minimum rate." I mentioned these three specifically because they came into prominence in connection with the Boards with which I am dealing. That was my main reason for putting these three in here.

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11,742. The second one is what you call the minimum economic rate. That, I gather, is the lowest rate which the trade can bear?

11,743. *Mr. Bell*: Should not that word be "highest" instead of "lowest"?—Well, no, I mean just exactly what I say there; I mean the lowest rate which the employers say on a given occasion at a Board they can afford to pay.

11,744. *Mr. Layton*: The highest rate for the lowest grade of worker?—Yes.

11,745. *Mr. Bell*: They contend that it is the highest rate they can afford to pay?—To the lowest grade of worker. Of course, as a matter of fact they do pay in all cases rates higher than what they would regard as the minimum economic rate. But they say, taking the trade as a whole and looking at the lowest grade of worker, "We cannot afford to pay more than this." I quite see your point; you might say that from one point of view it might be looked upon as the highest rate for the lowest grade of worker; but that is the meaning I put upon it here.

11,746. *Chairman*: Your third meaning is the standard rate paid to the average low-grade worker?—Yes, that is how I have found it work out; the standard to the average low-grade worker. I admit that in all these meanings there is a certain amount of room for ambiguity and difficulty, but I try to make them as clear as I can, and as they appeared to us on the various Boards with which I have to deal.

11,747. Some of the rates are a combination of (1) and (2)?—Yes, as I go on to point out.

11,748. It may be a subsistence rate, but having regard to what the trade can bear?—That is so.

11,749. I do not suppose you have thought out a definition which might be made statutory of "minimum rate"?—In which sense?

11,750. Well, general minimum rates which Trade Boards have power to fix; general minimum time rates?—Well, one has an idea in one's mind, but one hesitates to put it into words, partly because it might lead to further difficulties, and one would be almost certainly introducing a term which would require further explanation; and partly because one is not perfectly certain that the definition one would give at a Board would satisfy all the members of a Board. But if your point is to ask me what, independently of any Board, the minimum rate might be taken to mean, that is another question. I am not perfectly certain whether you mean that.

11,751. Well, I have been trying myself, and that is why I ask you the question, to find terms in which the expression "general minimum time rate" might be defined for the purpose of these Acts; that is, some expression which would give a guidance to the Trade Boards as to what they are to do when they fix a general minimum time rate.—Well, I do not think the word "general" would require definition, would it? That is defined in the Act. "General" means there as applying to any special class of workers, any kind of work that is mentioned specifically in the Act of 1918. You will find it under Clause 3 in the last paragraph of sub-section 1. That is what is meant by "general." With regard to "minimum"—well, I think it just means the lowest, of course, but lowest in the sense that it is the rate which the employers are prepared to pay to the average competent worker in that class of work to which the rate applies. Does that make matters any clearer? The average worker in that class of work to which the rate applies; employers are prepared to say that a worker—take, for example, the jute spinners—a worker working a certain number of bobbins of a certain size, and doing that to the satisfaction of the employer, is entitled to such and such a rate. The rate is determined by reference to the average worker and what the employer considers would be for him a rate which would enable him to secure a certain amount of profit out of the product. It is a minimum with reference to the average worker doing that class of work in his trade.

11,752. If I had a criticism to make it would be with reference to your expression "which the employer is prepared to pay." Of course, what the Board has to do is to fix what the employer must pay.—Yes; but in my experience it is impossible to say that the employer must pay such and such a rate if, as a matter of fact, in the circumstances of his trade he finds he cannot pay it. It seems to me there are two sides to a bargain, and the employer's side is one side as well as that of the employee.

11,753. In other words, the Board must have regard both to the cost of subsistence and to what the trade can bear?—Yes, and the question of emphasis on one or other of these will depend upon circumstances. If the trade is in such and such a position and the employer says: "I cannot afford to carry on if I am compelled to pay these rates," then you will have to modify what you considered the minimum rate accordingly. If, however, trade is prosperous, he can afford to pay more, and you lay emphasis on the side of the employee. It is all a question of the circumstances of the trade at a given time.

11,754. *Mr. Pugh*: But you could hardly include in a definition, could you, what the employer is prepared to pay, having regard to the fact that you have now got Trade Boards to deal with the situation which arose from a condition of things where the employer had a right to say what he would pay and what he would not?—Yes, but then you have a Board in which both sides are represented, have you not, and you say to that Board: "You must fix such and such a rate." You do not say it to one side; you say it to the whole Board, and therefore what the employer says he can pay has to be brought into account as to what the Board is to do.

11,755. Not as a matter of definition; as a matter of bargaining?—I do not see how you can leave that out if bargaining is part of the process of determining a rate. Therefore, in determining the minimum rate you must have some regard to that fact.

11,756. Where there was strong organisation on the workmen's side, they could press the employer to pay the maximum he was able to pay, whereas in unorganised trades you could not exercise that pressure, and therefore would your definition be equitable where there was not sufficient organisation?—But it seems to me that you secure collective organisation bargaining through the Board, and it is there that the question of "must" and what the employer "can" pay comes into operation, is it not? In the case of a Trade Board you have a certain amount of collective bargaining on both sides: pressure is brought to bear by the workers as a collective whole on the employers as a collective whole, and that performs the function, to a certain extent, of a strongly organised trade union outside a Trade Board. Is not that so?

11,757. Yes, but even so, would it not lead to grave misunderstanding if you were to include in the definition those words "what the employer is prepared to pay"?—I am afraid I cannot see in ordinary commonsense and justice that you can leave out of account the conception of what the employer is prepared to pay. Whether you use the word "can" or "is prepared" seems to me a matter of words, but you must use one or other. You cannot say to an employer, "Independently of what you consider the circumstances of your trade to be"—I mean, you cannot say to all employers; it is not a particular employer, of course—you cannot say to all employers in a given trade: "Independently of what you consider the circumstances to be, you must pay this."

11,758. *Mrs. Lyttelton*: Would you not be prepared to say, "That was necessary as regards a subsistence rate"?—Well, I have tried to indicate that, while the subsistence rate is important, the precise meaning of a subsistence rate in terms of money is extremely difficult to define. It seems to me a theoretical limit; it is not a practical proposition in my view. It is a theoretical limit, no doubt, which both sides may have in their minds, both employers and employees; but it does not seem

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to me to be possible to take such a theoretical conception in the abstract and say, "Now, the money equivalent of this at a given time is so-and-so." *Mrs. Lyttelton*: No, it could not be universal, but surely it should be local.

11,759. *Mr. Bell*: May I ask if in your experience of Trade Boards and meeting employers there, it has been usual for employers on Trade Boards to admit that they could pay a higher rate?—Oh, yes, in certain instances; but they have to take into account the possibilities of trading at such and such a rate, the prospects of trade, and so on. They have to take that into account, and they say: "Well, we may be able to pay now a higher rate; we do not know what the trade is going to be, but we can safely risk such and such a rate."

11,760. *Chairman*: As a minimum?—As a minimum. As you are perfectly well aware, there is an enormous amount of risk, particularly in certain trades. I am thinking just now of the jute trade and the flax trade. It is a very risky trade and largely speculative, and the question of what they can afford to pay is largely a question of calculating on the future, and they might say: "Well, as circumstances are at present, we could afford to pay such and such a rate, but we do not think it would be wise for the Board to fix that rate."

11,761. *Mr. Bell*: But do you not think it was the intention of the Act, when passed, to say to employers under certain circumstances: "You must pay at least a living wage"?—I think I see a little ambiguity here, and just before I answer that question I should like to say this. The word "must" is being used in two senses in the discussion; the one is the "must" as applied to the whole body of employers; and the other is the "must" as applied to a particular employer. Now in a certain sense you cannot say to the whole body of employers: "You must do so," because they themselves are parties to the consideration of the question of what the rate is to be; is not that so? On the Board a certain section of the Board, about one-half of the Board, consists of employers. You cannot say, "In the name of this Board you employers must fix so-and-so," because they themselves are a party to the arrangement; but you can say, having fixed such and such a rate, to a particular employer: "You must pay so-and-so; the Board has fixed it." Do you see my distinction?

11,762. Yes.—Well, bearing that in mind (and it is important from my point of view to bear it in mind), your precise question is—

11,763. I am bearing this in mind, that when the Trade Boards Acts came into operation at the commencement they came into operation because wages in certain industries were admitted, though perhaps not by the employers in those industries, to be too low; in fact, were described as sweating wages?—In certain cases.

11,764. The Trade Boards Acts were brought into operation, I think you will agree, in order to improve the wages, so that the employers in those industries were told by the very passing of the Acts that they must improve their rates of wages?—That is so, in the 1909 Act.

11,765. Whatever their opinion was the very passing of the Acts practically gave them to understand that wages in their industries must be improved?—Quite; that is the 1909 Act you are referring to; sweating industries, yes; and that was generally agreed to by the employers as a whole, was it not?

Mr. Bell: I would not say as a whole.

11,766. *Chairman*: We probably shall not get further on the question of definition. You point out next the difficulty caused by the uncertainty in the enforcement of rates, and you say that it might happen in a time of trade depression that the Trade Board rate, the rate fixed by the Board, was one which the employers were not willing to pay, and which the workers themselves did not desire to insist upon?—Well, that they are prepared to take less; that is what I have suggested.

11,767. That, of course, causes discontent with the whole Trade Board system?—Yes.

11,768. And there is also the point that if the rate is not enforced the reputation of the whole system suffers?—I agree.

11,769. You say that the Board cannot guarantee the minimum wage; it can only fix the wage?—A rate of wages.

Chairman: Yes, a rate of wages.

11,770. *Mr. Layton*: Might I ask a question on the top paragraph of page 2? You say that workers have been found willing to accept rates lower than those fixed by the Trade Boards?—Yes.

11,771. Thereby showing that the Trade Board had fixed something above the subsistence level; does that follow?—That the rates fixed by the Board were above the subsistence level; well, I should think in their opinion it did show that.

11,772. Is it not possible that in an acute crisis workpeople may be willing to accept a wage rate—let me put it in this way—which might keep them in food for the time being, but would obviously not carry what we should call in an industry overhead charges, which would not pay rent and maintain their standard, and therefore that that would be below anything that you could define as a subsistence level?—Well, that introduces an extremely difficult problem. I do not know how you can possibly determine first of all the theoretical individual you have in mind who is to subsist, and requires to subsist at such-and-such a wage; in the second place it seems to me that it is very difficult to determine how much a human being is prepared to do without in order to carry on at all.

11,773. Yes, but might I interrupt a moment; you use the phrase here "subsistence level"?—The word "subsistence" varies in meaning according to circumstances. Surely it is the economic equivalent of mere living. Now a person can live at all sorts of levels; he can live just short of dying.

11,774. But it does not seem to me to carry us very much further if you say that any wage which a person under any conceivable circumstances might be prepared to accept must be above the subsistence level, nor to follow that the wage is above the subsistence level because he accepts it. I understand you to say that the fact that he accepts it proves it to be above the subsistence level?—If you take the word "subsistence" in some definite theoretical sense, I quite agree with you, but I should find it difficult to do that in face of actual facts. What precisely a person can live on is very difficult to determine or define. What I meant was wages being what they were as fixed by the Board, the fact that certain employees were prepared under certain circumstances to take less proved that they could exist so far as they were concerned for a certain time on less. That is all I mean.

11,775. That seems to me to knock the content out of the term "subsistence level"?—As I say, it is extremely difficult to tell what "subsistence" means, and how you are to arrive at it theoretically. It is a practical question all along, and it seems to me that the operation of the Trade Boards Acts must proceed on that assumption. It is for the employees to determine, along with the employers, what they are going to regard as subsistence for them. From one point of view, almost any rate that you would fix by the Trade Boards would be regarded in certain quarters as not a subsistence level, but for the workers concerned it is looked upon as a subsistence level, and all I mean by this statement here is that they were prepared to take less—it may have been only a shilling or two—and that from my point of view indicates that they considered the rate fixed by the Trade Board as one which was, in the circumstances, slightly higher than they were prepared to accept.

11,776. *Mr. Pugh*: Does that mean all the workers' side of the Board, or a small section?—Oh, I distinguish clearly between what the Board has fixed and what a certain section in a particular part of the country were prepared to accept and indicated that they were prepared to accept.

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11,777. You are not arguing, are you, that because a small section of workers coming within the purview of a Board in a particular part of the country were prepared to accept, that in itself is sufficient reason for the Board fixing a rate?—No, no; that is not my point.

11,778. *Chairman*: I think in this discussion we have travelled more or less over the first few pages of your statement, and the first point on which I want to question you is on the economic minimum rates. I do not know whether anybody has anything to ask on pages 3 and 4. On page 6 you distinguish between the two classes of minimum rates: first the economic minimum rates and overtime rates applicable to the unskilled and semi-skilled time workers, and secondly all other rates. Those latter I think you refer to afterwards as optional rates?—That is so.

11,779. That is because you think that the fixing of the first kind of rate, the general minimum time rate, should be compulsory on a Board?—That is so.

11,780. And the fixing of the other rates should be optional?—That is my view.

11,781. I think you go further, and suggest that the second kind of rate, the optional rate, should be fixed by agreement on the Board?—As complete agreement as the Trade Board procedure will admit.

11,782. That means, I suppose, by agreement on both sides, without the determining voice of the appointed members?—Yes, but not necessarily without their assistance. They can, of course, discuss the position between the two sides; they might use arguments inducing one side to enter into free and voluntary conference with the other; but my idea is to suggest that the two sides together should arrange the rates, as in the case of one of my Boards has been done, and, in fact, in the case of more than one of my Boards, without any trouble at all.

11,783. That is, you would make the Board a kind of Whitley Council as regards all the optional rates?—As regards the optional rates, as nearly approximating as possible to a Whitley Council. I think that would get rid of a good many difficulties.

11,784. Why do you think that is desirable?—In the first place, if you will turn to the Act of 1918 you will find that the term "general minimum time rate" is to be fixed for time workers in any particular trade; regardless of whether the worker engaged on time work is skilled or unskilled; I think that is so, and in fact that is the way we have proceeded. Now, it seems to me important, in view of what the Trade Boards Act of 1909 laid down, and in view also of what I have found to be suggested in the Parliamentary Debate on the 1918 Act, namely, that the promoters bad in view the low-paid workers—that from those two considerations, and from many others, the kind of person to keep in view in the operation of the Trade Boards Acts is the unskilled or semi-skilled worker. If we can secure for that class of worker what is approximately—using the word in its undefined sense—a subsistence wage or an economic minimum wage, I think the Trade Boards have satisfied what is their primary purpose and intention. I say primary purpose and intention, not all that they might do, but all that they can be compelled to do, because we must have regard to the low rates paid to the skilled and the semi-skilled, and these are the people who most need protection. In a certain sense, I agree, there are difficulties, and I agree that in certain circumstances I should have to qualify my statement; but in general it is true to say that the piece-workers can pretty well take care of themselves, more particularly in good times. The piece-workers are in most trades what we might call the aristocracy of labour.

11,785. You would not apply that to the home-worker in certain trades?—Oh, no. I say I should make an exception in certain cases. It seems to me the person to think of primarily in a Trade Board is the unskilled or semi-skilled worker; get his wage as the bottom wage in the trade, and you have not only secured his interest, but you have also guaranteed indirectly that the rates of skilled

workers shall not fall below the rates of the unskilled—indirectly; and it is done in the Act here by saying that the piece rate, for example, shall work out at not less than the general minimum time rate. It does seem to me important to confine the fixing of the general minimum time rate to the unskilled and semi-skilled worker as the primary obligation of the Board. Once that is done, you have, strictly speaking, determined that any rates fixed later on by agreement or otherwise in the Board shall bear a certain relation to the rate fixed by the Board as the unskilled rate; so that you do not do any harm to the skilled worker by this process, only you say as regards the special rates, skilled rates and so on, owing to the fact that they vary, owing to the fact that you have to take the individuality into account in a way in which you do not in the case of an unskilled worker—because one unskilled man is pretty much as good as another—for those and other reasons you have to deal with them on their merits; and where you are taking these rates and these people on their merits it seems to me that it is a case for careful, deliberate, and prolonged consideration on the part of the two sides who have technical knowledge of the trade, which knowledge they ought to bring to bear, if they are going to deal with the matter fairly, on the subject of the settling of these rates. That is what I mean by distinguishing between the primary obligatory purpose of the Act and the secondary or optional purpose.

11,786. I gather that in other case, when once the rate is fixed, in one case perhaps by a majority and in the other by agreement, you would make the rate enforceable?—Most certainly. If the Board as a Board agrees to fix, say, piece rates, or any other rates—skilled workers on time—then the Board having taken certain action and agreed to do so, you must enforce the rates, most undoubtedly, otherwise the Trade Boards Act as a Trade Boards Act ceases to have much meaning.

11,787. Otherwise it is a recommendation?—Merely a recommendation; and an optional rate on a Board, particularly in a case where you are dealing with unorganised workers, and perhaps unorganised employers, is a contradiction in terms; it means that it is no rate at all.

11,788. I suppose in connection with the trades with which you have to deal on your Boards there is a good deal of organisation, in fact?—Yes, there is a considerable amount of organisation, and I have often been puzzled in considering Clause 1 of the 1918 Act as to how the question of want of organisation has been brought in in certain trades.

11,789. The jute trade, for example?—The jute trade is an example; there, strictly speaking, you have organisation, a very complete or fairly complete organisation in the main centre of the jute industry, in Dundee; you have also organisation in the outside districts; and I do not know exactly what is meant by want of organisation in such a trade as that, unless in this sense, that all these various sections, or sections of unions, dealing with different parts of the country are not themselves formed into one single, compact, harmonious union governing the whole country.

11,790. They belong to general unions, to various unions, and not all to the same?—Not all to the same. I imagine that in that sense, of course, it would be perfectly correct to say there is no complete, compact organisation of the workers in that trade. That would be true.

11,791. You think that in those cases where there is organisation you could leave it to the organisation to secure them if they must have these optional rates?—It is a question of what is meant by "secure." If it means simply, fight it out and get something, I have no doubt they could; employers cannot get on without the workers; but if one means by the word "secure" to secure in the best possible way consistently with carrying on peaceful industrial trade relations, then I imagine that much better results could be secured by a Trade Board than by leaving it to particular sections—not always, but in

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most cases—particular sections of the workpeople who in their different unions deal with various workers in a trade such as I am referring to. I think better results are secured in that way, but there is no doubt that it does not always follow that any particular section of workers in a trade such as I am referring to would secure more through a Trade Board than by direct relations and direct arrangements with their own employers. I do not think it follows at all. That is a question, however, which one cannot answer in the abstract.

11,792. *Sir Arthur Pease*: If you had a minimum time rate, would you have a minimum time piece rate?—Certainly, have all such other rates as you agree to fix.

11,793. And if you had a minimum piece rate?—Well, I do not know about a minimum piece rate.

11,794. Would you have that higher than the time rate?—Well, normally speaking it would be, would it not, a minimum piece rate?

11,795. To make that the basis of your piece rates?—But I think under the term "all other rates" I should include a piecework basis time rate which would, normally speaking, be higher than a general minimum time rate—not necessarily, but generally. The Trade Board Act, 1918, gives the Board power to fix a minimum piecework basis time rate lower than the general minimum rate, but that is not the normal case.

11,796. If you had those two rates, could you not leave the other rates to be fixed voluntarily?—Do you mean fix the general minimum time rate and piecework basis time rate, and leave the rest?

11,797. Yes.—Well, it seems to me that the piecework basis time rate is on a different footing from a general minimum time rate. I should imagine in some trades which I can think of it would be necessary; the two sides would find it necessary to go on to fix the piecework basis time rate; but that must be left for each trade to settle by itself. I am talking just now of what one might consider to be the general problem which Trade Boards as a whole might be considered as dealing with. I am not concerned with a particular trade. It might quite safely, it seems to me, be left to each Trade Board to settle what, outside the unskilled and semi-skilled rate, they would be prepared to deal with, and I have no doubt that they could settle for themselves.

11,798. In some industries it would be quite impossible to fix piece rates, would it not, because the conditions under which they work vary so greatly that what would be quite a fair piece rate in one establishment would be quite an unfair rate in another?—I think that is so, and I think more use should be made of District Committees just on that account. I agree.

11,799. If you take the coal trade, for example, which of course has not a Trade Board, the prices vary in every pit and every seam in every district?—Yes, that is so.

11,800. And that is based, directly or indirectly, on a time-work piece basis?—Perfectly; but it is partly for that reason that I think you ought to leave questions of rates higher than those for the unskilled and semi-skilled to the consideration of the Board as a block of rates apart, to be considered on their merits.

11,801. You would enforce them once they had been fixed?—Most undoubtedly; if the Board did fix them, most undoubtedly. Of course I see certain objections; it might be said employers will not agree, but I am not sure of that. I do not think it is a proposition that one could possibly regard as universal. Employers are not merely prepared, they are in some cases very willing, to fix certain rates, provided they can make those rates universal in the trade. And more particularly in times of prosperity it is necessary that they should be in the best possible relations with their workers; and for a further reason one could see that that would be so, because the workpeople in a time of trade prosperity would say, "Well, by the Trade Board we have only this unskilled and semi-skilled rate; look what the employers are doing; we demand that we shall have some more." Well,

to avoid trouble they would almost certainly agree to settle that at the Board. Otherwise you do not prevent the employees from striking, and then trouble would arise.

11,801A. By that process you would be making all rates standard rates and not minimum rates?—Not necessarily. It might be that in certain instances you would fix a piecework basis time-rate for a certain class of work; I mean that would cover the whole of the piece workers. In other cases you would go minutely into it, and fix what you call standard rates, as was done in connection, for example, with the spinners in Dundee, and as was proposed, at least, in connection with the Hessian weavers in the jute trade. That would depend on the trade. That might be left to a particular trade to deal with. It would all depend on circumstances. All I wanted to suggest was that the broad principles would be clearly indicated. If you do not do that, it seems to me you are running a great risk of creating trouble when on trouble need arise. The main trouble seems to have been due to the fact that in this 1918 Act it is proposed to fix a general minimum time rate for all classes of time workers, regardless of whether they are skilled or unskilled. Well, it is natural when that is done, when you have that power, that the Board should find it extremely difficult to draw a distinction between an obligatory and a permissive power. They say you have that right to fix a general minimum time rate for a skilled worker. That being so, suppose you fixed it for spinners or some other classes of skilled worker, the employees naturally say, "If you have done all this for skilled workers, why should you leave out the piece worker?" It is very difficult in practice to draw a distinction between obligatory and permissive powers. Now it seems to me that you can draw a clear distinction if you do what I have suggested, namely, say the obligatory power should be confined to fixing the time rate for unskilled and semi-skilled workers, and leave all other rates in a separate class by themselves.

11,802. *Mr Pugh*: Does that mean you would not make it obligatory to fix piece rates at all?—I should not make it obligatory to fix piece rates, because, for instance, in a very badly paid trade where piece rates were very low the piece-rates would in general be required to produce not less than the general minimum time rate which you fixed for the unskilled and semi-skilled worker. That would be the bottom rate of the trade, so to speak.

11,803. Does your argument lead to this, that you distinguish between unskilled, semi-skilled and skilled workers, whether a piece rate or a time rate is fixed?—Oh, no, I should have that to the Board to settle. I should say to the Board: "Now you can settle for yourself what you regard as semi-skilled or skilled; that will be for your technical knowledge to deal with; we should not do that beforehand for you. If you said that certain workers were semi-skilled, then you would deal with them accordingly."

11,804. If the Board had been able to come to an arrangement with regard to what was skilled or semi-skilled, you would not agree that it should be obligatory to fix piece rates for semi-skilled or unskilled workers, even where that might be the most suitable kind of recompense?—I am not quite certain that I follow you, but as far as I understand you my answer would be this. If the Board agreed that certain pieceworkers were semi-skilled, then it would be an obligation imposed on that Board, agreeing that such and such workers were semi-skilled, to fix the rate for them, and it would not necessarily be the same rate.

11,805. Might they, under your proposal, fix a piece-work rate if they thought fit?—If they regarded them as semi-skilled—well, it would become a piecework basis time-rate; it would be a time-rate for those workers. They would not be entitled under my suggestion to go into the details of the piece-rate, if that is what you mean. Is that what you mean?

11,806. I do not think I am quite clear as to what are your intentions. I rather gather from what you

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said that you would confine the obligatory functions of the Board to fixing a time-rate?—For the unskilled and semi-skilled, that is so.

11,807. A time-rate only?—That is right.

11,808. So that if they fixed the piecework rate it would only be by voluntary agreement?—By voluntary agreement, yes.

11,809. *Mr. Layton*: But I understand that you include piecework basis time rates?—Yes, that is so at present.

11,810. *Chairman*: I thought you said no, that it should be a general minimum time rate?—But that would act automatically as a piecework basis time-rate.

11,811. Yes, it would; it would not be a separate piecework basis time-rate?—No, not separate.

11,812. *Mr. Pugh*: Do you not think you would have a good deal of disputation arise as to what was skilled and what was semi-skilled?—I have no doubt you would in certain trades.

11,813. And in that case would not your proposition rather tend to increase the friction on the Boards?—I do not think so; I imagine the two sides could be left to themselves to determine what would be skilled and what would be semi-skilled.

11,814. *Mrs. Lyttelton*: How is the decision to be taken as to what rates are to be considered or not considered; is that taken by vote of the whole Board? Supposing one party wants the skilled rates to be considered by the Board, and the other party does not, it would simply mean you would have a vote to decide?—You mean as regards the optional rates?

11,815. Yes.—The first step is to determine whether they will agree; the second is, having agreed, what powers the Appointed Members should have to fix the rates. This is how I should work it out if it was left to me: I should say, "Now, unless you can agree to settle these optional rates, I shall not decide the matter myself; I shall leave it entirely to you; I shall not interfere and say you must have optional rates." But having agreed that they would establish optional rates, I should then say: "I can exert such influence as I have and can vote to assist you to come to these optional rates in particular cases." I should then, so far as they asked for any assistance—of course, sometimes they do it outside the Board, but sometimes they ask for assistance—I should give them my assistance and should be prepared to vote one way or the other; that is, having determined independently of my Board that they would undertake to fix optional rates.

11,816. Of course, there might be an acute division at the very beginning as to whether a particular grade should come under the rate or not?—Yes. I think it would be in the best interests of the two sides that they should clearly understand one another, and that they should understand that on a Trade Board their business is to get along and not fight with one another; and I am sure if it were understood that they must agree to do certain things, otherwise the rates would not be fixed, it would be a better instrument for cultivating a good spirit between the two sides. I dislike very much to find a constant tendency on the one side to threaten and demand, instead of simply discussing the matter frankly and freely and openly, and saying: "We quite understand your difficulties; we are quite prepared to work with you if you will consider our point of view." It seems to me highly desirable to cultivate directly and indirectly a good spirit on the Boards, and I think if the optional rates were left just to the two sides—I mean if the question of whether they would fix optional rates were left to the two sides to be settled in the way I suggest—it might further that end; and in any case, if it did not, I think it is far better to guarantee the position of the unskilled and the semi-skilled workers by the Trade Board, than to run the risk of asking the Board to fix all sorts of rates on the same terms.

11,817. *Dame Adelaide Anderson*: They must vote according to their convictions, both the employers and the workers, if they are opposed?—Yes.

11,818. It would then be decided absolutely by the party which had the stronger organisation?—As to whether—

11,819. By the party of the two which was the stronger in organisation; so that they vote according to conviction?—Yes; you mean in settling the preliminary question as to whether there are to be optional rates.

11,820. Yes?—Yes, but the two sides are quite well able to look after themselves; they have good speakers on both sides, and they know their own minds at a given moment in the history of the industry, and I have no doubt that with a rising industrial prosperity or fair industrial prosperity, a strong case could be put up by the workpeople for the consideration of these rates which I have included in the second class. I do not think one would be risking anything of great importance.

11,821. *Mr. Layton*: Does your statement mean that the question of what rates are to be included in the first class, which is compulsory, and what rates are to be included in the other class, will rest with the Appointed Members?—Yes, it might in certain cases rest with the Appointed Members.

11,822. But your scheme generally really throws upon the Appointed Members the question of definition?—It might in certain cases.

11,823. *Chairman*: Surely the best way of solving that is to say the Board shall fix a minimum; they need not enquire who is skilled or unskilled; they fix the minimum rate which applies to everybody?—To everyone in the trade?

11,824. To everyone in the trade, yes. Of course, as a matter of fact, the skilled workers might get more by agreement outside the Board, or possibly by agreement on the Board, but when you have fixed the minimum general time-rate you have fixed the rate for unskilled workers.—That is so; but if you bring the skilled into consideration in settling that question the tendency is for the rate which would be asked by the workpeople to be far higher.

11,825. Is it so if you are simply fixing a minimum; we have been told by many witnesses that once you have fixed the bottom rate the skilled workers will get more?—Yes; by the bottom rate is meant what in the circumstances can be paid.

11,826. The minimum wage to be paid to the lowest grade of workers?—That is my suggestion.

11,827. *Mrs. Lyttelton*: But you want a second minimum for the skilled?—The skilled would be considered by themselves.

11,828. *Mr. Layton*: I understood Professor Baillie to say that he did not necessarily confine himself to only one minimum rate, and that the semi-skilled and the unskilled were not necessarily in the same category, and that the piecework basis time rate might, for example, be different from the general minimum time rate paid to timeworkers.—It might be if you went on to fix it.

11,829. Quite so. I mean you did contemplate the fixing of more than one compulsory rate by a Trade Board?—You mean that the minimum rate for the unskilled might be different from the rate for the skilled?

11,830. Yes, or the piecework basis time rate.—I do not know that we are quite understanding one another. My position is that you should regard as obligatory the fixing of the general minimum time rate for the unskilled and the semi-skilled.

11,831. One rate only?—One rate for the unskilled and the semi-skilled as a general minimum time rate, and then when you proceeded to deal with what I call the optional rates, amongst these optional rates might be the consideration of the question of fixing a piecework basis time rate for skilled workers. If you did agree to do so—it might cover an enormous range of skilled workers in certain trades—that would be also compulsory if the Board fixed it.

11,832. Then I misunderstood you: I understood you quite clearly to indicate the possibility of more than one obligatory rate, that is, more than one Class 1 rate?—I should doubt that, but it might very well happen.

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11,833. *Mr. Pugh*: I understand you to say that you have different grades of semi-skilled workers: Would you fix the same rate for the whole?—I imagine in certain cases there might be a difference of opinion on a Board on that point. They might say: We should like a different minimum for the semi-skilled, different from the unskilled. I could quite imagine that, and if they did do so, why then there is no reason why they should not.

11,834. You say that would have to be by voluntary arrangement?—Oh, no. The Board would say: "There are certain unskilled workers and certain semi-skilled workers in this trade." They might say, "We are going to have one basic rate to cover these." Another Board might say, "We shall have one rate for the unskilled and another for the semi-skilled," and proceed accordingly, but in general what I am after is that there would be one minimum time rate for the skilled and unskilled.

11,835. You take your people, and you say: "These are unskilled and semi-skilled; now fix your rates for these?"—Yes.

11,836. It may be one rate, or it may be another rate, but these are the people you are compelled to deal with; those above, who may be regarded as skilled, will be settled by voluntary arrangement?—By voluntary arrangement. I should imagine in most cases this would happen, that they would say: "We shall fix one general minimum time rate for both, semi-skilled and unskilled." But I should see no objection, if it was proposed by a Board, to fixing the two; and in either case it would be obligatory, if they decided that there was such a difference between unskilled and semi-skilled, and were prepared to fix a different general minimum time rate for these. I see no objection to that.

11,837. You propose voluntary negotiation in the case of the pieceworkers. Have you made provision for the cases where they cannot agree? What are you going to do then? Are you going to submit it to arbitration, or something, as occurs, of course, in well-organised trades?—Well, if they did not agree the Board at least would not fix it.

11,838. Then they would not be fixed at all?—They would not be fixed at all.

11,839. But you would not leave it at that?—The optional rate, do you mean?

11,840. Yes?—Most certainly I should.

11,841. And you would leave the employer so that he might pay the minimum and no more?—That would be the result.

11,842. Would that not have a tendency to lead to strikes on the part of skilled workers?—That seems to me to be the kind of pressure which probably the workpeople could bring to bear on the employers on the Board to induce them to come to some arrangement.

11,843. *Chairman*: That is so in the organised trades, is it not?—Yes.

11,844. *Mr. Pugh*: But surely your machinery would be very incomplete if you did not provide for something where the parties could not agree?—Well, I have suggested at the end that it might be worth while regarding arbitration as an extension of the field of the Boards, and I do that in order to meet this difficulty which you are suggesting. I had that in mind, but I could quite well understand, particularly in a certain district, for example, where a small manufacturer was doing very well, his workpeople might say: "We ought to have more, and if you will not pay it we demand it, and we demand an enquiry so as to get it."

11,845. *Mrs. Lyttelton*: And you think that might make the employers welcome the optional rates?—That is so.

Mr. Pugh: If you had an important section of workers in a trade that would undermine the value of the Trade Boards. (*To Mr. Layton*): Do you see my point about the two rates for the semi-skilled—

11,846. *Mr. Layton*: I rather thought that my interpretation was the right one.—What I had in view was what would happen in general, and what

might happen in particular cases. In particular cases I quite understand that the Boards might consider such a difference.

11,847. My point was this. I quite understand that if you have power to fix one rate, and one rate only, and nothing else, it comes in Class 1; that is quite clear and simple.—Yes.

11,848. But if you make any breach in that, and I think in answer to *Mr. Pugh* you did indicate that you do suggest the possibility of varying that with two or three rates, the moment you change that then you raise the whole question as to what other classes of workpeople are included, and it seemed to me that you were throwing on the Appointed Members the burden of the interpretation of the Act in that sense.—Well, of course it would be after discussion between the two sides as to what was semi-skilled, no doubt, as distinct from skilled; but I am quite prepared to leave that point open. That is a suggestion.

11,849. I was not objecting to your statement at all of questioning it in any way; I only wanted to be clear.—My primary intention was that in general there should be one rate. That was my primary intention.

11,850. *Chairman*: You were rather driven into it in cross-examination. You mean that there should be one general minimum time-rate for the trade, and that everything above that should be fixed by agreement?—That is what I had in mind; but the suggestions made to me had not occurred to me as a matter of fact, and I am quite prepared to concede that in certain cases it might be possible for a Board to fix obligatorily under the first head two, one for the skilled and one for the semi-skilled, but I should think it is very unlikely.

11,851. You would get complications?—Yes, you would.

11,852. Might I put one other point to you about the homeworkers. Of course, the homeworkers work by bits, so to speak. In some of the small trades, such as dressmaking and sewing, and so on, they work at home when they have time.—Yes.

11,853. It is very difficult to regulate their wages by any time-rate, is it not?—Yes.

11,854. Would it not be necessary to make an exception in such a case as that?—Yes, I should think that is very probable, but I have had no cases of homeworkers.

11,855. In those cases it might be made compulsory on the Board to fix piece-rates for homeworkers?—Yes, that might be so. The suggestion I have put forward here would save a good deal of friction; it would meet the requirements of the 1909 Act, and those requirements were to a large extent involved in the 1918 Act, and it would save the position of the employers at the present time.

11,856. *Mr. Pugh*: I want to be quite clear on this point as to what grade of worker you would take in fixing your general minimum time-rate.—I should leave that to the Board. It would all depend on circumstances.

11,857. Would that not lead to argument as to what worker should be taken unless you said the lowest grade?—Well, it is pretty well understood in a given trade that such-and-such workers are unskilled, and it is generally understood, not as regards particular classes of workers, but generally understood that such and such a person is semi-skilled and that such and such another is skilled. You are quite familiar with that, so I do not think there would be much difficulty in settling what would be the skilled, what the semi-skilled and what the unskilled.

11,858. Except that it is the practice in industry to distinguish rates as between the unskilled and the semi-skilled?—Yes, that is so, but I have always found it difficult to determine what was an unskilled worker and what a semi-skilled worker. I have heard it said that a man who wheeled a wheelbarrow was a semi-skilled worker, but matters of detail like that must be left to Trade Boards. The members

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of Trade Boards must be regarded as competent to deal with such matters as that, or else they ought not to be appointed at all.

11,859. You attach importance to the Boards doing as much as possible for themselves?—Undoubtedly.

11,860. *Chairman*: Now may we pass on to page 8?—Before passing on, while I do not want to attach any importance to what I say, yet I would suggest that you might give consideration to the power of suspending certain optional rates. That does seem to me a valuable point. I have found it time after time in dealing with the Boards with which I am concerned, and I am sure had we been able to suspend rates it would have helped us very much.

11,861. *Mr. Pugh*: I want to put a question to you on that: What do you really mean by the power of suspending the optional rates? Do you mean that the employers should be able to approach the Trade Board during a period of bad trade and ask that the rates should be entirely suspended?—The optional rates, yes.

11,862. Then what would happen during a period of good trade, or even boom trade? Would you leave the parties with the same liberty?—Quite; that is my reason for saying "suspend" instead of "cancel." We have power at present under the Trade Board Acts to cancel, but it is very difficult to do, and I see no reason why once a Board has fixed certain optional rates we should be deprived of the gain we have got. If workpeople through certain negotiations in a time of favourable trade have secured certain results in the way I have described through this optional procedure, if they have secured certain advantages, I see no reason why they should give them up, and therefore I see no reason why you should cancel; it does seem to me to be an advantage to suspend for a certain time. As a matter of fact, that in principle—not exactly, but in principle—occurred in connection with a certain notice of proposal concerning fairly high rates on one of my Boards.

11,863. *Chairman*: You mean suspend by agreement?—No. I say we in principle did the same thing; we had a notice of proposal arranged and we discovered that the interval which elapsed between the time when we were discussing and confirming this notice of proposal and the time when we had to fix it had been a period of very bad trade. It was suggested by the employers: "Now, we had better hold this up and wait till trade improves, to see if it is going to improve before we proceed to fix it"; and we did so.

11,864. That was before you fixed the rates, but what I want to know is, is your proposal that the Board should be able to suspend the rates by an agreed resolution?—By an agreed resolution, yes.

11,865. *Mr. Pugh*: During the period of suspension what would happen; would there be any rate actually in operation?—Certainly; there would be, of course, the general minimum time rate.

11,866. Only a general minimum, time rate?—Yes. As I say in the first part of Clause (c), if you were going to alter that you would have to do so in the usual way by varying it.

11,867. So that if the employers had the desire and the power they could at once drop any rate which had been fixed for skilled workers down to the minimum?—They could.

11,868. Do you think it would be an advantage to leave the trade in such a position that during bad trade the employer could ask for suspension, and during good trade the operatives could ask for suspension, the one with a view to enforcing lower rates and the other with a view to enforcing higher rates?—I think if the two sides of the Board came to understand one another they would manage that perfectly.

11,869. If they cultivated the right spirit, would not there be more hope in an agreement between the two sides that would remain in power during these periods of good trade and bad trade—that they would keep together and agree on a rate if there had to be a change?—You mean instead of suspending

the optional rates and practically reducing the skilled worker to the general minimum time rate, they might agree to some other rate?

11,870. Yes, that the same thing should come into operation as operates in well-organised industries: that they should meet together, and that the agreement should, say, contain a clause that by giving certain notice they might agree on a different rate, and that the rate would then become the rate which would be enforceable by the Board?—There is no difficulty about that; that could be quite well done as a substitute for the rate which was suspended; but I dislike asking the workpeople, having gained a certain amount of, say, high piece-rates, to throw that over during a time of bad trade. They might suspend it and make any other arrangement they liked; they quite well could do so.

11,871. *Chairman*: For a limited time, I suppose?—For a limited time, yes.

11,872. *Mr. Pugh*: Would not the term "vary" be better than "suspend"?—Well, I do not think so. I should leave any arrangement like that outside the operations of the Board.

11,873. *Sir Arthur Pease*: But the custom in other trades is that what you call the price lists are left untouched, and in bad times they are simply varied by a percentage up or down. Could you not get the employers and employees to agree to vary it by 5 per cent. or 10 per cent. or 20 per cent.?—As a matter of fact, I do not think the difficulty suggested by Mr. Pugh has seriously occurred in the trades under my Trade Boards. What has happened is that they have left their piece-rates practically in operation although they could have brought them down to the level of the general minimum time-rate; they have left them in operation. They have given me figures to show that that is so, so I do not think as a matter of fact, except in rare cases, it would necessarily mean that when the rate was suspended all the skilled workers would be brought back to the level of the general minimum time-rate. It might, of course, happen, and in such a case it would have to be considered, no doubt, on its merits; but it seems to me that if you had sufficient good feeling on the Board to establish optional rates at all, that same good feeling would operate to safeguard the pieceworkers at such a time as we are having now.

11,874. *Dame Adelaide Anderson*: Is it not more than a question of good feeling; is there not liable to be a conflict of interest that has got to be resolved?—Yes, I have no doubt that that is so, but it seems to me that the establishment of such optional rates as I have indicated does mean that the two sides understand each other fairly well and are prepared to meet difficulties.

11,875. *Mr. Pugh*: I suppose in a case of suspension you would say that the whole trade must be subject to the decision arrived at by the Board; if not, would you not have the less satisfactory employer taking advantage of that and suspending on his own account without any arrangement for variation which might be made by the better employers?—It would be a decision of the Board.

11,876. And accepted by the Board?—An agreed decision of the Board; and it might be that the Minister, on considering the matter, might find it desirable that the Appointed Members should have a deciding voice in suspending a rate; but it would be better for the two sides to settle it themselves.

11,877. You are suggesting more power and greater autonomy for the Board itself?—Yes.

11,878. *Chairman*: Then you suggest using a different mode of enforcement of the rates?—Yes, I think there is something in it; at least, I put it forward as a suggestion for your consideration.

11,879. It is that the obligatory rates should be enforceable, as they are now, by prosecution?—Yes.

11,880. And the optional rates by civil proceedings?—Quite. The one should be under the criminal procedure and the other under the civil procedure; that is all it really comes to. I think there is such a difference between the two rates that on my suggestion it is worth while differentiating in the

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method of enforcement, and I think if you differentiated in that way, all that would tend to induce employers on certain Boards to form such optional rates. They would feel it was their own doing, and that they were not going to be looked upon as criminals if they did not carry it out.

11,881. *Sir Arthur Pease*: How far would you go back in enforcing a rate—three or six months or a year?—How do you mean?

11,882. If an employer had not paid the rate and did not find out for a considerable period that he had not paid the rate, how far would you go back?—Right back to the time when the rate was fixed.

11,883. It might be years?—Quite likely. I think that is perfectly fair. An employer is responsible for the rates paid to his workpeople; he is under the Board, and he knows he is under the Board, and if he makes a mistake, voluntarily or otherwise, I think the worker has no right to be penalised for that. He is entitled to get the rate.

Mr. Pugh: I think we do that in our own trade, Sir Arthur.

11,884. *Sir Arthur Pease*: But a lot of people do not know they are under the Board at all, in these little places?—Quite so. That is a matter for the Trade Board Office to settle.

11,885. That is why I asked the question; a lot of people do not know hardly that there is a Trade Board at present?—Yes.

11,886. It might be absolute ruin to them to collect all the back pay from them?—You would perhaps have to spread the payment over a certain time; you might compound or in some way meet their difficulty; but you would have to go back to the original date.

11,887. I am not thinking of the big firms—the big, well-organised firms—at all?—Quite so, but it seems to me that it is desirable, if you are going to protect the worker, that you should do so as completely as possible.

11,888. *Mr. Bell*: I take it that what you mean is, where it was proved that an employer knew that he ought to have paid a certain rate and he had paid less than that, then he should not gain anything by not having paid it?—No. I have no hesitation in saying that I should not agree to that.

Sir Arthur Pease: It all turns on the words "that he knew that he ought to have paid."

Chairman: An employer is supposed to know the law.

Mrs. Lyttelton: Sometimes you can pretend you do not know.

11,889. *Chairman*: Then have we covered your next paragraph by that. May I go now to District Committees? Of course, you understand your statement will be printed as part of your evidence?—Yes.

11,890. *Mr. Pugh*: About District Committees, there seems to be a considerable difference of opinion on both sides of the Boards as to the utility of District Committees?—Yes.

11,891. What would be their relationship to the central body, to the Board itself? What time would you give them, if any?—Well, what I had in mind was a differentiation of prosperity and conditions of work as between particular districts, and I should allow a District Committee to handle its own particular affairs, its own interests as distinct from the interests of any other district, as freely and as completely as possible. If they decided to bring their recommendations to the Board and ask the Board to sanction them, then they would be enforced on that district as a decision of the Board; but if they said, "No, we have quite a good organisation in this district; we understand one another, the employers and the workers, and we want to work together; we have got the sanction of the Board to establish this District Committee and deal with our own affairs as a little centre of organisation in the trade; we do not see why we need ask the Board's sanction for our decisions; we get along nicely," then I do not see why you should not give them such powers.

11,892. But would you give the Board no power to review the arrangements they made?—No, I should leave them entirely to themselves to settle what they liked.

11,893. *Sir Arthur Pease*: Would they be able to enforce their decision?—Yes, I should think, in many cases, they would. The workpeople, if they made an arrangement with the employers in a given district, would bring pressure to bear on a particular employer if a difficulty arose. Local feeling is pretty strong, and local reputation has to be kept up; no employer in a particular district would care to be published abroad as having refused to implement a bargain into which he had entered, and so on. All that would tend, it seems to me, to give the District Committee working in the way I have suggested very considerable powers to carry through such an arrangement as that District Committee arrived at without asking the sanction of the Board at all, and it would really free the Board from a good deal of trouble.

11,894. My question was rather, would you give them legal powers?—No, not legal powers. Only the Board acting as a whole would have the legal powers.

11,895. *Mr. Pugh*: In effect that would have the effect of setting up extra Boards on a geographical basis?—No, I do not think so; there would be a particular area which was handled by a District Committee of the Board, and had, so to say, in that sense the general approval of the Board, but it might be allowed to come to decisions affecting its particular area which were of no interest to anybody else at all. I see no objection to that.

11,896. It is rather outside a proposition for the general adoption of District Committees?—Yes; I am suggesting an alteration of the present powers. I suggest they are both too large and too small. I am prepared to give them what you might call these enlarged powers, but under the 1918 Act District Committees seem to me too cumbersome and expensive in their operation, and it is partly for that reason, I am sure, that the Boards as a whole with which I am concerned have been reluctant to establish District Committees.

11,897. *Chairman*: Have you any District Committee at all on your Board?—No District Committee in the proper sense of the term. We have fixed district rates, but we have not District Committees in the proper sense of the term.

11,898. If these District Committees were set up should not they be consulted before the rate is proposed, and not after it is proposed, but before it is fixed? We have been told that to consult them after the proposal is published is generally useless, because the Board is very unwilling to go back. It occurred to me that it might be well if they were consulted before the rate was proposed?—How would you propose to do that? Would you send a question down from a Board to a District Committee and say: "Would you indicate what would be a fair rate for this particular work?"

11,899. Yes, or "Would you advise us to propose such and such a rate?"—But suppose they did not do the class of work at all?

11,900. Then you would not bother?—But if you had District Committees all over the place?

11,901. Then you would not trouble about their answer, at all events?—Yes, but they would have effective power on the Board to insist that their answer should be carefully considered by the Board.

11,902. Quite so.—In the case of Dunfermline you have the fine end of the flax trade, the linen trade: you might have a District Committee there; then suppose the Board wished to propose a rate and asked the District Committee in Dunfermline for their opinion, and asked similarly the heavy end of the trade, say, in Dundee or in the North-East of Scotland, "What is your opinion"?—well, if it concerned the heavy end of the trade, strictly speaking, the Dunfermline opinion would have to be considered. They might say: "Well, we do not think it is our job," but you would have to ask them.

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11,903. So you have now if you have a District Committee; you must ask the Committee, only you must ask them after the proposal and not before. That was the point I meant.—At any rate, that would decrease the length of time and the cumbersomeness of the present system, and would expedite the proceedings. But I do not think it would do so to any large extent, because under the present system once you have proposed your rate by the Board you have to send it down for confirmation to the District Committee.

11,904. *Mr. Layton*: You contemplate having differences in the general minimum time rate, local variation, I understand?—That might be. I should doubt it, but it is a possibility.

11,905. I thought so, because on page 4 you refer to differences in the cost of living.—Quite, and that might very well be taken into account, of course.

11,906. But taking any of your criteria you would have different conditions in different parts of the country in dealing with the general minimum?—I should think it would be very difficult to get a different minimum time rate for the unskilled in different districts.

11,907. In any case, you would not give the District Committee any power except to make a recommendation?—Oh, certainly not, as regards that.

11,908. I ought to have asked you this before: Could you give us any indication with regard to differences in the cost of living? As regards Scotland, you referred specifically to the differences in the cost of living; could you tell us whether those are very great in Scotland?—It is very difficult to get at exact figures regarding that. You find one side saying one thing and the other side saying the other. The employees say there is no difference in the villages in Scotland and the big towns, and, of course, the employers say the very opposite; but, for instance, as regards the price of coal, that does vary in different parts of Scotland. The cost of transit of coal to Forfar is different from the cost of transit of coal to Dundee, because, of course, there are no coalfields in Forfarshire, whereas Dundee is much nearer the coalfields. Items like that come in, but it seems to me that there are compensating circumstances in country districts. For example, in the country milk is cheaper, and you may get certain articles of clothing cheaper than in the other districts; perhaps poorer stuff goes there. Items like that would, in most cases, affect the cost of living, but it is very difficult to get exact figures in the matter.

11,909. You are satisfied that there are substantial differences?—I think so myself, but I have no precise figures to justify my statement.

11,910. None of your Boards have given effect to that?—No.

11,911. *Mr. Pugh*: It would not be practicable to take into account those differences in fixing a general minimum time-rate?—I agree.

11,912. You would get circumstances which would upset all your calculations?—Yes.

11,913. *Chairman*: To pass on in your statement, you describe the process of settling the rates. I do not want to question you myself on that. Then as regards the piecework basis time-rate, you say that is generally determined by reference to the general minimum time-rate?—Yes.

11,914. I suppose a percentage is added on?—Yes, but it might be lower; we are at liberty to make it lower.

11,915. It is unlikely to be lower?—It would very rarely be lower.

11,916. *Sir Arthur Pease*: It would be very foolish to have it lower, both for employers and for employees?—I think there must have been a reason for suggesting that it might be lower, otherwise it would not have been put into the Act. As a matter of fact it generally is higher. I have never been able

to discover the circumstances in which it would be lower, but I have no doubt that there were such circumstances, otherwise it would not have got into the Act, I suppose.

11,917. *Chairman*: I am told that it may happen if the piecework basis time-rate is averaged according to age, or something of that kind.—Oh, yes, that might be so.

11,918. Then you deal with enforcement of the rates, and you think that that should still be in the hands of the Minister?—That is my view. It seems to me to be the necessary consequence of making the Minister responsible to Parliament for the administration of the Act.

11,919. But you think that they should be enforced?—Most certainly; it is an Act of the Board, and it is the only possible substitute for the complete organisation which you have in the Industrial Council, and generally the complete agreement which you have on an Industrial Council.

11,920. You say that the Board should exercise its power to receive complaints of non-payment of a rate?—Yes, I think it would be very useful if we could have that power in the way I suggest. The Minister of Labour might himself appoint a Chartered Accountant locally to assist the Board if the Board thought that such and such an employer was not in fact paying the rate, if they had complaints; or else a person might be allowed to put a request before the Board, independently of complaints, to make investigation.

11,921. Of course, the Minister has power to investigate figures?—Yes, but he does that generally through the Home Office investigators, who are no doubt the most skilled in the country, and perhaps may be the only people of any service in certain trades where the piecework was very complicated; but in many cases where piecework rates are not complicated an intelligent accountant could find out whether they were working properly.

11,922. *Mr. Bell*: Do you think it would be an advantage if the Board had power, where complaint had been made to it that certain employers were not paying the rate which they had fixed, to instruct their own secretary to investigate, and that the Board then should have the power to take proceedings?—No, I do not think that would be desirable at all. I think we ought to centralise the authority which is going to enforce the rates. If you left each Board to take its own way and enforce the rates on its own account, you would have one Board taking one line and another Board taking another line, and that would not only lead to complications, but to great disturbance of trade as a whole. People would feel in certain cases that the Trade Board was acting arbitrarily and in an officious and disagreeable fashion, and another Trade Board might be working smoothly; and officials would be blamed, the Trade Board would be blamed, the Appointed Members would be blamed, and I think it is better to have a simple uniform method of enforcing, and the best way to secure that is to have one at the head, namely the Minister.

11,923. *Dame Adelaide Anderson*: And you want trained inspectors and prosecutors?—In the case of certain trades the piece-rates are extraordinarily complicated, and only a very skilled investigator probably could see that they were carried out; but in other trades the piece-rates are relatively simple, and an ordinary trained accountant or some such person would be quite competent to satisfy all that the Board required; and, of course, it follows from that that it would be ridiculous to ask every Board to appoint chartered accountants. You would have to take into account the circumstances of each Board and the sort of trade you were dealing with. But I make that suggestion as a way of, to some extent, meeting the difficulty which the Minister has at present in enforcing the rates, a difficulty which the Boards feel very strongly. If you have a Board fixing and legislating rates, it seems to me a futile proceeding if you have no guarantee.

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11,924. *Chairman*: Then, with regard to confirmation, you think the Minister should retain the power to confirm a rate or to refer it back?—Most certainly, for the same reason. I could quite imagine some other authority, but in the circumstances, since he is responsible, even if he consulted some other body in finding out whether the rate was a fair one, he is the person who must ultimately say yes or no to the rate.

11,925. *Mr. Pugh*: Later on you come to a suggestion which I gather is the setting up of some central authority. Could not a body of that kind relieve the Minister to some extent?—A central authority for the purposes of arbitration?

11,926. Not necessarily; for generally co-ordinating the working of the Boards. It was suggested that the rates might come under the view of a central authority?—A Central Trade Board Authority?

Mr. Pugh: Yes.

11,927. *Chairman*: I am not sure that that is suggested in Professor Baillie's proof?—No, it is not in that; I am suggesting there specifically a Central Board of Arbitration.

11,928. *Mr. Pugh*: Oh! that refers only to arbitration; I see?—My objection is this: You mean practically a Central Board, a sort of super-board looking after all the Trade Boards?

11,929. Yes?—That seems to me very inadvisable for a number of reasons. If you are going to make the Minister responsible to Parliament there should not be a buffer between the Minister and the Boards which are primarily responsible for legislating in the different trades; you undermine the power of the Minister, you create a possibility of friction between the supreme authority (the Minister) and this Central Board, and to a large extent you destroy the prestige of the individual Boards. In addition to that you will make those individual Boards very self-conscious; they will begin to think: "Now, what will the Central Authority think of this and that," and a Board might even consult the Central Authority before it came to a decision. You will to a large extent undermine the sense of responsibility which the individual Boards have if you have this super-board. It seems to me from the point of view of administration that it is all-important to have a single person who is responsible for carrying through this process of confirmation. You can deal with a single person, or find fault with a single person, but you cannot attack a general body of men. It is impossible to find fault with a general body of men; you do not know who is primarily responsible for the decision; but in the case of a particular person you do know what to say, and you do know the person you are dealing with, and you can go direct to him. An impersonal responsibility seems to me to be an extremely dangerous, or at least unsatisfactory method. Personal responsibility, it seems to me, is the best way to carry the administration through, and for that reason the fewer intermediaries you have between the particular Boards and the primary authority, namely the Minister, the better.

11,930. He ultimately would have the confirming authority?—Yes, but I should make him directly responsible and allow no one else at all to intervene, which would create possibilities of friction, and, I think, lead to endless expense.

11,931. *Chairman*: Is there not some advantage in having a body which could co-ordinate the decisions of the various Boards and bring them more into line?—I think if that is necessary then it is a mistake to set up so many Boards. If you require to have co-ordination you should have a single Board dealing with various trades which are closely allied, and in that way obviate the necessity for co-ordination.

11,932. It is a question of degree?—It is a question of degree, but the degree is important. It seems to me that a co-ordinating body would postpone the decisions of the Board—would postpone fixing the rates. It would lead to constant conferences between the central body and the individual Board; it would arrive at a result which would please no particular Board at all, probably; and except for purposes of

consultation—if that is what is meant by this Central Board—consultation with the Minister, advice to the Minister, I see no advantage in having such a central body as is referred to. Certainly as a super-board, if I might call it so, it seems to me to be an entire mistake.

11,933. *Mr. Pugh*: On such questions as scope, for example, could you confer?—Yes, an advisory authority, if that is what you mean by this super-board. Of course, as a matter of fact at present, as I understand, the Minister does consider these questions of scope very closely, and sends them down to the various Boards in case of difficulty. But it seems to me that you have at present something corresponding to this Central Board as an advisory body; in the Ministry of Labour you have a number of trained officials who have made it their business to understand a particular trade and its various ramifications, and who give suggestions or advice to the Minister when a problem does arise in a particular Board. If you merely mean an advisory authority, well, as I say, there is something at present at the Ministry of Labour as distinguished from the Minister. If you mean a super-board I do not think there is any point in it at all; indeed, I think it would be a serious encumbrance, because these particular Boards which you set up are by hypothesis self-legislating in their trade. If you have a central Board it is tantamount to saying to the individual Trade Boards: "We do not consider you sufficiently competent to do your job."

11,934. *Dame Adelaide Anderson*: Questions of demarcation you would leave entirely to the Minister?—He would have to consult the Boards, but he does so at present.

11,935. And somebody must decide in the end?—Yes, and that should be the Minister. Either the Boards are self-legislating or they are not. If they are not self-legislating then it seems to me that the purpose of the Act is not being fulfilled, and cannot be fulfilled. If they are self-legislating, make them as completely responsible as they can be and let the Minister be the only person who can revise and supervise their actions. That seems to me the perfectly straightforward way to proceed.

11,936. *Sir Arthur Pease*: If it was an Advisory Board would you make it compulsory on the Minister to consult that Board?—To consult the Board?

11,937. To consult the Advisory Board?—If I may say so I would distinguish between an Advisory Board and a Board of Advisors. If you mean a number of people grouped round a Minister, permanent officials whom he is to consult, then I imagine he does do that at present; he does have a body of permanent officials whom he consults. If you think it would be better to establish such a body, so to say, under the Acts, that is another matter. But an Advisory Board is a very different matter.

11,938. The view has been put forward that the Minister in making up his mind sees all sorts of people in an informal way, and where there are objections and so on, it would be much better if that was put into a more formal shape rather than allowing the man who shouts loudest to get the most attention?—That seems to me to be a mere matter of departmental administration.

11,939. But it has been suggested by some witnesses that if they had this Advisory Board, or whatever you like to call it, and the Minister could consult it then the objection would be brought before that Board in a formal way?—Without seeing that matter expressed in great detail it is difficult to know exactly what is meant; but how could you constitute such an Advisory Board: from the various trades, or from the officials from some other Department, from the Board of Trade—where are they to come from?

11,940. It was suggested earlier by the Chairman, I think, that there should be one strong man as Chairman and members from each side?—To determine questions of scope, or to confirm rates, or to suggest what?

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11,941. If the Minister chose to refer questions of confirmation of rates and if he chose to refer questions with regard to scope, and so on?—But what advantage would the Minister have beyond that of consultation with this Advisory Board? He cannot delegate his power, as far as I can see, under the Act. He is primarily responsible to Parliament, and he cannot take refuge behind an Advisory Committee. He cannot say: "An Advisory Committee advised me to do so-and-so, and I took their advice." Parliament will say: "If you have not administered the Act properly then you are not in the right place." It seems to me that the Minister cannot take refuge behind an Advisory Committee. He is either responsible to Parliament or he is not responsible to Parliament, and except for the purposes of administrative difficulties suggested by the Chairman, I do not see any value in it at all.

11,942. It has been rather put by various witnesses that all this is done in the dark; no one knows what is being said in favour or in opposition, or anything else, whereas if they had an Advisory Committee the thing would have to be put forward in the open, and if one side made objections to the rates being confirmed the other side would have the right to answer them, and so on?—You mean an Advisory Board for the purpose of considering the objections to the rates which have been put forward in the case of any particular proposal: is that what you have in mind?

11,943. One of the things, yes.—Well, it seems to me, beyond making more regular and more evident to the Boards what powers and what arguments determine the Minister in coming to a conclusion regarding the objections to the rates, that there is no special advantage in such a Board. It seems to me a mere matter of regularisation and explaining to the Boards what the authority is which settles whether such and such a proposal shall or shall not be confirmed. That, as I say, is a matter of inter-departmental administration rather than anything else.

11,944. *Mr. Pugh*: Are you afraid that there would be undue interference with the function of the Board?—I am quite certain that if you had anything like a super-board it would lead to great trouble. It seems to me that you must either give the Board complete power in its own trade or nothing.

11,945. *Mrs. Lyttelton*: Only there are certain considerations which affect the whole country and all trade which are not within the cognizance of a particular Trade Board?—For example?

11,946. Well, the interests of the consumer, for instance?—I thought that would be the answer. I realise that, but it seems to me it is the business of a Trade Board to consider the interests of the consumer, and naturally a Trade Board does do so. It is the employer's business to think of the consumer, and he is not likely to fix a rate which, when fixed, will make it impossible for the consumer to buy the article.

11,947. But trades interact so; it is difficult to say what is going to affect trade generally?—Quite.

11,948. *Dame Adelaide Anderson*: There are questions of demarcation which the Boards with their concentrated knowledge cannot solve satisfactorily?—I have seen that difficulty raised, but it seems to me that it is a general problem. I have always found it very difficult to know how you are going to separate trades from one another so as to constitute a specific Trade Board. At present there is a want of what I may call naturalness or obviousness in the basis on which a Trade Board is set up. If you take certain sections of a trade, or what is called a trade, say, the Jute Trade, and you say that these shall be considered as falling under this Trade Board; then you take another section of the Jute Trade Board; then you take another section of the Jute Trade Board that shall not be considered as falling under the Jute Trade Board, that has created very great difficulty—I mean this question of definition of the area covered by a given Trade Board, and I recognise that it is a problem of very serious importance in the working of the Act.

11,949. But it is one in which you do not want arbitrary decisions?—That is quite true.

11,950. You want reasonable, common-sense decisions having regard to all the existing circumstances?—That is quite true, but whether you would secure that by some Co-ordinating Committee of the Trade Boards, I do not know.

11,951. Something of the same kind as the Boards themselves, with trade knowledge?—Really a super-board, that is what it comes to be, which would revise all the decisions of the Boards.

11,952. But need such a Board revise all the decisions? Could not it only deal with certain things which were brought before it, certain questions allotted to it, such as demarcation?—As I have said, I am not certain what powers that Advisory Committee would have. If it were there to be consulted by the particular Boards and to be available in time of difficulty, for instance, on questions of demarcation and scope, I could see very great use for it; but if it is to be there to impose its will on the particular Trade Boards independently of the Minister, or to impose its will on the Minister as well—

11,953. That could be provided against in its constitution?—Yes. Well, if, as I say, its functions were primarily advisory on all matters connected with the various Trade Boards which overlap or are interlocked, and if it were there simply to assist the particular Trade Boards to carry out effectively what they are there for under the Act, then I would agree that it would be a very useful body to set up.

11,954. And for solution of difficulties which no one Board could settle by itself?—Yes, that would be excellent. As long as it did not interfere with the primary function for which each Trade Board is set up, and the primary responsibility of the Minister, then I should not object to it.

11,955. *Mr. Pugh*: Would you object to its initiating proposals which it thought might be of advantage to the Boards, for instance, overlapping as between one Board and another?—Suggesting how that might be overcome, you mean?

11,956. Yes.—No, I do not think there would be any difficulty in that as long as they did not issue commands; but speaking for my own Boards, they would strongly resent having any central authority coming between them and their direct responsibility for administering the affairs of the trade.

11,957. It would be a bad thing, you think, if it weakened the autonomy of the Boards?—Yes, and they are very troubled when they see on the horizon a new piece of departmental or governmental machinery which is going to interfere with them. You can quite understand that, and that is what I am trying to express on their behalf, that they do feel that if there is any value in their Boards at all it comes from their autonomy.

11,958. *Mr. MacCallum Scott*: You are against a super-board for industry generally?—Oh, most certainly, yes.

11,959. Then how about groups of kindred trades, say, such as there are in the Coal Trade—that, of course, has not a Trade Board—or some of the Textile Trades, where you have Boards overlapping each other, to some extent, in factories? Would you have an objection to a super-board for a group?—Well, it seems to me you would be just creating, if you had a super-board, the same difficulties which arise with a variety of Boards. We had that problem under consideration at a Co-ordinating Committee of five Boards the other day, and the proposal was made to group these five Boards under one Board and have sectional committees for the various Boards. Well, it does seem to one that you will have an immense Board, difficult to work, the sections creating difficulties as between one and another—

11,960. I appreciate the argument against the idea, but I was just wanting to know your view.—That is my view.

(Adjourned for a short time.)

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[Continued.]

11,961. *Chairman*: We come now to the suggestions as regards machinery. First with a view to saving time you propose that the Minister should consent to a rate forthwith if it is an agreed rate, and that objections should be dealt with within a month?—Yes. That seems to me to be a suggestion more by way of indicating that at all costs we must try to avoid the delay which hitherto has been so prevalent in the variation of rates and the introduction of rates. That is felt as one of the strongest objections to the present Act as it stands, and to the general machinery of the Boards accordingly.

11,962. Then you suggest that the Board might hand over the consideration of objections to a Committee?—In such cases as I have indicated, that is where the rate is agreed and there has been no trouble about it. Of course I agree that that might be a difficulty, and I can see objections to it, but it is a suggestion which I think is worth considering in order to expedite the matter, and to prevent expense.

11,963. The result of that would be that the objections would not have to be considered by the whole Board?—Yes, that would be so in general, but in certain cases as the result of sending out a notice there are no objections at all to a rate. It would have to be in the circumstances of the case of course. It is a more matter of machinery, but I think a power like that would be useful and I do not think it would be abused.

11,964. *Mr. Pugh*: Is it possible to get the opinion of the different interests before the rate is varied, and so do away with the necessity of calling for objections? If everyone is informed of the intention to vary a rate—I am thinking now of alterations—and if everyone is aware that that is being done, then they have an opportunity of giving their opinion; and when once an arrangement is made, should time be given afterwards for objections?—Yes, that would be useful I think, but it has this objection: that you assume that the Board is representative of the trade, and therefore that both employers and employees are well aware of what is involved in varying a rate, and represent the views of those whom you would be consulting by the method which you propose. So that all that you would do by that means which you suggest would be to obtain, perhaps, a fuller expression of the feeling of the trade on the Board, if that is what you are meaning.

11,965. And save time?—That might save time; but I do not know exactly by what machinery you would do that other than by the present machinery, because, for example, it is well known practically to all the employers in the trade, inasmuch as the proposed variation is to be initiated, that that proposal is to be made, and they therefore get together and consider upon what terms they are to propose the variation, how much it is to be, where they are to stop and what they are to fight for; so that to that extent before the Board meeting at which the variation is to be proposed, the employers are very well aware of the state of feeling in the trade.

11,966. I had rather gathered that a good deal of delay has arisen after an arrangement has been come to by the Board, and I wondered whether it was necessary to take up time asking for objections when they, at least, were aware that an arrangement was going to be made?—Yes, I could understand that. I do not know that that difficulty has arisen in my case.

11,967. *Chairman*: Then you propose that where a rate has been arrived at after contention, and possibly by the vote of the Appointed Members, the Board might be authorised to recommend that the period for objections be one month?—Be longer, yes. I think that gives an opportunity for the various views, which must be implied where there is a division of opinion on the Board, being fully expressed to the Minister and to the Board before

the rate proposed is finally fixed. I think that would be useful.

11,968. *Sir Arthur Pease*: But would that mean that when they wanted to stop a rate coming into force they would object instead of settling?—They would object, of course, but then the Board would be able to consider the objections on their merits, as we always do.

11,969. I have in mind an instance where a case has to go to arbitration by agreement. Very often the sides agree, or practically agree, weeks before, but one side or the other hangs back till the day comes when they can arbitrate upon it?—Yes.

11,970. Would not that sort of thing happen? Would it prevent the sides coming to an agreement, because they would disagree so as to get the month's notice?—I do not think that that would actually take place. The matter is considered on its merits, and one could easily discover in the course of discussion if there were any opinions which they were holding in reserve, or if they were adopting some tactical move. One can generally discover that in conversation between the two sides separately.

11,971. It does take place in organised trades?—I know it does.

11,972. *Chairman*: Then you propose that in no case should more than two months elapse between the proposal and the coming into operation of the rate?—Yes. I put it in the negative form, because if we could possibly have the rate fixed in less than two months it would be an advantage. The shorter the time the better both for the original proposal and for varying.

11,973. You think that an alteration in a proposal, which is agreed by both sides, can be accepted without further notice?—You are referring to item (d)? Yes. That is coming up time after time in connection with my Boards; after the notice of proposal has come up for re-discussion, and the time has arrived for fixing it, we have thought of or have actually proposed a certain slight alteration, or what seemed to us slight, or on some occasions a considerable alteration is suggested, and we have been held up by the thought that if we did this the Minister would not confirm it, and we should require a new notice. That has been a source of irritation to the members of the Board.

11,974. You would avoid the fresh notice and the fresh delay by authorising the Minister to consent if the Board consents?—If the Board is quite agreed, because as a rule it might have been that they had changed their mind in the interval; they might have discovered by talking with one another, on their respective sides, that this would be a useful change even though it is a serious change; and I would leave it to them and let them take the responsibility.

11,975. When you speak of the Board being agreed, do you mean that they must be unanimous?—Yes, when this alteration to which I am referring under (d) is concerned.

11,976. Do you also mean it as regards the higher rates?—What I was thinking of under that head—

11,977. I understand that, but I wanted to supply an omission; I did not ask you at the time. You know what I mean by the higher rates?—Yes.

11,978. When you say that higher rates should be agreed on the Board, do you mean that the Board must be unanimous? That is to say, would you have one dissident authorised to stop a rate?—You mean one dissident representative—one member?

11,979. Yes.—The difficulty of answering that is that I have had no experience of such a situation. As a rule the people go by sides, and the two sides work together each as a block, and one individual very rarely or never asserts himself individually. It may be a misfortune, but that is as it has happened.

11,980. It is conceivable?—That one particular member should do so?

11,981. Yes?—I should not regard that as a sufficient justification for completely holding up the position.

11,982. I am taking this part of your statement rather more quickly. As regards notice, you point

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out that there is great difficulty about having notices fixed up outside a large works, and you suggest that they might be posted up inside each workroom?—Yes. I realise that that might involve a little trouble and expense, but it seems to me worth while, because the main point of the notice, it seems to me, is to bring the rates under the observation of those directly concerned, and that should be effective if it is to be satisfactory, otherwise you cannot expect the workpeople to know when the rates are being paid, or what the rates are.

11,983. *Dame Adelaide Anderson*: It would mean extra trouble in printing separate notices for each department, I suppose?—I should imagine it would.

11,984. You would not know the precise quantity needed so easily?—There might be difficulties such as these, but I have no doubt that they could be overcome, and in any case they ought to be overcome in the interests of the workpeople. They are concerned with these rates, and unless they know what the rates are, it seems to me that it is not fair to them.

11,985. The blocking at the entrance would hinder the work of the factory if everyone tried to read them?—Yes, if everyone did that.

11,986. *Sir Arthur Pease*: But ought you not to go further than that: is it not practically impossible to read those notices when they are stuck up on the wall?—I agree that that is so in many cases.

11,987. There ought to be some sort of pamphlet which they could tear off?—I quite agree. That is what I have suggested.

11,988. I do not see how anybody could read those notices if they were stuck up on a wall.—Yes, I agree.

Chairman: Your next suggestion, I see, is that copies of them should be on sale at Labour Exchanges?

11,989. *Mrs. Lyttelton*: But you think that they ought to pay for them?—Yes, to cover the paper. After all they are concerned, and it would not cost more than 1d. or 2d., which is enough to cover the paper.

11,990. *Sir Arthur Pease*: You want to prevent waste of them, too?—Yes, certainly; and if the rate is an advantage to them, why should they not pay for the copies?

11,991. *Dame Adelaide Anderson*: You mean just the cost of the paper?—Yes.

11,992. *Chairman*: As regards the usefulness of Appointed Members, I have myself nothing to ask. With regard to having three Appointed Members, you suggest that a Chairman might prove sufficient?—Yes.

11,993. Does that mean the Chairman only?—Yes, the Chairman only. Of course there would be a Vice-Chairman in reserve, as I suggest, so that in case the Chairman is not able to appear on a particular date the Vice-Chairman could be called upon to take his place; and I see no reason why in all circumstances three should be summoned.

11,994. Some Chairmen have told us that they feel happier if they have two Appointed Members with them?—I feel unhappy unless when I am alone I prefer to be alone because I know my own mind, but I do not always know the minds of my colleagues.

11,995. *Sir Arthur Pease*: Is a Board properly constituted if it has three Appointed Members, and one is not there?—Quite; it is a majority of members that constitutes a Board—a certain proportion fixed by the Act.

11,996. *Mr. Pugh*: It places a good deal of responsibility upon the Chairman if he sits by himself, does it not?—I much prefer to be quite clear as to the issue and see my way through. I have been used to it in previous experience that I have had, and I seem to grasp the situation better when I am not troubled by considering how this will affect other people directly concerned with the position—I mean my colleagues beside me.

11,997. I was rather thinking of the difference between a Trade Board and a Wages Board, where a chairman does not have to give a vote or a decision. On the Trade Board you have to do that?—Yes.

11,998. You still adhere to the idea of the single Appointed Member, even although he has to accept the responsibility of giving a decision?—Yes, I think so. That would be my own feeling in the matter. I do not say in all cases. I mean there are certain trades where it would perhaps be useful owing perhaps to the complicated nature of the trade, or for subsidiary circumstances it might be, to have someone to talk with; but stating it quite generally I should much prefer for my own part to be alone.

11,999. *Chairman*: Then you think that the Minister should keep the choice of Appointed Members in his own hands. When the time comes for re-nomination of members, he might see the Chairman of the Board and ascertain his views?—I think that would be useful, because he has no means of finding out how the individuals on the Board are actually working—whether they are really assisting the Board or hindering it. He has certain power of suspending or removing a certain member on the ground that he is incapable, and so far as I can make out he has no machinery for finding out whether any member is incapable.

12,000. It is not really removing, it is not re-appointing?—Not reappointing.

12,001. Then as regards rates for juveniles, you give us your experience. Sometimes they are graduated by age and sometimes by experience, I gather?—That is so, and a Board can choose which of these methods of distinction between juveniles it care to adopt.

12,002. It depends really upon the history of the trade and the custom of the trade?—Yes.

12,003. *Mr. Pugh*: That is to say that there should not be that difficulty, say, in the dressmaking trades which has been represented to this Committee, where it is a case of learners coming in over the age, say, of 16 years? The Boards have power to fix rates which are not necessarily on an age basis?—Quite, but they can if they wish to do so. It may be more difficult to adopt another basis; the most obvious way no doubt is the age basis; but it is not necessarily the fairest way. However, it is for the Board to settle.

12,004. And the Board can settle?—The Board can settle how it pleases. The adoption of the age basis, for example, in jute and in flax was largely due to the way in which increases were given by Arbitration Courts during the war. Prior to the war the general method by which wages were fixed was by the length of experience; a girl of 15, let us say, would probably get the same wage as a woman of 20 if she were equally skilled, but wage advances were given during the war on an age basis, and it seemed to the Board, wisely or unwisely, that that should be the basis upon which the rates should be fixed by the Board when it was set up, namely, age. I do not say that that appealed to all the members of the Board, but that is the way in which the Board actually did decide. There has been a certain amount of regret since, and that regret has been expressed by various members of the Board on the workers' side and on the employers' side. The opinion has been expressed that that was altogether a wrong basis to adopt in such a trade, and that it should have been experience and not age. It is just possible that they may revert to that and re-cast all the rates in the light of that other principle which formerly was the custom of the trade; but that is the history of their adoption.

12,005. *Sir Arthur Pease*: Does it make any difference to a piece rate?—In what sense?

12,006. I mean a girl of 15 if she did as much work on piece as a woman of 25 would get the same rate?—That is so in the case of piece rates; at least that is generally so; but in certain cases you will find a piece rate worked out for juveniles below 18 and a piece rate worked out for adults above 18, but in general it is true to say that the piece rate is the same all over, whether it is for a person over 18 or for a person under 18.

12,007. Would the work which is done by a juvenile be different from the other?—No, and in

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some cases the juvenile will earn more than the older person, on certain classes of work.

12,008. Are not certain classes of work reserved for juveniles to deal with?—In some cases that is so, but in other cases no, they do the same sort of work.

12,009. *Chairman*: As regards the personal relations between the two sides, you say that the Trade Boards have had a good effect?—That is my opinion. I do not say that it would be corroborated by everybody on the Boards with which I am concerned, but on the whole that is the impression I have gathered from the working of the Boards, and in the case of one Board I have in mind it is emphatically true to say that it has had an admirable effect. I think both sides would recognise that. But the opinion of the two sides on this particular point has rather altered with the history of the Board. To begin with, for example, on one of the Boards I am thinking of the relations between the two sides were anything but cordial; then they became extremely pleasant to one another and worked together, and they had nothing but good to say of the Trade Board. Then a time of bad trade set in, and they got apart again and began to fight with one another, and some of them have nothing but bad to say of the Trade Board. That is what one might expect; but speaking generally, and taking the working of the Boards as a whole, that is how I should express it: it does do good, and the two sides understand one another in a way in which I do not think they could understand one another so successfully by any other means, as far as I can see.

12,010. On the other hand you say that there is some danger that the effect of the Boards may be to prejudice the personal relations between employer and employed?—Yes, I thought it well to refer to that. As a matter of fact, I had a conversation with one employer a short time ago on the matter and he says that there is not much fear of the Trade Boards interfering with personal relations between themselves and their employees. I was very glad to hear that, because I had heard the contrary view expressed on other occasions, so that I thought it necessary to call attention to it.

12,011. *Mr. Pugh*: You would hardly expect to find any difference in that respect between the machinery of collective bargaining so far as Trade Board trades are concerned and what you would find in similar circumstances in other industries?—No, I should not think so.

12,012. *Sir Arthur Pease*: Where there is organised bargaining there is very often the greatest difference between the feelings between one employer and his men and the feelings between another employer and his men in the same industry?—That is quite true.

12,013. And you think that condition will prevail with regard to Trade Boards?—Yes, I think so. As long as it is worked properly and a proper spirit develops between the two sides, as one hopes it will in days to come, I do not see that that need interfere at all with the good relations between an employer and his workpeople; but it will depend, of course, upon how it is worked. I can understand that at present in certain cases employers may feel so embittered against the Boards that they may turn their bitterness against the Boards into hostility against the workpeople who support the Boards; but I think that is hypothetical. I should like to see how far that would turn out to be the fact.

12,014. *Dame Adelaide Anderson*: With the Joint Industrial Council method the organisation is completed by the Works Committee or the Works Council?—Yes.

12,015. It would be purely voluntary in connection with a Trade Board?—A Works Committee?

12,016. Yes.—It would be altogether outside the scope of the Trade Board.

12,017. But there it is in the Joint Industrial Council idea; that is part of the whole machinery?—Perfectly. There is no reason why that machinery should not exist inside a works although the trade is under a Trade Board.

12,018. But now they do exist, do they not?—It is quite possible. I have no direct knowledge upon it, but it is quite possible.

12,019. You have no direct knowledge of them nor of their influence?—Not at present.

12,020. *Chairman*: Then you suggest that the power of Trade Boards might be extended so as to include the power to investigate industrial disputes and to act as arbitrators?—Yes, in certain cases. I thought it was worth while suggesting that to the Committee, because it seemed to me that that would put the coping stone on the work of the Trade Board; it would round off in a useful way their functions if they had the power to settle, within the bounds of the Trade Board, any disputes that arise.

12,021. In what way would you suggest that they should intervene?—For example a dispute may arise at a given works between the employer and his employees, or in a given district, over rates of pay, over an advance which might be asked, or over some difficulties in connection with the rates actually fixed Under the Act at present there is no penalty attached to the workpeople; they can strike if they like and you cannot get at them. The employer is punished all the time; the workpeople are not. In such a case it is highly desirable that you should have some sort of agency which, in the name of the Trade Boards, would say to your disputants: "Now we must not allow this to go on. You are under our Trade Board. We want to see what the facts are and to know the facts of this case, and we cannot allow you to dispute while you are under the general survey and scope of this Board. We are therefore going to institute an inquiry to see what the facts are, and we will report to the Board and try to settle it by the Board." That is how I should proceed.

12,022. Do you propose that a strike should be made illegal pending investigation by the Board?—I should give all the powers to the Board in such circumstances as are at present covered by the Industrial Courts Act.

12,023. *Mr. Pugh*: Are you not just asking for similar powers to what are exercised by Wages Boards themselves in ordinary industry?—Do they exercise these powers in ordinary industry?

12,024. I was asking whether what you were trying to get for Trade Boards was similar powers to those which are exercised voluntarily by wages boards in other industries?—That was mainly what I had in view. What powers you would give regarding strikes seem to be a detail. I did not go into that on its merits.

12,025. All questions of dispute are referred to the Board. It does not prevent strikes. I mean it does not do away with the power to strike or lock-out, but the Board is the machinery of the Trade for settling disputes?—Yes, that is it.

12,026. You want a similar thing here?—Yes, I want similar power.

12,027. *Mr. Layton*: Would you limit its jurisdiction to disputes arising out of questions dealt with by the Board?—All disputes arising in connection with the trade covered by the Trade Board.

12,028. That might be much wider, of course?—Much wider. It would not be confined to wages; it might concern conditions. There is no reason why it should not. It seems to me that it would be an advantage to have all these matters under the complete control of the Trade Board so as to make it really the legislative and governing body in the trade. That is what I have in mind, and I think that is involved in the principle of the Trade Boards Acts.

12,029. *Dame Adelaide Anderson*: Would you take into account the Factory Acts, which lay down conditions?—That is another matter altogether, it seems to me.

12,030. You are not thinking of conditions of safety and health, or any of those things?—I would not cover anything covered by another Act, of course.

12,031. What conditions have you in view besides wages, health, safety, and so on?—Hours of employment.

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12,032. Hours are under the Factory Act.—Times at which people come to work; whether a person is slack; all sorts of things might arise.

12,033. *Sir Arthur Pease*: But you cannot force any one man or any body of men to work if they do not want to?—In general, I agree.

12,034. And you cannot force an employer to keep his works open if he does not want to?—I agree.

12,035. You could not get any compulsory sanction for such decisions, could you?—What compulsory sanction have you at present under similar conditions?

12,036. Both strike and lock-out.—Perfectly. If you care to suggest that this machinery would not completely allay trouble, I would agree, but it is a question of trying to prevent it to the very last moment, and I think machinery such as this would assist in that direction. In the same way, by no means will you prevent war, but you can delay it indefinitely; and by such machinery as this I think you would in many cases, because you would get a Committee, say, of the Board invested with power to examine into the situation and to report. That in itself brings an impartial mind to bear upon the situation, and that has a remarkable effect in calming people's feelings and getting them to understand what exactly is the point of view of the respective sides. That is of very great assistance in allaying a dispute. That is all I mean; but if you say that you shall have absolute power to compel an employer to open his works, and to compel the workpeople to go to work, of course that is out of the question.

12,037. *Mr. Poulton*: You said that an employer was penalised all the time in wages disputes. In what way is he penalised?—He is the only person to whom penalties are attached by the Act.

12,038. I am asking about this widening of the powers. In what way is he penalised?—Do you mean under the present Acts?

12,039. No, under this suggestion of yours, you say workpeople can come out on strike as they like, but the employer is penalised all the time?—He is penalised under the Act, and there is no penalty attaching to anything that the workpeople may do. I suggest that some machinery should be adopted so as to bring the two sides together in case of dispute. In the case of a dispute arising, without some such machinery as this the employer might be compelled to pay a rate or compelled to do this or that, and he might feel that he was not being fairly treated; but give the Board power to investigate the matter and examine into the case, and see what the situation is, and report, and try to allay the dispute, and I think you are dealing more fairly with the two sides. That is all I have in mind.

12,040. *Sir Arthur Pease*: To act as conciliators rather than arbitrators?—They might agree that they should suggest arbitrators, or the Board might agree to act as conciliators. I carefully considered the question referred to by Mr. Poulton that one side alone is under a penalty, and why should they be penalised alone; but I did not see any way how to attach penalties to the other side. I may remark, in passing, that I do think that it has been not altogether fortunate that one side has come to the Board knowing that they are to take all the blame and all the penalties, and the other side is not to have any penalties attaching at all. The employers feel that they come there more or less in the position of an accused, and their sense of justice is being condemned by Act of Parliament, and so on. That may or may not be true of what one might call sweated industries; that is not for me to say; but with a good many industries brought under the survey of Trade Boards I do not think it can be regarded as a fair statement of their case. I see no remedy for that situation. I see that the penalties must be primarily attached to the employers, and it is very difficult to attach any penalties to the other side, and therefore I suggest this means by which in cases where disputes do arise and difficulties arise out of the working of the Acts or in connection with the trade coming under the

Acts you would find this extension of the powers of the Board very serviceable.

12,041. *Mr. Pugh*: It would make them really Conciliation Boards as well as Trade Boards?—Yes, it would make them Conciliation Boards, and, if necessary, Arbitration Boards if the two sides agree. I make the last remark because in a certain case it has been suggested that where difficulties arise between employer and employed the Chairman of the Board should act as arbitrator. It has been suggested; but subject to that I think probably conciliation would be the main function performed by the Board.

12,042. *Sir Arthur Pease*: Then you would have three stages really: (one) the lowest or compulsory rate—a general compulsory rate?—That is right.

12,043. (Two), the piece rates and the higher rates, which would be compulsory only if the two sides agreed?—That is right.

12,044. And (three) rates settled by arbitration which there would be no compulsory powers to enforce on either side?—I did not know where you were coming out. In the last case, of course, the case of arbitration, the arbitrators—the means of conciliation—could not possibly establish a rate as the Trade Board rate unless the Trade Board fixed the rate fixed by the conciliator or arbitrator. That is quite obvious. But if, for example, a dispute did arise where the question was one of wages higher than the wages already fixed, and a rate was fixed by the arbitrator, I suppose you would regard it just as an arbitration rate unless the Board sanctioned it as a specific rate, which would be very unlikely. I have not thought of that point at all to which you are referring as establishing another rate by this means. I do not think that would be so.

12,045. *Mr. Poulton*: The question of its being carried out would depend upon the organisation of the two sides?—Quite, and that would be quite sufficient, because you would have the whole organisation brought to bear in a local dispute. But, after all, the Board has a certain amount of authority, and it would have growing authority, the better the relations between the two sides; and the chances are that that process would be sufficient for securing that any decision arrived at by the arbitrator or by the Board acting as a conciliator would be carried out.

12,046. They would be acting in a capacity entirely different from a Trade Board, though, would they not?—Perfectly. This is a function which I should suggest being assigned to the Trade Board not in the place of any other function, not as a rate-fixing power, and in no way taking over the functions of the Board in the way in which we have so far suggested, but as something over and above and as supplemental, and on the whole, I think, necessary to complete the work of Trade Boards.

12,047. *Chairman*: You really would give them the power of the Industrial Court?—The Industrial Courts Act in their particular trade. Perhaps it might be better if, instead of handing over all the powers I have suggested to each Trade Board, you had a Central Arbitration Tribunal for trades coming under the Trade Boards alone; but you might say that that is at present taken over by the Industrial Courts. That may or may not be.

12,048. *Mr. Pugh*: Would you bring in the super Trade Board for this?—No, I have no intention of that at all.

12,049. *Chairman*: I think your last suggestion is that the Acts should be consolidated?—That seems to me most important. That was mentioned during the Debate on the Act in June, 1918, by one Member of the House of Commons; I have forgotten his name; and I am surprised that more attention was not given to it. It certainly does seem to me very important.

12,050. Certainly, if you get a third Act you must consolidate the three?—Yes, but apart from that I should have thought it would have been better from the first to have consolidated the other two Acts, the amending Act and the principal Act.

Chairman: We are very much obliged to you for coming here.

(The Witness withdrew.)

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Mr. J. J. MALLON and Miss M. J. SYMONS.

[Continued.]

Mr. J. J. MALLON and Miss M. J. SYMONS called and examined.

The Witnesses handed in the following statement as their evidence-in-chief:—

The following summary is submitted on behalf of the Trade Boards Advisory Council set up under the General Council of Trade Union Congress. This Advisory Council includes all the Trade Unions represented on Trade Boards, and this summary embodies their conclusions and proposals.

I.—RETENTION OF MAIN POWERS CONFERRED UPON TRADE BOARDS UNDER THE 1909 AND THE 1918 ACTS.

The main criticism urged against the Trade Board system would appear to be that the Boards have in some way exceeded the powers conferred upon them, or at least that in the use of these powers they have gone beyond the intention of the Acts. The Trade Boards Advisory Council believe that such criticism is due to a misconception of the powers actually possessed by the Boards under the 1909 Act, and certainly to a misconception as to the intention of both Acts.

As regards the 1909 Trade Boards Act, it will, of course, be clear to the Committee that with the exception of the power to fix guaranteed minimum time-rates for pieceworkers, piecework basis time-rates, and overtime rates, the powers conferred upon the Boards by Section 3 of the 1918 Act are the same as those conferred upon the Trade Boards by Section 4 of the 1909 Act, and further, that the power to fix detailed rates for special classes of workers, for instance, was actually exercised by the first Trade Board to be set up, namely, the Chain Trade Board, which fixed an elaborate scale of rates varying according to the size of the chain made.

Further, it will be within the knowledge of the Committee from the reports of debates in the House of Commons on the 1918 Act and from the pronouncements of Cabinet Ministers at that time, that it was contemplated that Trade Boards should not only protect the lowest paid worker from sweating, but should provide machinery in unorganised trades for carrying out the work performed by Joint Industrial Councils in organised trades. In the words of the Second Report of the Whitley Committee:—

“The level of organisation in industries in Group C is such as to make the scheme we have proposed for national or district industrial councils inapplicable. To these industries the machinery of the Trade Boards Act might well be applied, pending the development of such degree of organisation as would render feasible the establishment of a national council or district councils.”

The Trade Boards Advisory Council are convinced that it is essential that all the powers conferred upon the Trade Boards under both Acts should be retained, and particularly desire to refer the Committee to the following points:—

A.—Method of Application of the Acts.

It may be assumed that there is general agreement that the method of the 1909 Act by which every provisional order had to be submitted to Parliament for confirmation is cumbersome and a waste of Parliamentary time. It has, however, been suggested in certain quarters that the quicker method of proceeding by means of special order under the 1918 Act has led to the establishment of Trade Boards without due consideration, and that a statutory enquiry should be held in every case before the setting up of a new Trade Board. In this connection we would refer the Committee to the history of the formation of Boards under the 1918 Act. It will then be found that the summary of negotiations in the catering trade, already submitted to the Committee, is not unrepresentative of the methods which have been adopted. In every case a number of preliminary conferences of persons interested in the trade have been held, and it is not until the ground has been thoroughly explored by this means, and by independent investigation into wages and conditions by

officers of the Ministry of Labour that the draft definition has been circulated. When at a later stage the Provisional Order is issued, it is then open to the trade to send in objections and to exercise their right to request a statutory enquiry under the provisions of the First Schedule of the 1918 Act.

The Trade Boards Advisory Council consider that the fact that no request for such a statutory enquiry has in fact been made under the 1918 Act is in itself sufficient evidence that there is no need to institute a practice of preliminary statutory enquiries in every case, since it is feared that such a procedure, apart from its cost would still further delay necessary protection of the workers.

B.—Trades to which the Act can be applied.

The Council contend that nothing would be gained by a return to the wording of Section 1 (2) of the 1909 Act, and would strongly oppose any amendment in the 1918 Act which would have the effect of limiting the operation of Trade Boards. By a careful consideration of conditions prevailing in trades to which the 1918 Act was applied, at the time of its application, particulars of which have already been fairly fully submitted to the Committee, the Council arrives at the conclusion that it is exceedingly doubtful whether the Act has in fact been applied to any trade to which it could not have been applied under the conditions of the 1909 Act, but they also maintain that the wording of Section 1 (2) of the 1909 Act was so ambiguous that in practice it is unlikely that it would have secured to these workers the protection to which they were entitled. They consider that the emphasis which is laid on the lack of “adequate machinery for the effective regulation of wages throughout the trade” in Section 1 (2) of the 1918 Act is proper, since these conditions admit of comparatively easy proof, and where they exist invariably involve low wages at least in sections of the trade.

C.—Powers of Trade Boards under Section 3 of the 1918 Act.

(1) This Section of the 1918 Act has led to considerable controversy. It has already been established that the permissive powers to fix “minimum rates of wages for time-work” “general minimum rates of wages for piece-work,” so as to apply universally to the trade or so as they apply to any special process in the work of the trade or to any special classes of workers in the trade, or to any special area, are identical in the 1909 and the 1918 Acts, and were in fact exercised under the 1909 Act.

As regards the increased powers conferred under the 1918 Act to fix a guaranteed time-rate for pieceworkers, overtime-rates, or piecework basis time-rates, it does not appear that the exercise of these powers has led to any serious criticism. These increased powers were undoubtedly conferred in order to enable Trade Boards to do what had become the almost universal practice on all trades.

A great deal of experience in dealing more particularly with wages of women workers had been gained during the war and embodied in the provisions of the Statutory Rules and Orders issued under the Munitions of War Acts. It was contemplated that a number of trades which had been covered by such Orders during the war would eventually come under the Trade Boards Acts, and the Trade Boards would not have been in a position to deal adequately with such trades under the more restricted powers of the 1909 Act.

As regards the power to fix overtime rates in particular, it would appear that the basis of the normal working week, which is inherent in the Trade Board system would be seriously endangered unless the Boards possessed the power to fix additional rates for hours worked in excess of the normal working week.

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(2) *Reasons against limiting the number of rates which a Board may fix.*—Certain criticism against Trade Boards has centred round the power of the Boards to fix more than one statutory general minimum time-rate. In considering the value of such criticism, it is important to note that the Boards which have departed furthest from such an attitude such as the Boot and Shoe Repairing Trade Board and the Brush and Broom Trade Board, are unanimous in expressing the view that their Board could not meet the conditions of their respective trades by merely fixing one general minimum time-rate.

The volume of evidence against these rates for special classes of workers is small and in the case of certain employers who have spoken against them such as Mr. Jackson of the National Union of Manufacturers, it should be pointed out that on the Stamped or Dressed Metalwares Trade Board Mr. Jackson was himself a party to proposing special rates for classes of both male and female workers by agreement.

In the course of evidence, the following methods of dealing with this question have been suggested:—

- (a) That only one time-rate should be dealt with by the Board;
- (b) That rates other than the one time-rate might be fixed, but only where agreement between the sides is reached without the votes of the Appointed Members;
- (c) That even where such rates are arrived at by agreement their operation should not be statutory.

The Trade Boards Advisory Council consider that any of the three suggestions would cripple the usefulness of the Trade Boards, and they contend that in promoting them witnesses have had in mind what they conceive to be the position of a particular trade, rather than the conditions existing in Trade Board trades as a whole. In certain trades the nature of the work performed is very much at the same level throughout. In other industries special classes of workers happen to be able to protect themselves and where these conditions operate the Boards have not availed themselves of the power to fix special rates. In other trades, however, one or other of the following conditions has operated:—

- (a) Certain classes of workers may have been working before the operation of the Board under such sweated conditions that even a low general minimum time-rate would have forced them out of existence, e.g., homeworkers in many trades have required special rates.
- (b) In some trades, certain employers are found throughout the country paying such a low level of wages that an exceptionally low general minimum time-rate has to be fixed, e.g., on the Sack and Bag Trade Board, which represents a case in point, it was possible by fixing a special rate for special classes of workers to protect a certain proportion of the workers more adequately than had been possible by the low general minimum time-rate.
- (c) In certain trades which employ a relatively small number of unskilled labourers, and where the whole of the trade for which the Board is really set up consists of skilled workers, the lowest rate fixed would probably be entirely inappropriate to the great majority of workers in the trade.
- (d) In other cases specially skilled workers or workers engaged on specially arduous work, such as women on men's work in the Sugar Confectionery Trade, and workers on special machines in the Tin Box Trade, can only be protected by special rates.

In this connection it should also be noted that casual workers in certain trades need special protection, as, for instance, casual workers under the Laundry Trade Board engaged for the purpose of getting out ships' work at the docks.

It would be impossible to mention in detail the various cases that have occurred and may occur, but in considering the argument that special classes of workers are able to protect themselves, it should always be remembered that many of the worst cases of sweating have occurred among workers engaged on work of a special nature, such as skilled embroiderers, and brick makers, while in assuming that such cases can be dealt with by organisation, the very basis on which the Trade Boards Act is applied to trades is overlooked.

(3) *Learners.*—In dealing with this question, the importance of the powers of a Trade Board with regard to learners cannot be overlooked. While there may be differences of opinion as to the expediency of the methods adopted by Trade Boards in dealing with this problem, it would no doubt be admitted that wise legislation in this respect is the most constructive piece of work which can be done by a Trade Board, since it affects the whole future of the trade. In certain trades, such as the Tailoring trade, on which detailed evidence has been submitted to the Committee, the Board is faced with a very complicated problem, since while apprenticeship may be desirable in certain skilled branches of the trade, other branches which are quickly learnt may call for a scale of learners' rates, and yet other sections may be more properly dealt with by a system of juvenile rates based on age.

On this matter the Council submit that the interest and ingenuity of Trade Boards will be seriously endangered if their powers are limited in any way.

In considering the criticisms which have been made as regards the action of various Trade Boards in dealing with the learners, the Committee will no doubt bear in mind that this criticism arises mainly in the case of new Boards which were faced with peculiar problems after the war. The conditions of employment in many trades had been abnormal owing to war conditions and in dealing with juvenile labour the Trade Boards had to bear in mind two general points:—

- (a) The importance of not fixing rates so high that children would not in fact be taught the trade;
- (b) The importance of not fixing rates so low that employment of children at the expense of adults would be encouraged in occupations which were already overstocked and in which many children had no reasonable hope of securing permanent employment.

On the second suggestion that Appointed Members should not be permitted to vote on any rates above the lowest rate fixed, it is contended that such an amendment is impracticable and unnecessary. The point at which the experience of Appointed Members ceases to be sufficient to enable them to vote on rates is not a fixed one, since it must vary according to the particular circumstances of each case.

In many cases the second or third set of rates on which Appointed Members may be asked to vote may all be at a comparatively low level. In other cases, the actual point of dispute between the two parties may not be a technical one, but it may involve a question on which the Appointed Members are as competent to express an opinion as on any other. It might also be argued that on these relatively higher rates the duty of the Appointed Members to represent the point of view of the consumer becomes of greater importance.

As regards the third suggestion that these relatively high rates, however they may be arrived at, should not be legally enforceable, it is strongly contended that such a provision, if applied to a Trade Board trade would render the work of the Board useless. While amicable agreements can be arrived at by the two sides of Trade Boards, who know that the rates fixed will be observed by the trade as a whole, in the majority, if not in all cases, they would no longer be arrived at if the employers concerned could be subjected to competition by firms who did not choose to comply with the agreement. This very difficulty has led to the abolition of Joint Industrial Councils and Interim Reconstruction Committees in many trades, and to the substitution of a Trade Board in trades such as the Boot and Floor Polish, and,

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judging from experience, the Council have no doubt that the work of the Trade Boards would share the same fate if statutory protection were removed from any rates.

It has been suggested that in exercising and demanding powers to regulate wages above the lowest minimum, Trade Boards are in a preferential position as compared with the large organised trades of the country. The obvious answer to such a contention is that in so far as a trade is completely and adequately organised for the purpose of regulating wages it possesses its own machinery and neither needs nor desires the alternative machinery of the Trade Boards Acts. If the rates of wages in such trades throughout a comparatively long period are compared with the rates of wages in Trade Board trades, it will be found that the level of wages in the organised trades is considerably higher. The fact that at any given time, such as during the present abnormal trade depression, rates lower than those generally fixed by Trade Boards may be discovered in certain highly organised industries is no argument against the Trade Board system, since one would naturally expect a steadier level to be maintained in an industry in which wages have been comparatively low over a long period.

II.—ALTERATION PROPOSED IN THE EXISTING SYSTEM.

A. The Trade Boards Advisory Council propose that the Trade Boards Acts should be amended so as to give the Minister power to include several trades within one Board. It has been suggested in several cases, such as the distributive trades, the Birmingham metal trades, the clothing trades, the jute and kindred trade, that grouping would diminish the number of difficulties that now arise on scope, and would also overcome certain objections from employers who complain of the complexity of a position in which they are covered by a number of Boards.

If the necessary amendment in the Acts is made, the Trade Boards Advisory Council suggest on procedure that if the Minister is unable to accept the recommendation of any Board on the question of grouping, or if two Boards disagree, the matter should be referred to the Tribunal, which will be dealt with in a later section of this evidence.

B. The Composition of Trade Boards.

(1) *Chairman and Appointed Members.*—The Trade Boards Advisory Council suggest that with regard to the Chairman, representative bodies of employers and workers should be asked to prepare a panel of persons possessing the necessary standing and experience, to be submitted to the Minister of Labour, and that the Minister should appoint from this panel after consultation with both sides of the Trade Board.

As regards the two Appointed Members other than the Chairman, the Council propose that the same representative bodies of employers and workers should be asked to prepare two panels of employers' and workers' representatives respectively, and that after consultation with the particular Trade Board concerned the Minister should appoint one assessor from each panel to act as the Chairman.

It should be clearly understood that the Council propose that all three persons, when selected, should act permanently on the particular Board to which they are appointed, since they cannot see that any useful purpose would be served by a succession of Appointed Members who would be unable to maintain any continuity in policy.

The Council consider that their proposal, if adopted, would go a long way to remove the objections to the Appointed Members which have been made from both sides. They would remind the Committee that this system was adopted in the constitution of the Munitions Tribunal, set up under the Munitions of War Acts, and that it worked very successfully on the whole. It was not found that the two assessors always disagreed, and thus cancelled out, and on the other hand their experience and knowledge contributed to wise and acceptable decisions.

As to the various suggestions that have been made for the complete abolition of the Appointed Members and the reference of a difference between the sides to some Arbitration Tribunal, the Council consider

that such an alteration would cut right across the principle of conciliation underlying the Trade Boards, and it would greatly weaken the status of the Boards by constant reference to an outside body.

(2) *The Composition of the Trade Boards has been criticised by certain employers on the ground that—*

(a) An undue proportion of Trade Union officials are appointed to the Boards;

(b) Trade Unionists are represented on the Boards disproportionately to their numerical strength in the industry.

On the first point, while the Council are anxious that workers actually engaged in the trade should be adequately represented on the Boards, they maintain that it is in the interests of efficient working of a Trade Board that representative officials should be present on both sides. While officials would always be guided by the experience of the workers in a trade on technical points, these workers are, by the very nature of a Trade Board trade, inexperienced in negotiation. In practice it has been found that a very great deal of time is saved, and that better conclusions are arrived at if persons having some knowledge of Trade Board machinery and general negotiations are present on both sides. In their absence a great deal of time tends to be wasted, through misunderstandings, and if conclusions are reached because certain facts are overlooked owing to inexperience no good can result to either side in the long run from such decisions.

Further, on all Trade Boards, where a necessarily limited number of people legislate for very large numbers, it is important that the legislators should be representative in the sense that they can both collect the views of their respective sides and express them on the Board, and circulate information regarding the proceedings of the Trade Board to their respective constituents.

On the second point, that of undue representation of Trade Unionists, the Council would point out that where the Ministry of Labour have been unable to secure Trade Union representatives covering the whole area under a Trade Board, non-unionists have been appointed, but wherever any degree of organisation exists, they maintain that a trade unionist who only represents a small number of workers is more representative and therefore more useful on a Trade Board than a non-unionist who is necessarily only in a position to represent himself or herself.

C.—District Trade Committees and District Rates.

The Advisory Council do not desire to express any general view for or against District Trade Committees or District Rates, since they are of opinion that these matters should be left to the individual Boards. They suggest that no alteration in existing powers should be made on these matters with one exception—in the case of District Trade Committees, they feel that the power of a Trade Board to set up such Committees should be extended so as to enable them to be abolished if they are no longer desired. In their opinion the fact that once District Trade Committees are established a Board has no power to disband them is an anomaly in the Act, and might deter a Board from experimenting in the usefulness of such Committees.

No other alteration in the existing powers on this matter is desired by the Council, and they would be strongly opposed to any amendment which made the setting up of District Trade Committees or the fixing of differential rates for various districts compulsory, since such a practice may be advisable in certain cases and utterly unworkable in others.

D.—Provision of the Acts for Proposing, Fixing and Confirming Wages, &c.

(1) On the question of the period for objections the Council consider that the period of notice in the case of the first proposal of a new Board should be two months, as now. In such cases it is important that employers and workers should have time to familiarise themselves with the new machinery.

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As regards any further proposal, however, or any variation in the rate fixed, the Council strongly recommend that the period should be shortened to one month.

(2) *Power to amend a Proposal without re-proposing.*—It has been suggested in various quarters that greater elasticity is necessary to enable the Boards to vary a proposal in accordance with the objections received without being obliged to re-propose. It is undoubtedly true that very few cases have occurred in which either side has pressed any point arising on the objections received so as to involve a re-proposal, in view of the very serious delay entailed in such a procedure.

If the period for objections were shortened to one month, as already suggested, the deterrent to a re-proposal would be less strong, but owing to the difficulties which have arisen on what constitutes a substantial alteration in a proposal, it might be advisable to amend the Acts so as to admit of variations at the fixing stage where such variations are arrived at by agreement on the Board.

(3) *Confirmation of Rates.*—The Council are of opinion that the procedure with regard to the confirmation of rates is of the utmost importance and requires urgent revision. Very great dissatisfaction has been caused by the delay which has occurred in many cases in the confirmation of rates by the Minister of Labour, and it appears necessary to safeguard the power of confirmation from any suspicion of political pressure. At the same time, the Council bear in mind both the Minister's responsibility to Parliament for the administration of the Acts, and the importance of doing nothing to weaken the status of the Boards.

After careful consideration they therefore propose that the powers of the Minister as regards the confirmation of the rates fixed by a Trade Board should be limited either to:—

- (a) Confirming the rates sent to him by the Trade Board; or
- (b) Referring them to the Industrial Court within a week.

For this purpose, the Council recommend that the Industrial Court should be strengthened by the addition of assessors chosen from panels of Trade Board representatives. The powers of the Industrial Court in this matter should be limited to either:—

- (a) Referring the rates to the Minister of Labour for immediate confirmation, or
- (b) Referring back the rates to the Trade Board concerned.

The Industrial Court should be obliged to arrive at its decision within a strictly limited time, and the Minister should act forthwith on the advice of the Court.

It is submitted that such a procedure, while retaining the responsibility of the Minister, would have the advantage of removing the onus of confirmation or reference back from the political sphere; at the same time it would not weaken the present status of the Trade Board by causing their decisions to be automatically re-discussed, and possibly re-fashioned, by an outside body and thus reducing the Boards to a Court of first instance.

E. Scope.

The present unsatisfactory position in which neither the Board nor the Minister has the final word in deciding questions of scope has received general attention and there is no doubt that disputes on this question and differences of opinion between the Boards and the Minister on the allied question of the definition of a Board have converted certain employers otherwise favourable to Trade Boards into opponents of the system.

The Advisory Council suggest that questions of scope should be first considered by the Trade Board concerned, who should tender their decision to the Minister of Labour. If the Minister is able to accept their view, his decision should be legally binding. If he is unable to accept it, or if allied Boards express

contradictory views, the matter should be referred to the Industrial Court, constituted as proposed above, whose decision should be final and legally binding.

F. Machinery of Enforcement.

Since the principle underlying the Trade Boards Acts is that the wages arrived at on any Board should be generally observed, the question of proper enforcement of Trade Boards rates is of vital importance. As regards the machinery of inspection, the Trade Boards Advisory Council desires to stress the recommendations of the Majority Report of the Trade Boards Administration Committee, and to urge that the Committee should secure their full acceptance. It is, however, generally admitted that the inspection staff has not grown in proportion to the increased number of Trade Boards, and the Council are bound to urge that the number of trained inspectors should be increased. The Council feel, however, that proper enforcement would be greatly facilitated if the workers and their representatives were in a position to play a more direct part in securing their statutory rights. The Trade Unions as such have at present no right to take proceedings against employers who evade the Acts, and though presumably this power could be added to Section 6 (2) of the 1918 Act, which now gives the Minister power to take civil proceedings, such an amendment would not in practice prove effective, owing to the severe financial strain it would impose on the Trade Unions.

The Council feel very strongly that some less expensive machinery is needed in the shape of a Court in which the worker or his representatives would be in a position to state the case and recover arrears of wages before persons more closely acquainted with technical and industrial questions than the magistrates. They suggest that some Court constituted on the lines of the Munitions Tribunals would be a good alternative to the County Court for this purpose. The direct representation of the workers by a Trade Union representative would reduce the cost, and make the proceedings less alarming to the ordinary worker, while the assessors chosen in the way in which the assessors of the Munitions Tribunals were chosen would be in a better position to arrive at wise decisions.

It is fully realised that the cost of such new machinery may arouse criticism at the present moment but as against this cost it should be remembered that it would reduce the need for increased inspectors by relieving them of a large number of cases and thus setting them free for routine inspection where the workers are unorganised. It is also possible to contemplate that such Courts, if set up, would be in a position to undertake other industrial work.

G. Slow Workers.

It has been contended that the provisions of Section 5 (5) of the 1918 Act with regard to workers affected by any infirmity or physical injury are too limited to enable the Board to deal with slow workers. The Advisory Council gave this matter careful consideration and while they are naturally anxious that workers should not be thrown out of employment owing to the operation of the Acts, they cannot find that unemployment has in fact been caused by the limitations of this Section. They would point out that in almost all trades, it is open to firms to place the workers referred to on piecework, so that—provided the piecework basis time-rate is correctly fixed—the employer has no further obligation to the "slow worker." Where this is not possible, they feel that the wording of Section 5 (6) has admitted of such wide interpretation that it has been possible to cover cases which require protection. It appears to them that some of the witnesses who have spoken in favour of widening the terms of this section had in mind the conditions of their own particular trade, which would make it possible for a committee of the Board to consider the case of slow workers adequately. The Council, must, however, bear in mind the condition of all Trade Board trades, and they are bound to submit to the Committees that in cases as the laundry

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trade in which very large numbers of applications for permits are received, it would not be possible to deal with wide powers without endangering the basis of the Acts.

H. Power to Acquire Information as to Wages.

The Trade Boards Advisory Council consider that everything is to be gained by arriving at decisions on Trade Boards with full knowledge of all the facts, and they therefore urge that power should be acquired in the Acts to enable the Minister of Labour (before a Board has been set up) and the Trade Board itself, once formed, to require a return of wages paid in any firm or firms.

This would not only enable the Board to arrive at decisions on more sufficient data and thus greatly facilitate the work of the Appointed Members, but it would also enable the Boards to assist in the work of inspection in any area where evasion was thought to be taking place.

CONCLUSIONS.

In considering the Trade Board system as a whole, the Advisory Council submit that its utility has been abundantly proved not merely to the workers concerned, but to the trades concerned as a whole, and to the community. The Council consider that the recent attack on the system arises not from any serious defect in the main provisions of the Acts, but rather as a result of the abnormal trade depression of the present year.

In this connection they would draw the attention of the Committee to the Majority Report of the Trade Boards Administration Committee, in which representative employers, workers and Appointed Members expressed the following opinion:—

"That Trade Boards have been a potent means for securing and maintaining industrial harmony in the trades for which they have been established. It will be recalled that the establishment of Trade Boards in trades which were insufficiently organised to establish a Joint Industrial Council was recommended by the 'Whitley Committee' as a means of improving relations between employers and employed, and that the National Industrial Council of 1919 advocated the immediate establishment of Trade Boards in the less well organised trades. We consider that the almost entire absence of industrial unrest in trades covered by Trade Boards, even in the difficult periods during and after the war, of extreme and rapid fluctuations of money values, is a great tribute to the power of a Trade Board to settle rates of wages on a firm basis. It is significant that during the last few days both the Wholesale Mantle and Costume Trade Board (Great Britain) and the Dressmaking and Women's Light Clothing Trade Board (England and Wales) have, as a result of their first year's working, unanimously passed resolutions expressing their sense of the value of a Trade Board."

This opinion has been strengthened by resolutions passed unanimously on many Trade Boards, such as the following passed by the Ready-Made and Wholesale Bespoke Tailoring Trade Board on 27th April, 1921:—

"That in view of the attempts now being made to bring about the abolition of Trade Boards, the Members of the Board of whom the majority have had many years' experience of the working of Trade Boards place on record their opinion that the establishment of a Trade Board has been of considerable advantage to the Ready-Made and Wholesale Bespoke Section of the Tailoring Trade, notwithstanding certain administrative difficulties, towards the removal of which steps are now being taken: and that copies of this resolution be forwarded to the Minister of Labour and the Prime Minister."

The Council deplore the refusal of the Minister of Labour to accept the Majority Report of the Administration Committee in full, as they believe that by

adopting the proposals set out in that Report the Minister would have secured the full co-operation of employers and workers experienced in Trade Boards in working the Trade Boards Acts.

The Council feel bound to point out to the Committee that the main lines of attack pursued by witnesses opposed to the Trade Board system is an attack on any legal regulation of wages rather than mere hostility to certain detailed provisions contained in the Acts. From their knowledge of the conditions which have existed in trades now covered by the Acts, and which still exist in other trades in which protection has been delayed, the Council urge that any alteration in the Acts which makes a return to such conditions possible would be a national calamity.

They have tried to meet any criticisms based on a genuine grievance in the proposals embodied in this summary and in urging their acceptance upon the Committee, they desire to express the hope that the Committee will resist any attempt to make the present abnormal circumstances an excuse to weaken machinery which has stood the test of experience and has immense possibilities for good in the future.

12,051. *Chairman (to Mr. Mallon):* You are a member of a number of Trade Boards, I think?—*(Mr. Mallon):* Yes.

12,052. I do not know whether you have time to give a list of them?—At a guess there are 16, I think. That includes three Irish Boards.

12,053. They are the Brush and Broom Board, the Corset Board, the Dressmaking Board, the Fur Board, the Hat, Cap and Millinery Board, the Paper Bag Board, the Paper Box Board, the Ready-Made Tailoring Board, the Retail Bespoke Tailoring Board, the Shirt-Making Board, the Tin Box Board, and the Wholesale Mantle and Costume Board?—Yes, and three or four Irish Boards, I forget which.

12,054. *(To Miss Symons):* I think you sit on five Boards?—Yes. I was a member of seven, but I have resigned from two.

12,055. *(To Mr. Mallon):* May I take your summary first? This statement is put in on behalf of the Trade Boards Advisory Council?—Yes. Perhaps I might explain in a word what that Council is. It consists of representatives of all the Unions having to do with Trade Boards. A conjunction between those Unions became necessary in order that the policy of their representatives on the various Boards might to some extent be harmonised. The Trade Boards Advisory Council is the equivalent of the employers' Trade Boards Consultative Committee, and, as I say, it can claim to represent the views of all the Unions which have Trade Board interests.

12,056. It is appointed by the Trade Union Congress, is it not?—Yes.

12,057. I see that it is a body of some twenty members, or thereabouts?—Yes.

12,058. You deal with the question of the retention of the main powers conferred upon Trade Boards by the Acts, and you say that the main criticism urged against the Boards appears to be that they have exceeded their powers, or that they have used their powers beyond the intentions of the Acts?—Yes. On that and the subsequent paragraph I should like to put to the Committee that the power which has been perhaps the centre of criticism, the power to fix various rates, is one of the original powers conferred on the Board, and I would like further to say that that power was conferred very deliberately. I remember the discussions which took place at the Board of Trade with regard to the Act of 1909, and I remember the expression of Mr. Churchill's view (Mr. Churchill then being President of the Board) so far as he was concerned, and so far as the Board was concerned. There was a very deliberate and very clear view that Boards should not be unduly circumscribed in their powers, and therefore it was not at all accidentally, it was deliberately and of set purpose, that the Boards were given powers to fix rates of wages for special classes of workers in their trades. I should like further to point out that immediately, and without anybody objecting, that power was exercised. In the very first determination of the

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Chain Trade Board you will find that four rates of wages were fixed for different sets of workers. On the Wholesale Tailoring Trade Board and the Paper Box Board, which were appointed, I think, in 1910, it is perfectly true that we did not immediately make use of that power, but that was not because we did not know that we had the power. As a matter of fact we discussed on both those Boards schemes of rates for various workers in the trades, as elaborate as the present scheme. It was only because the sides could not agree upon rates for various classes, and because at that point in the history of Trade Boards the Chairman did not feel that he ought to assist in a scheme of highly elaborate rates, that those schemes did not come into operation. The point which I want to make is that that power, and that they either exercised that power as in the case of the chain trade, or essayed to exercise it, as in the case of these other Boards. I might add that later on, under the Act of 1909, the Tin Box Trade Board certainly, and I think the Sugar Confectionery Board also, used their power to fix a second rate. In the case of the Tin Box Trade Board the circumstances were that young people were found to be employed on presses of a certain stubbornness and danger. It was thought that this work was so special that if it were done by young persons a special rate should be fixed to apply to it, and we therefore laid it down for those young persons that if they were employed upon this work they should get not the ordinary learners' rate, but the full adult rate. Those are cases in which, under the original Act, this power was actually exercised.

12,059. *Dame Adelaide Anderson*: At what date was that particular power press question dealt with?—On the Tin Box Board?

12,060. Yes.—I think it was in 1914. It was there or thereabouts. There was an inquiry in which the employers very willingly shared to ascertain what types of press were dangerous, and they were as anxious as we were to provide against the undue and unwise employment of those young people in those processes.

12,061. It was liable to very serious accidents?—Yes.

12,062. *Mr. Layton*: In the case of the chain rates, what rates were they? You are not speaking of the difference between juvenile and other rates?—No, four sets of time rates were fixed. At the beginning it was proposed as regards male workers to fix one rate. It was pointed out that that rate, if fixed, would have no relevance to and no effect upon the case of other workmen in the trade, because the types of work were separate. It was then felt by the men in those other departments of the trade that they might be affected adversely, and a strong claim was made on behalf of those men that a rate appropriate to them should be fixed. That claim was upheld by the Board, and, as I say, the four rates were in fact fixed.

12,063. Did they cover what can be called skilled work?—Yes. They did not, of course, cover the heavy part of the chain trade, but that was not scheduled. They covered a lot of work which certainly would be regarded as skilled.

12,064. *Mr. Poulton*: But you have never had any doubt, nor had those who worked the Act, that they had power to settle more than one, two or three rates if they wished to?—Not the faintest.

12,065. No one has ever seriously objected?—There has never been any question about it at any stage, and, as I say, so far as I remember there was a very deliberate conferment of those powers on the first Boards by Act of Parliament, on the advice of the Board of Trade.

12,066. *Chairman*: I suppose you would agree that as regards skilled rates the Appointed Members are not quite of the same fitness for determining them as they are in the case of the minimum rates?—That is so; but I think the word "skilled" there is question-begging, if I may so.

12,067. I thought you just called them skilled; that is why I used the term?—I referred to one particular rate which was skilled, but generally these rates would be better described by some other word. I think it was Adam Smith—I regret the absence of Lord Weir, because he would approve of my quoting Adam Smith—

12,068. We have other Scotsmen present?—I appeal to Mr. McCallum Scott for his approval. I think it was Adam Smith who said that skill was one of many determinants of wages, and that is what I would emphasise. These special rates—I think that is the better name for them—are fixed, and continue to be fixed, for all sorts of reasons other than the reason of skill. One knows that in the case of the building trade bricklayers' labourers have always got a special rate because of the periodicity of their work. If you look at the census of wages for 1906, you find that a journeyman tailor works not as many workmen do for 52 weeks a year or thereabouts; he works on an average 40 weeks a year. Again in the drug and fine chemical trade you have special rates which are described under the term "dirty money," which cover certain dirty types of work which involve detriment to a man's overalls and other garments. For these and for many other reasons a higher rate may be necessary; and the point involved may be one upon which the Appointed Member as well as anybody else can pronounce; the matter may be entirely within his competence.

12,069. That may be, but I suppose as a rule these special rates are best fixed by those who know the trade?—Personally I should prefer that, and personally I work in that direction. I think there is the tendency, to which attention has been called by other witnesses, a tendency now distinctly observable, on the part of the Appointed Members to throw the onus of fixing those rates on the representative members of the Boards.

12,070. *Mr. Pugh*: You do not see any necessity for withdrawing or for limiting the powers presently possessed with particular regard to what are called skilled rates?—No, I should regard any interference as most regrettable, and as calculated to do infinite injury to the Boards, and to destroy the very great possibilities which, as I see the matter, are now inherent in them.

12,071. *Mr. Poulton*: And that in the interests of the industry as an industry?—Certainly. We will have a chance to develop that later, but my answer to Mr. Pugh is that I can imagine nothing more misguided from the point of view of the public good and industrial order than any deprivation of those powers.

12,072. *Chairman*: Did you hear Professor Baillie's evidence?—Yes, I heard some of it.

12,073. On that point?—Yes. I should like to make a remark or two about that, either now or later, as you please.

12,074. I think it comes now.—If Professor Baillie would forgive me for saying so, I thought a good deal of what he said, though it was interesting, was hopelessly academic. I mean all that dissertation about semi-skilled and the rest of it seemed to me entirely beside the mark. You can never get agreement on a Trade Board as to what constitutes semi-skilled, and if you raised any such discussion you would have upon that matter as much feeling as would arise, or more feeling than would arise, with regard to the actual fixation of the rate. Again, the suggestion that rates should be suspended seemed to me to be not only academic, but really remote from the facts. If you had the members of the Board in the mood to agree to a suspension of the rates which would give the trade liberty, which we are assuming to be dangerous to it, the Board would, of course, be in a mood to reduce the rates to whatever was suitable to the conditions which prevailed, and that would in the circumstances, I suggest, be the proper course for the Board to take.

12,075. *Mr. Layton*: You remember that he was only referring to what he called the optional rate?—Yes. I regard the optional rate as an entirely

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hopeless suggestion. I think I might save that for later on, because it arises at a later stage in the notes.

12,076. *Chairman:* Then as to the method of the application of the Acts, you certainly think that the method of 1918 is better than of 1909?—There are two points there: there is the question of the method by which a trade is brought into the Act, and there is the question of the kinds of trade which should be brought in. With regard to the first point, that is, the question of applying the Act, I do not suppose that there is any great difference in principle between the procedure of Provisional Order on the one hand and the procedure of a Special Order on the other, but practice and experience show that the procedure of Provisional Order, like the procedure of Private Bill legislation, has serious technical drawbacks which have been recognised in recent legislation by Parliament itself. The stiffness and inflexibility of a method not adapted to the successful handling of matters in regard to which specific evidence is difficult or impossible to obtain—

12,077. I do not think you need labour that. Nobody has suggested to us in terms that we should go back to the procedure of the Act of 1909.—I am happy to be told that. Then, with regard to the second point, I think, if I may say so, that there is a good deal of misunderstanding there. Really, the difference between the definition section of the Act of 1909 and the similar section of the Act of 1918 is the difference between a broad and a narrow test. As I have said, statistical information is very hard to obtain with regard to the wages in any trade. The Government figures are as old, I think, as 1906, and therefore they are hardly of much use. You cannot, except with very great difficulty, get that information. Apart from that, you may assume reasons for the inclusion of a trade on other grounds. There may not be the condition of low wages existing in the trade, but there may be reason to apprehend that the wages in the trade will very seriously break. It seems to me that if you can show that such a state exists it ought to be possible to get the Act extended to that trade.

12,078. When you say "will seriously break," do you mean will fall below a fair level?—Yes.

12,079. Below the level of subsistence?—Not necessarily that. Towards the end of the war, you will remember that a Sub-committee of the Reconstruction Committee was appointed to go into the question of women's employment and women's wages after the war, and they laid down in their report the principle, to which I think perhaps many members of the Committee would subscribe, that the functions of the Board ought to be preventive as well as remedial. What was apprehended then was that in certain trades there was a likelihood of a very serious collapse in wages, and the reputable employers in the trade as well as the workers in the trade were anxious that steps should be taken to prevent that backward movement. It seems to me that one ought to take into account the propriety of setting up a Trade Board where that condition exists.

12,080. That was special. That was connected with the war coming to an end?—Yes.

12,081. Then the other point I wanted to put was the one that I hinted at a moment ago; if wages is the test and the only test, then it seems to me that the Minister may, if he pleases, bring into the Act some trade which on the whole it would be improper to include.—One could make out a case, I suppose, if wages only were in question, for the inclusion of mining; one could make out a case for the inclusion of the steel trade, especially in some of its areas. On the basis of the figures in this week's "Economist," I think one could do that; but clearly it would be wrong to have those trades in, because they have this condition of high organisation which makes it quite unnecessary for the State to concern itself in that particular way with the good of those trades; so that what I am putting is that it is a question of a broad test rather than a narrow test, and the section which is in dispute might restrict, and pro-

perly restrict, the power of the Minister to bring a trade in.

12,082. Then with regard to the powers of the Trade Boards under Section 3, you say that they have led to considerable controversy?—Yes.

12,083. You say that they were identical in the two Acts so far as that goes?—Yes.

12,084. They are very similar, but not quite identical I think?—Yes.

12,085. As regards the new powers to fix a guaranteed time-rate for pieceworkers and piecework basis time-rates, you do not think that they have led to any serious trouble?—I think not.

12,086. I think the power to fix overtime rates was conferred by the earlier Act, was it not?—No, by the Act of 1918.

12,087. If so, there must have been great difficulty in working the earlier Act, unless you had power in some way to deal with overtime. I suppose that is why the amendment was made?—There was dissatisfaction that the Boards were in that respect defective.

12,088. *Mr. Layton:* The Act of 1909, I take it, gave no protection to pieceworkers except by the fixing of the time rate?—It prescribed no special treatment for pieceworkers. We fixed a time-rate that was the obligatory duty of the Board; and in the absence of any general minimum piece-rate the piece-rates had to be so fixed as to allow the ordinary workers in every group to get the equivalent of the time-rate.

12,089. The function of what is now regarded as the piecework basis time-rate?—Yes.

12,090. *Sir Arthur Pease:* That piecework basis time-rate has to be such that a normal worker can earn it?—Yes.

12,091. Supposing that there are 20 people in a shop, and three do not, what happens to the ones who do not earn it?—Probably that would be quite satisfactory. The "ordinary worker" clause is very ingenious, if I may say so, and has worked on the whole with astonishing success. It is applied with such elasticity that it is conceivable that you might have a hundred workers on a given piece-rate, and they might all be earning at a rate less than the piecework basis time-rate, and yet that rate might be pronounced fair within the meaning of the Act, because it might appear that every one of those hundred workers was in some way infirm or old, or decrepit, and if that were so, all those workers would be seen to be sub-ordinary workers, and the employer would not be open to any penalty for employing these persons at rates which yielded less to them than the prescribed rate. All he has to do is to see that his piece-rate is fair. When the piece-rate is fair he need not worry any more.

12,092. By fair you mean?—In the sense of the Act.

12,093. A rate which the normal worker, without undue strain, could earn in an ordinary day?—Just that, yes.

12,094. *Dame Adelaide Anderson:* Would you say that that really provides adequately for the case of the sub-normal worker, the one who was slow?—In the trades with which Trade Boards have dealt up to the present the situation has been easier than it may become, inasmuch as we have been dealing to a large extent with pieceworkers. So far as we are dealing with pieceworkers I think this clause is satisfactory.

12,095. *Mr. Poulton:* In practice it works out so?—It works out to the general satisfaction, on the whole.

12,096. *Mr. Layton:* The only new principle, so far as wages are concerned, introduced by the Act is the guaranteed time-rate for pieceworkers?—Yes.

12,097. And that is not in fact exercised?—It has been exercised on very few occasions. That power, and one or two other powers, were put into the Act of 1918 to enable the Boards to deal with the new types of trade to which it was expected they would be applied. As you know, under various Statutory Orders rates of wages were fixed for women in the Engineering Trade, and in that trade a guaranteed

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time-rate had been customary. In so far as Boards were going to deal with that type of trade, it was felt right to arm them with a power with which the trade was familiar.

12,098. *Mr. Layton*: It would be correct to conclude from what you have said that any difference in the fixing of rates which may have occurred is not due to any important change in the Act, but rather to an exercise of powers which existed under the old Act?—Of course, that is qualified by the paragraph in our note which says that various new powers were conferred, but the indispensable powers were all conferred in the Act of 1909.

12,099. *Chairman*: Then you come to deal with the proposals for limiting the number of rates which a Board may fix?—Yes. That is, as we realise, a matter of very great importance, and on that I hope that Miss Symons, as well as myself will have a good deal to say.

12,100. You say that the Witness who favoured that change had in mind the position of particular trades rather than general conditions affecting trade as a whole?—Yes.

12,101. Will you develop that?—I think Miss Symons will say something about that. (*Miss Symons*): What we meant by that was that it may be quite possible for a representative on a particular Board to say to you that in his case the special classes of workers might be in a position to protect themselves, but we felt that it was our business to look at it from the point of view of the Trade Boards as a whole; and we have discovered so many cases in which the special classes of workers are as unable, or almost as unable, to protect themselves as the workers who would be covered by the lowest time-rate. It seems to us that the reasons for these special rates are so different that it would be impossible to provide for special cases, and not for others, if any amendment of the Act was suggested.

12,102. I suppose it is true to say that all these higher rates are instances of wage regulation rather than of anti-sweating legislation?—That, I think, would depend very much on the point from which you started. I mean, some of the Boards have been obliged, probably owing to the conditions with which they had to deal, to fix an exceedingly low rate. In those cases it seems to me that even your second or third rate might come within the category of anti-sweating, and not really be called wage regulation. I mean, the point at which it ceases to be one and becomes the other is very difficult to define.

12,103. *Mr. Poulton*: Have not the Boards found out to some extent by actual practice that they were bound to set another rate, because one operation dovetailed into another to such an extent that unless they set a rate for all the operations, which might of themselves be different operations, they would have about half the workpeople without a rate set, although under a Trade Board?—I think that is very true. I think that once you begin to deal with a trade you find that practically when you are in the middle of it the conditions of the trade rise up and hit you unless you deal with them; and in some cases, if only one rate had been fixed, I think there would have been serious danger that the people on the Board would have been concerned with fixing a rate for the majority of the people who were in fact covered by the Board, and that might lead, it seems to me, to a rate being fixed not in relation to the lowest class of worker, but in relation to the majority class to the exclusion of the lowest class of worker. I think that might very well happen in certain cases which I have in mind if you were confined to one rate.

12,104. *Mr. Layton*: But you would agree that the case for State enforcement of a rate of wages is very much stronger in regard to what we have called anti-sweating—the lowest class of unskilled labour generally—than it is in regard to other grades?—(*Mr. Mallon*): Theoretically that would be so, but you would look at the question practically, and you would see what you could achieve by the enforcement

of a single rate; and if it seemed to you that by enforcing that rate you would not very much improve the conditions of the trade, you would probably modify your theory a little. Just look at this question as we see it on a particular Trade Board; take the Retail Tailoring Trade Board. If you fixed one rate there to apply to male workers you would deal with a mere handful of porters. They would not be the people for whom the Board was set up to legislate; those people would be the bulk of the people in the trade; they would be the people in definite occupations, and the effect on them of your low rate would be nothing at all.

12,105. Is it not to some extent begging the question? I am assuming that the small group of people are the only people who are earning what is called a sweated wage. It is rather begging the question, is it not, to say: "But this is not any good, because it does not affect all the rest of the people in the trade"?—Surely not, because I have pointed out that the basis for a special rate is not necessarily or solely the question of skill. You have to look at the total circumstances of the occupation, and if you find a set of people whose conditions are such as to call for a special rate, then—

12,106. But what do you mean by being such as to call for a special rate?—Let us assume that you have in some section of the trade a good deal of irregularity of employment. That will not be met in the rate which you fix for the lowest grade of worker in the trade.

12,107. *Chairman*: I do not follow that last observation?—Suppose that you have porters in the tailoring trade working 52 weeks a year; suppose you have cutters and other operatives working on the average for 40 weeks in the year; then if you fix a rate of 1s. an hour to apply to the porters, it may be that that rate is not unjust so far as the porters are concerned, but it will not meet special circumstances, skill apart.

12,108. *Mr. Layton*: That particular illustration is designed to show that you may have to fix a different rate in order to produce minimum earnings? Yes.

12,109. You must turn those earnings into an hourly rate, quite clearly?—Yes.

12,110. But that does not deal with the main point: whether there is any other object in a rate sanctioned by the Board than the safeguarding of the minimum?—So far as your object is to give everybody employed a reasonable income, you cannot, as I think I have suggested, maintain your principle of never fixing more than a single rate.

12,111. You have given the case of irregular work which is to give earnings over a period; but take other cases. What reasons are there, because that would not cover the general case of the differentiation of rates?—(*Miss Symons*): If I may say a word in reply to Mr. Layton, would not Mr. Layton agree that the point at which a rate is a subsistence level is very debatable; that there is a great deal of difference of opinion as between one rate and another as to what is really a subsistence wage?—If you are in that position of doubt, and you have got to start for your lowest class of worker with an exceedingly low rate, is it not possible that you will do a serious injustice to the whole of the workers in the trade if you confine yourself to fixing that one rate? It may be that it really is not a decent subsistence wage; it may be that without any hardship to the trade, while you have got to have that rate for the lowest class of worker, you can fix other rates for special classes of workers without injuring the trade in any way.

12,112. I put it to you in this respect: I quite agree that the difficulty is to draw a line; indeed I do not see where the line can be drawn at all. But if you cannot draw it in the Trade Board occupations, do you contemplate the extension of the same idea, supposing, for example, the Government granted the petition which is now being put forward and gave legal sanction to Industrial Council rates? You start with a minimum there. You started in 1909 with the

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minimum of Trade Boards; you are gradually extending the Acts to cover all kinds of trades; you are now asked by Industrial Councils to give legal sanction to their rates. If you are going to depart from the 1909 principle, are you not moving towards the suggestion which was put before us the other day by Mr. Wethered, in which he contemplated all wage rates in the country being fixed and having legal sanction behind them?—(Mr. Mallon): You say the 1909 principle. There is not any 1909 principle.

12,113. I withdraw that, and I say the 1909 practice in the main, with the exception of certain cases?—I do not want to commit myself to any opinion as to what should be done in the case of the Industrial Councils, but as regards Trade Boards I think the Boards since 1918 have been set up with a very definite mandate to regulate wages in their trade, and I think it all turns upon the question whether you are in favour of trade government or not. If you are, then I think your general principle ought to be to arm the Boards with powers which will enable them effectively to govern their trades. If, of course, you do not believe in that principle, then do not set up Boards of that kind; but speaking as one who believes in that principle, who has seen it, as I think, bearing fruit and bearing the promise of still more abundant fruit, I think you cannot do anything wiser in the public interest than to give the Boards those powers.

12,114. There is a distinction, is there not, between trade government, and trade government with the sanction of the State enforcing its decisions with penalties and making disobedience a criminal offence?—Yes.

12,115. Presumably decisions now arrived at may affect a much larger number of people than Trade Boards at this moment apply to, because there is still a very large margin of people who are not yet in the Trade Board system, and who are certainly not covered by an Industrial Council; so that the demand which you are putting forward may be a demand covering, several million more people than are now covered?—Yes, but is it not for those who object to the principle to show that in practice it has produced results inimical to the public good? If so, can we have a statement of what those results are? No witness has attempted, so far as I have seen, to convince the Committee upon that, and if you have regard for the number of employers and the number of trades under the Act, the thing that I think must strike you is the fewness of the opponents of the system, and the triviality of a great many of their complaints. I think that on the whole the effect of the Inquiry has been to show that the Boards have in the main the approval of the trades and of the employers with whom they have dealt.

12,116. I did not want really to argue the point; I wanted to put it in this way: whether you really contemplate the application of State-enforced wages to a very large portion of the wage earners of the country, covering, let us say, four million, five million, six million, or possibly even seven million workpeople, and covering all grades within that sphere, and all State-enforced? Is that the sort of conclusion to which you look?—If the method is that of Trade Boards, yes.

12,117. Dame Adelaide Anderson: I thought I understood you to say that practically the earliest Board we had, the Chain Board, regulated wages?—Yes.

12,118. And others did so too?—They either did or attempted to do so.

12,119. Then as regards the preventive work of the Trade Boards Acts, is it not a characteristic of most of the legislation since almost the middle of last century—the Public Health Acts, the Factory Acts, and so on—to be preventive rather than merely remedial?—Yes, I think so.

12,120. This Act shares the characteristic of other social welfare legislation?—Yes.

12,121. Setting a standard quite apart in the matter of wages; that is, a limit below which things shall not go in wages, as in sanitation, as in safety, and as in health in Public Health matters?—Yes.

Mr. Layton: It is not a minimum if your scheme of fixing all rates is adopted.

Dame Adelaide Anderson: The minimum as regards the scale of work required to be done.

12,122. Mr. Poulton: A minimum in those degrees?—I think there is a sense in which all the rates fixed by the Board can be said to be minimum rates, and I do not know any case in which these rates are not in practice exceeded by considerable numbers of employers.

Mr. Layton: Yes, but there is no analogy between rates fixed for a whole series of grades of labour and a minimum sanitation. It would be comparable only to various grades of sanitation for different grades of workpeople.

12,123. Mr. Pugh: Taking that question of compulsion, is there really any difference in the actual results by the enforcement of rates by organised efforts on both sides, by workmen and employers, and the enforcement of rates by legislation?—I do not think there is any difference in the economic effect, because what is done in both cases is that a rate of wages recognised as just by the leading employers on the one hand and the Unions in the trade on the other is gradually enforced over the whole trade. The methods are different, but the effect is the effect of enforcement.

12,124. If they are both enforced, and if there is any effect, the effect must be the same in both cases, other things being equal?—Yes, I think so.

12,125. Would you not regard the difference between Trade Board trades and organised trades which are not governed by Trade Boards as being a case where those trades which come within the purview of the Trade Boards are not able to enforce decisions whereas the others are, and that consequently you must have someone else stepping in in the form of the State in order to see that the decisions are enforced?—I should like to elaborate that just a little, because it is suggested that the effect of the Board has in some cases been to fix such rates that the cost of living is thereby increased. One need not argue the whole matter of the economy of high wages, but I hope that the Committee, when some of the older and more experienced inspectors appear before them, will ask the inspectors as to the effect which these rates in fact have had on industrial organisation and industrial efficiency. It is perfectly true that during the war the effect of that kind of Trade Board rates was negligible. Employers were enjoying altogether wider margins of profit than are normal; but if you ask the inspectors who know what took place before 1914, I have no doubt at all that you will be reassured, and that you will be satisfied that the effect of the rates of wages which were fixed prior to the war was not to increase the cost of production or selling prices, but to bring the cost of production down. There is direct evidence of that sort in the files of the Trade Boards Office, and I would submit that as a very important part of this discussion. Then, arising out of Mr. Pugh's question, what do the Boards in fact do? They do not impose any arbitrary rate upon the trade; they do not say "What would it be nice to allow people in this trade to obtain?" They find out what rates are in fact being paid by reputable employers in the trade; they find out what rates in fact are recognised by the Unions in the areas where the Unions are strong; and after discussion in which that rate is or those rates are generally trimmed a little bit, the rate or rates which emerge are imposed on the trade. The only effect of that is to ask, and to compel, backward or unprogressive employers to do what other employers in the trade are already doing. It seems to me perfectly obvious that the effect of fixing wages on that basis cannot be to raise the cost of production in the trade. Certainly it cannot be to influence adversely the selling prices in the trade, because that is already controlled by the fact that large employers in the

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trade who are putting goods on to the market in large volume have their conditions not in the least disturbed. That happens, I venture to say, in every trade to which the Trade Boards Act has been applied.

12,126. *Mr. Layton*: That would not apply as between the low and high wage districts where a rate has been imposed which is either the London rate or something between the two; but that would be a disturbing element, surely?—Disturbing in some respects, but it would not disturb selling prices, because they would be controlled by the areas in which wages are not upset.

12,127. But it might put up prices in those areas. For instance, we have had a good deal of evidence as to exactly what has been done in Cornwall?—I should be prepared, as I think Mr. Wethered did, to make some distinction between distribution and handicraft on the one hand, and large scale manufacturing on the other. I am speaking for the moment of large scale manufacturing, and there it seems to me that it is quite impossible that there can be any general disturbance of prices owing to fixations by Trade Boards which proceed on the basis which I have described, and that is the normal and habitual basis upon which Trade Boards work.

12,128. The effect of the evidence which we have had would naturally lead to the inference that prices have not been much disturbed in London, but it does not by any means follow that that applies to prices in other parts of the country.—I should like to go into that with you. I think I could show you that in practically all the trades with which we have been dealing London is not the highest paying centre. It is in some; in others its place is not even high; in a number of women trades I have found, during an experience of 15 years, that London is often a very unsatisfactory centre of employment: that Manchester in some trades, Leicester in others, Leeds again, and Glasgow, for sets of trades, pay better than London.

12,129. *Chairman*: You mention learners incidentally. You say it is important that the powers to deal with learners should not be endangered. I am not quite sure what suggestion you have in view there?—(*Miss Symons*): The suggestion we had in view there was that, as it has been suggested that the powers of the Boards might be confined to one rate, we presumed that it might be suggested that they would also include only one rate for the juvenile workers, and the point which we wanted to make to you was that owing to the complication in some trades it may be necessary to fix several schemes for juvenile workers in the same trade, because different branches of it may require to be dealt with in different ways.

12,130. There might be different minima for two young people doing different work?—Yes. You might have one worker, say, of 15 years of age engaged in a branch of the trade where there was an apprenticeship scheme, working at the apprenticeship rate, and another worker of 15 years of age in another branch of the trade, perhaps, working on a learner's rate, because her class of work was not sufficiently skilled to call for apprenticeship; and yet a third child possibly engaged on purely messenger's work paid a rate according to age; and that it might be necessary, in order to get the most efficient training, to have all those various schemes in order to deal with that problem properly.

12,131. *Mr. Poulton*: That is to say, the practice of the Boards has shown that you want that elasticity?—Yes.

12,132. *Chairman*: I do not think anybody has objected to that, but I am not sure. It is just as well that you mentioned it.—We only thought that it might be held to be a logical development of the one rate.

12,133. *Mr. Pugh*: I should like to hear some observations on a point which was strongly urged, especially in regard to the dressmaking trade, with which I think you are both conversant. The difficulty was very much emphasised as regards bringing young people into the trade, for instance those who

have been kept at school by their parents an extra couple of years, that they could not be brought in because at a certain age you had got a certain rate which had got to be paid regardless of experience. I should like it to be made perfectly clear, if it can be made clear, that that is not a difficulty with which the Boards themselves are unable to deal; it is something which they can deal with.—(*Mr. Mallon*): Certainly.

12,134. What is your experience?—The history of that is this: before the Trade Board was set up at all a Special Order under the Wages (Temporary Regulation) Act, I think, was made, fixing a minimum rate of 7d. to apply to female workers of 18 years of age and over in that trade, and fixing almost equivalent rates to apply to female persons who were just under 18. That did, I admit, produce a great deal of trouble in the trade, because at that time the employers were willing to transfer from munition work large numbers of young girls who had worked for some time in the manufacture of munitions, and who, of course, knew nothing at all about dressmaking. These rates, which were not Trade Board rates at all, stood in the way of that transference. That was a position which the Trade Board inherited. What it did was to fix very much lower rates for young persons than the wages which obtained under this Special Order to which I refer. Apparently the provision so made, though not useless, was not sufficient, and there was, I think, some reason to complain that the employment of young persons was not likely to be furthered by the arrangement which the Board had made in that respect. Those rates have now been revised, and I think there is no longer any complaint that either as regards very young persons or as regards what are called late entrants, that is, persons who come into the trade at an advanced age, any difficulty is created by the rates of the Trade Boards.

12,135. The point is that you say that the Boards have power to deal with that situation?—Quite. The trouble was, I think, that the people in the trade who were aggrieved did everything but come to the Trade Board, and for a long time we did not know that there was this widespread complaint as to the unsuitability of the set of rates which we fixed to apply to young persons. As soon as the Board was thoroughly informed and was made acquainted with the circumstances, it acted, I think, with reasonable promptitude, and the rates were re-arranged. On that, might I be allowed to say—it will come up later on, but it is germane here—that one very serious difficulty with which the Boards in their later phases have had to contend is just this, that they legislate, but somebody else enforces. Enforcement is done from Montagu House; legislation is done from Old Bailey. Therefore, again and again we are left in the dark as to what does take place as the result of the fixing of our rates. A very large part of the smooth working of the Boards in their earliest manifestations was due to the fact that in the first place under Mr. Aves, and later on under Mr. Reid who was the Secretary of the Trade Boards Office you had these two sides of the work co-ordinated and so the Board was kept in touch; it was informed before it fixed any rate as to what was the nature of the rate which it might be expected to be able to impose.

12,136. *Chairman*: That was because Mr. Aves was both the Chairman of the Boards and also an official of the Board of Trade?—Yes, quite so, and Mr. Reid's position was equally dual. We were promptly informed, because the Inspectors were in contact with us, if anything was wrong. Now, there is this unfortunate divorce, and we determine that the wage in this trade shall be so much, and the wage in this other trade shall be something else, but at that point we lose touch with the trade, and sometimes there is a long period of time in which no adequate information reaches us as to what is going on. Before difficulties of that sort can be got over, and before smooth working again is possible, the inspectorate will have to be brought into much closer conjunction with the Boards than is the case at present.

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12,137. *Mr. Poulton*: Upon that matter you have yourself had considerable experience, have you not? I mean you are not now talking about it from what other people have told you as to the friction that arises and the unnecessary delay, and, as you say, the divorce of the two material branches; it is all actual experience of your own of the working of the Board?—Yes. There is no matter which causes more trouble on the Trade Boards than this separation, which results in bad feeling, misunderstanding, friction, and also, I am afraid, a very serious waste of public money.

12,138. *Chairman*: What is your idea in that connection? Is it that each Board shall have power to direct a prosecution?—No, I think that could not reasonably be asked. I think that all we can reasonably ask is that the two parts of Trade Boards' activity, legislation and administration, should be brought together. I think that would certainly be facilitated if the inspectors, and enforcement generally, could be directed from the same premises as those in which the Boards meet. Mere physical continuity is very important in this connection, and if we could, as once we could, call in an inspector and get him to tell us what his experience in a particular area, or a particular trade, had been, then I think we should be in a very much happier state, and some of the mistakes which have been made would certainly not be made.

12,139. *Dame Adelaide Anderson*: What is the obstacle now to calling in an inspector? It seems a strange idea that you cannot call an inspector to come and give you the information which he or she is there to acquire and to give for smooth working. What is the real obstacle?—On that I should like to refer you to the Report of the Trade Boards Administration Committee. I admit that the detail of our trouble is not set out there, but I think you will get the outline of it. We went at great length into all those questions when that Committee sat, and I think perhaps it would be wrong for me to take up the time of this Committee in a task of recapitulation; but I do suggest to you that it is a matter with which the Committee ought to deal, because until it is dealt with, and until the two sides of the work are brought again into effective conjunction, there must be this unfortunate consequence of friction.

12,140. Are there any notes of the evidence, or of the ground which was covered, beyond what is in this Report?—I think Minutes were taken, but I am not sure. Nothing like a verbatim report was made. The report of the majority of the Committee was directed to bring about that conjunction, and it provided, amongst other things, for the restoration of the inspecting staff to the old headquarters, and it provided also—and this was the point upon which we broke down—for the presence at the Trade Board Office of an Assistant Secretary to the Ministry in whom both sides of the work would be co-ordinated. It was the failure of the Minister to agree to that recommendation which made it impossible for us to set up the Advisory Committee which the Report also proposed.

12,141. If you could, in fact, at any time get an inspector or an officer brought to the Trade Board when it was sitting to enable you to get that information, would that satisfy your needs?—I think it would go very far to satisfy our difficulties. Of course inspectors are about the country, and while they are doing their work in the country they cannot be at the beck and call of any Trade Board; but there was never any difficulty under the old regime in making provision for the attendance of an inspector, if it were known or anticipated that he would be required.

12,142. You can at any time get the attendance of a factory inspector if you want it?—Yes, but it is more than that: it is the association of the two sides of the work which is so important. If the inspectors were doing their work from Old Bailey now, we should get flowing into that place a constant stream of suggestions, complaints, and comments, which would fertilise the work of the Trade Board.

12,143. One can quite see that. If you had copies of all the important reports bearing on the particular trade?—I would go farther and say that when a particular Trade Board is considering some departure in policy, or some very drastic re-arrangement of its rates, it would be of great advantage to have the inspectors who know most about that trade present, and to allow them to interpose if they thought it proper to do so, and to make suggestions to the Board.

12,144. You have to safeguard the position of an inspector as perfectly impartial between the employers and the workers, have you not?—We are very lucky in that respect. I think not since the Trade Boards began has there ever been any suggestion that the officers, all of them, are not entirely impartial. I think one of the striking things in Trade Board experience has been the extent to which the officers inside and outside the office have won the entire confidence and respect, both of the employers and the workers.

12,145. I was not really meaning to suggest anything else, only that it is important that they should be under a control which would safeguard their perfect impartiality?—Yes.

12,146. *Mrs. Lyttelton*: At present do not reports of inspectors come before the Trade Boards at all?—We recently have been given reports on administration, in which we get in summarised form the experience of the inspectors. We are told that so many visits have been paid—

12,147. Supposing you have made an Award and the inspectors have found that it has not been carried out, you do not get the evidence that it has not been carried out, or their opinion as to why it has not operated properly?—I will say that we get very imperfect information upon those points.

12,148. *Chairman*: You do get summaries of the reports of the inspectors, I think?—Yes, we do get them now. There was an interregnum in which we did not even get those.

12,149. Now you do get those?—Yes.

12,150. That would include cases where the Act has not been carried out?—Yes, certainly.

12,151. *Dame Adelaide Anderson*: But in the old days the Chairman of the Boards directed the work of the Trade Board inspectors?—Yes. That I admit is not now possible.

Chairman: Not as Chairman of the Boards.

Dame Adelaide Anderson: No, not as Chairman of the Boards?—But he did happen to be the same person.

12,152. *Chairman*: Of course that is impossible?—Yes, I agree.

12,153. It is too large?—Entirely too large.

12,154. Then may I go to the alterations proposed in the existing system? The remainder of your evidence will be printed; and we have read it and I dare say shall read it again?—If you would bear with us for a moment, there are one or two points which we should like to add upon this. (*Miss Symons*): On the sixth page, dealing again with a suggestion that rates above the one rate might be fixed by agreement, you probably have heard a great deal of evidence upon this, and we do not want to weary you, but I do want to say that we have had very many instances lately of the complete breakdown of voluntary machinery owing to competition from people who were not parties to the agreement. When I was a member of the Interim Reconstruction Committee in the Boot Polish Trade, which worked quite satisfactorily for a short time, it was pointed out to us by the employers, I am sure perfectly truly, that it was a trade in which firms could start up with very little plant, and partly for that reason and partly because a great many employers had tendered their resignations to the Committee, they were no longer able to carry on with rates which both sides had agreed to be quite reasonable, and they applied for a Trade Board. In that case the Trade Board has been set up. There was a similar case in the Drug and Fine Chemical Trade, which I will not go into in great detail, but there is one point which I should

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like to mention. At an arbitration case which was held in July 1921, the Secretary of the Employers' Association, Sir William Glyn Jones, read to the Court a letter which he had sent to the Trade Unions in this joint negotiating body, in which he says: "At a general meeting of the Association, held yesterday, it was decided to seek the establishment of a Trade Board to cover the business coming within the scope of the Association." He remarked: "Usually, I believe, the demand for the Trade Board comes from the other side; in this case it is coming from the employers' side. It is only fair to say that it is supported by the unions, but the initiative has been taken by the employers." Then the letter continued: "The Association has been led to this conclusion by reason of the difficulty of continuing in existence as a voluntary organisation, in view of the competition with firms which are not members of the Association, and consequently not under any obligation to pay the wages agreed upon, and which, in fact, do pay considerably less than these rates." In that case application for a Trade Board was made, but the Trade Board has not yet been set up owing to the recent policy of the Government to suspend the setting up of new Boards.

12,155. The object, therefore, was to make rates which had been agreed upon between the responsible persons binding upon everybody?—Yes; it was felt that rates could no longer be agreed upon unless they were going to be binding on everybody.

12,156. But you know that the proposal put before us is that when a higher rate—you know what I mean by that—is agreed by a Trade Board, it shall be binding upon all employers, so that would meet your point?—Yes, that particular suggestion; but the suggestion was also made, was it not, that they might only be fixed by agreement and not statutorily? There was that suggestion as well as the other.

12,157. Mr. Pugh: Do you suggest that if the higher rates were left to voluntary negotiation they really would not be settled?—Yes, I suggest they would not in fact be agreed upon.

12,158. Not even by your established Board? You see, it is assumed that your Board, after fixing the rates which are obligatory, would proceed then to fix other rates which are necessary, and would do that by voluntary negotiation. Do you suggest that the Boards would not do that, and that they would break down at the point where voluntary negotiation became necessary?—I think that at that point, unless their conclusions were going to be statutory, they would in fact share exactly the same fate as has been shared by all these other bodies.

12,159. Even although their conclusion, being an agreed one, would be made statutory under the suggestion which has been put in?—That is the second point. I was dealing, perhaps unnecessarily, with both points, because I noticed that point had been made. The other point, that they could deal with these rates by agreement and that their decision should be binding, would, of course, meet the difficulty to some extent, but there our point arises that it would be very difficult to say where a vote of the Appointed Members becomes unnecessary when you are dealing with a technical question. Perhaps I may give just one instance of that, because it was mentioned incidentally, of the sugar confectionery trade. The sugar confectionery trade was faced with the problem, partly due to the war, of women being put on certain exceedingly heavy operations which had formerly been performed by men. There is a list of them: boiling of sugar and several other operations of that kind. It was felt there that this was exceedingly laborious work which it was certainly not right that women should undertake at the minimum rate which had been fixed for women by the Board. That, I suggest to you, is one instance where it is not really a technical question. If the Appointed Members were called upon to decide a question of that kind, there being no difference as to the nature of the work or as to the rate that the men were paid for it, it would be largely a question

of principle whether, in the interests of the trade as a whole, women engaged on that work should be paid some other rate than women on ordinary work.

12,160. What happened in that case?—In that case they fixed the rate.

12,161. Who did?—The Board fixed it, whether by agreement or not I am not in a position to say. I was only quoting it as an instance of a special rate in which the Appointed Members would not really be dealing with a technical question, but with a question of principle, upon which they would, I suggest, be as competent to give a decision as on any other. (Mr. Mallon): In short, we suggest that the proposal that occupational rates should be fixed without legal sanction, is a proposal that no such rates shall be fixed at all. The breakdown as regards voluntary bodies is now of a very serious kind, and new cases occur every day. In the Paper Box Trade we have an agreement including the rates which are fixed by the Trade Board, and including certain other items also, of which one is an agreement on the part of the employers to give every year a week's holiday.

12,162. Mr. Layton: Do you mean with pay?—Yes. They held a conference, and the employers asked to be released from this part of the agreement, because they told us that either they must get release or the Association would break up; they found that various employers outside the Association would not give these holidays, and the Associated Employers could only give them at a cost which competitively was very serious to them, and in the circumstances, of course, we had to allow that very important part of the agreement to be cancelled. That is an illustration of what is happening.

12,163. There is no such agreement as that in any Trade Board arrangement?—No. I want to ask at whatever is the proper stage that the Committee will take that into account. A great many sets of employers and workers are very anxious that a provision of that kind should be put into a Trade Board determination. The great bulk of the employers are perfectly prepared to consider the principle of a week's holiday, and the importance of the principle will be recognised; but they cannot effectively do that unless they have the power to impose it on the whole of the trade. (Miss Symons): The same difficulty arose in the Tin Box Trade. The Board there considered the question of a week's holiday. They were unable to make it statutory, but they made a recommendation, and the recommendation has broken down because everybody was not compelled to observe it. I was discussing the matter with some big employers the other day, who put the point that it was not being done generally, and therefore they could not consider it, because they were in competition with these other firms.

12,164. Mr. Pugh: This is rather an important point. We will assume that was a case of wages, or we will take your holidays if you like. Supposing the Board, having agreed, had been able to make that compulsory just the same as you make the minimum wage compulsory, would not that rather have altered the position? Would you then have had the difficulty which you have now?—(Mr. Mallon): Not a bit; that would have met us completely.

12,165. So that there is a distinction between an arrangement whereby you have to fix certain rates by voluntary agreement which can be made compulsory, and a case where, having fixed your rates by voluntary agreement, they can only be made compulsory if you have sufficient organisation on the workers' side to enforce them?—That is so.

12,166. You would make a distinction between those two cases?—Yes.

12,167. Then, assuming the advantage of the alternative where the agreed arrangement would be made compulsory, would you still hold that it is infinitely better to proceed to fix any rates under present Trade Board conditions whether they are higher rates or minimum rates: I mean to say that you should go on practically as you are now?—I think that is quite vital.

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12,168. It is better to go on as you are now?—Yes. (Miss Symons): Because your other alternative, though better than nothing, would not meet all cases.

12,169. Considering what appears to be the ultimate aid in this sense, that when a Trade Board reaches a point where you have sufficient organisation you then do enter into voluntary agreements, do you or do you not think that an arrangement whereby you encourage voluntary negotiations in respect of higher rates would rather tend to extend the spirit of organisation, and would encourage the spirit of organisation, and that you would get an advantage in that respect?—(Mr. Mallon): I think that stage may in some trades be reached later. I quite appreciate the importance of it, but at the moment I think we cannot pretend that that stage has been reached. In some of the trades with which we have to do you have very large organisation of the workpeople, but it does not there embody much industrial strength. You may have, as you have in the clothing trade, a single organisation with 100,000 members, but when you analyse that membership you find that it consists of a great many of about 85 or 90 per cent. of women, and the extent of many of them are young women. As you know, their industrial influence is not very great, and if the employers are in a bad mood they can say: "Do what you like with your 85,000 women; take them out," and it does not matter, because they can very easily win when they are opposed to a union of that kind. In so far as we have got organisation of these trades, we have got organisation of that sort and in that degree, and I do not think that the stage is reached in which we can say that we can manage without legal sanction. What everybody is agreed upon in all these discussions is that it must underlie any agreement which is come to that all employers are going to pay. If you have a rate which has no legal sanction at all, that will not suit the employers, because it will mean that the rates will only be paid by those firms which belong to the Association, and at some stage, especially in a time of depression as this is, a firm will say to itself: "Why should we belong to that Association when the only benefit which it confers is the benefit of having to pay higher rates than otherwise would apply to us?" That inducement will be sufficiently strong to drive that firm out of the Association, and the Association will collapse. Take the other case in which the rates have legal sanction but are not enforced; the persons affected can apply by civil process to recover arrears of wages. That will not suit the employers' side. First of all, they will know, as practical men, that there will be collusion on a large scale between certain types of workers and certain types of employers, and where that active collusion does not exist that there will be an inertia and a neglect to demand the rates on the part of the workers which will be almost as disastrous. Whatever the precise cause the effect will be this, that only the employers who are public-spirited and conscientious men will be paying the rates, and the others will escape. That condition will be pronounced to be unsatisfactory at some stage, and the employers will ask to be released from their engagement.

12,170. Of course, I was not suggesting that you can rely upon your present organisation. I would take your conclusion to be that, having regard to the very high percentage of female labour in trades which are presently governed by Trade Boards, you could not get any advantage from an arrangement of voluntary negotiations in respect of higher rates, even although the arrangement was afterwards enforced by law, as compared with what you have now; that there would be no disadvantage to the Trade Boards at all, and I suppose you would hold no detriment to the general community, by continuing on your present arrangement. Is that your view?—Yes, very much so.

12,171. Mr. Layton: Before you actually leave this topic I would like to ask a question in regard to the third paragraph on page 6 of your statement, so as

to be quite clear as to what your view is. In effect, what you say there is that if legal enforcement is limited to one single rate, this would render the work of the Board useless. Do you mean the whole work of the Board?—I think so.

12,172. Or do you mean the work of the Board in respect of the higher grade negotiation?—I think I would be inclined to put it very highly. You see what would certainly result in a case of that sort would be an enormous resentment among the men in the trade, and among the women in the trade, who would expect some appropriate provision to be made for them and who would find that that provision had not in fact been made. That, as I said, was one of the reasons which induced the Chain Trade Board to depart from the principle of fixing a single rate. You may do enormous harm if you say to all the people in a trade: "We are going to fix a rate of 9d. an hour or 10d. an hour for the men in this trade." Since you exclude nobody, everybody in the trade supposes that that rate applies to him, and you do far more harm on the whole than if you fixed no rate at all. You would cause great ferment.

12,173. You think that to fix a minimum which would have the effect of abolishing sweating would be useless, because it would bring in greater evils?—I think that what Miss Symons said is pertinent there, because sweating is a relative term, and sweating in one grade of workers is not quite the same thing as in another; but I would like to put to the Committee this very great danger, and I think Professor Baillie mentioned it too; I am sure it is very real: that if you fix one rate you will not get a rate adjusted to the circumstances of any particular set of workers in the trade. At present we fix a rate for porters, we fix a rate for pressers, we fix a rate for cutters, we fix a rate for any other set of men who are in question, and those rates are nicely adjusted to the circumstances of those men. Deprive us of our power to fix those rates, and in so far as we fix any rate at all we will fix a rate which will take notice, to some extent, of the case of the porter and to some extent of the case of some other person. Instead of having a series of rates nicely adjusted to the grades of men in the trade, you will have a rate which embodies the worst kind of compromise, as it will apply nicely to the circumstances of nobody at all. (Miss Symons): May I give you an instance of that. The Perambulator Trade Board, of which I was a member, has fixed a set of, I think, 12 rates for men and 8 rates for women. I think it has been mentioned to the Committee as a Board which is entirely amicable and which has no complaints to make. I am perfectly certain, judging from my experience on that Board, that if you had faced it with the problem of fixing one rate for men and one rate for women it would not now have agreed upon what that rate should be. You have most of the workers in the particular works possessing considerable experience and skill; you have a certain number of general labourers, both among the women and among the men; you have got women, probably to a greater degree than in any other trade, doing exactly the same work as the men—on the same operations. I do not know how in practice you would deal with that problem on the basis of one rate. The lowest rate fixed is quite a low rate. Certainly if you fixed that rate you would have certain employers, I think, paying only that rate to quite experienced and skilled workers. You would have very great resentment if you fixed any rate in between the two, which would be entirely inappropriate to all their classes of workers, whereas at present elasticity has enabled the Board to arrive at this rather complicated position which has caused universal agreement.

12,174. Mr. Layton: I fully appreciate your argument in general, but it is difficult to reconcile so strong an argument as this with the very general commendation which I think the overwhelming majority of the witnesses have given to the Act of 1909, under which most trades fixed just the single minimum rate?—(Mr. Mallon): May I follow that up?

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Chairman: I do not think, if I may say so, that this paragraph refers to a suggestion that the minimum only should be fixed.

Mr. Layton: I asked Mr. Mallon that, and he said it did.

12,175. *Chairman:* No, it does not. Please read it: "As regards the third suggestion that these relatively high rates, however they may be arrived at, should not be legally enforceable," this observation is made, which is quite a different thing?—Perhaps I might reply to Mr. Layton's question briefly. In the case of all those trades to which you have referred there was a quite deliberate departure, and a unanimous departure, from the principle of fixing a minimum rate to the principle of fixing an elaborate code of rates.

12,176. *Mr. Layton:* Later, after the war?—Yes.

12,177. But the commendation to which I was referring was of the effect before the war, when there was a single rate in operation?—All that they meant, I think, was that the Act in that form had conferred very great benefits on the trade, had furthered organisation, had brought employers and workers together, and had given to the trade an organ through which it could speak, and so on. That is all very true, but the result of their organisation was to make all these persons voluntarily depart from the principle of one rate to the principle of a code of rates, and I put it to you as very remarkable that not one of those Boards has expressed itself in any sense except a sense of, I think I might put it, very strong approval of the work of the Boards.

12,178. *Mr. Pugh:* That is to say the Boards that have had the most experience?—The Boards that have had the most experience. I think if you will analyse the objections of the employers you will find that they come not at all from employers who have had adequate experience; they come to a slight extent from those who have had a short experience; they come to a very large degree from those who have had no experience at all. Large bodies of employers who have never been under a Trade Board, but who have allowed themselves to be frightened by all sorts of bogies, have come along and have made a very large part of the trouble with regard to this matter; but every large body of employers who have had considerable experience of Trade Board machinery are, I think it is not putting it too high to say, satisfied with it. (*Miss Symons:*) I think it is fair to say, further, that the Boards which have fixed most elaborate schemes of wages are mostly the Boards which have not protested, but have expressed their approval of the system.

12,179. *Chairman:* That is not unnatural.—(*Mr. Mallon:*) I do not want to detain the Committee, but this is really of very great importance, and perhaps you will allow me just to say one other word about it. Professor Baillie, for instance, spoke as though it were possible to keep the discussion of a minimum rate apart from the discussion of the rates of wages generally, which ought to apply to a trade. It is not. You have your representatives of workers—of Trade Unions—meeting on one side of the Trade Board, and you have your representatives of Associations of Employers meeting on the other side of the Trade Board. They are not going to waste their time discussing an abstraction called a minimum rate; they are going, in so far as they have any power at all, to discuss rates of wages which will be applicable to their trade, and which will produce the best kind of industrial relations. Are you going to encourage them in that (as I think) very proper method of proceeding, or are you going to limit them to fixing one rate of wages, which, as I have said before, will apply with nicety to nobody in the trade? I venture to think that neither employers nor workers would think it worth while to carry on those lines. It is vital that every part of the industrial contract should be surveyed by a body like the Trade Board, and it would be a grave mistake to interfere with this supervision.

12,180. *Mr. Layton:* I see the force of the strong argument in favour of your point, but I only wanted to elicit from you how far you thought that if Parliament limited the power it would render the whole system abortive?—I do not want to exaggerate, but I think it would do that.

Mr. Layton: That is what I wanted to be quite clear about.

12,181. *Dame Adelaide Anderson:* Would it make it, in fact, unreal?—Entirely unreal.

12,182. Would you say sweating is relative; it is relative to the industry and circumstances generally, as well as to the individual worker?—Yes; in short, the case for fixing different rates for different grades of workers in the trade is precisely the same as the case for fixing different rates for workers in different trades. Why do you not have one rate for every trade? Because the circumstances of the trade, because the quality of the worker, and because ever so many other things are entirely different. For just the same reason you discriminate between your workers in a trade. One rate will not apply to them all, and it is idle to pretend that it will. If you are going to do the task which is proper to an organ of government, I think you must look at the circumstances of each class of workers, and give them, or attempt to give them, a proper rate.

12,183. Quite apart from questions of danger or exertion? Because those come into account in some cases?—I think those elements are taken into account, certainly.

12,184. And social status, partly?—That comes in too.

12,185. *Mrs. Lyttelton:* How do you meet the objections that have very often been made by employers as to the way it holds up changes in their arrangements?—That, I think, is not a controversial question, and we do not want to make it so. The view of the workers has been throughout, and is now, that they will do everything in their power to expedite the work and make it more easily adjusted to varying conditions.

12,186. Elasticity is what you want?—Exactly. We have no wish to do anything but that; and as regards objections we do invite the Committee to classify and analyse the objections which have been put in by the employers, and I think you will then be impressed by the small volume of real hostility which that analysis will reveal.

12,187. *Chairman:* Now we will go on to the next head. You refer to grouping first?—Yes. That comes under "Alteration proposed in the existing system."

12,188. Yes. You say that there should be power to group. I do not think that you need dwell much upon that?—No, I think all that I want to say upon that is that there is a steady trend in that direction. I think Mr. Wethered referred to an interesting agreement we had come to in the paper bag trade. That agreement was sent on to the paper box trade for the notice of the employers in that trade, and I think the outcome of discussions will be that those two trades will agree upon identical rates. Where you get that measure of agreement I think it is only a question of time before you can put the two Boards together. In the same way various Boards in the clothing trade are tending to find it convenient to have the same sort of rates, and that also suggests amalgamation or conjunction.

12,189. I see you suggest that if the two Boards do not agree to group, the question shall be referred to the Industrial Tribunal?—Yes.

12,190. Would it not be better to leave it to the Minister to settle it?—I should have no objection, but in a later part of the statement we bring in the Industrial Court for various purposes, and it seemed proper not to make a distinction between those other purposes and this.

12,191. After all it is the Minister who forms the Board?—Yes. I do not think we would emphasise that.

12,192. *Mr. Pugh:* You have not thought of such work as grouping being dealt with by a body which

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[Continued.]

is similar to what we were discussing this morning, when Professor Baillie was in the chair—what he calls the super-Trade Board? Have you any views on that?—Yes, I would like to see an Advisory Committee in existence, and I think it might help the general situation very much indeed. I am sure it would; and if such a body did exist then I think it would be proper to ask it, in the first place, to look at the circumstances of any dispute which might exist between two Boards, and I think very probably it could get the matter straightened out. If it did not, of course you would have to resort to other machinery, but in the first place I would be prepared to let the Advisory Committee look at a matter of that sort.

12,193. Of course it is rather an important development. Do you anticipate the difficulties which I daresay you heard Professor Baillie was apprehensive of, as to affecting the autonomy of the Board?—Yes. I would not for a moment approve of the setting up of a Board which would have such functions as he had in mind when he said that. I am considering merely an Advisory Committee which would work with the Minister and would deal with any troubles if such arose from time to time, and use its best offices to remove these.

12,194. The question of scope and difficulties of that kind?—Yes, quite so. I would give that committee a general power to advise.

12,195. Do you think that such a body would be any improvement upon the present arrangement of having the matters dealt with by the department with its various experts who are fully conversant with Trade Board conditions and the arrangements under the Act?—I do not want in the least to be disrespectful to those experts, but so often they do what they do in *vacuo* so to say, and the effect of that is very often unfortunate. Again and again alterations, sometimes of a purely verbal kind, have been made at Montagu House in a determination, but with very upsetting consequences. The Trade Board, acting with its knowledge of the trade, has put a determination into a particular shape because that was the best shape, and somebody remote from those considerations has, for reasons which seemed to him good, made an alteration. I think an Advisory Committee would humanise and vitalise the administration and would keep a contact between whoever was responsible for the administration of the Boards to Parliament, and the Boards themselves.

12,196. How do you suggest that the Board should be constituted?—I think it is vital to have a very important member of the staff of the Ministry of Labour as Chairman. The Minister, of course, could not be asked to find time for purposes of that sort, but the Parliamentary Secretary possibly might act as Chairman, or if not I think that the Permanent Secretary might—at any rate somebody of considerable departmental importance. He should be the Chairman, and for the rest you would have perhaps two appointed members, and equal representatives of employers and workers, not a great many. Something was said this morning as to the difficulty of constituting a body of this sort. There would be no difficulty. What would happen would be, so far as the workers are concerned, that we should select a certain number of persons who are already on the Committee of our Trade Boards Advisory Council. If it were decided to have 8 workers, very well, we would select 8 workers and those workers would have authority to speak on behalf of all the Unions. In the same way the employers through their machinery would select 8 employers. It could be brought into existence almost at once.

12,197. That would be 16, which would be rather large, would it not?—It would meet not very frequently. I should think a monthly meeting would be ample.

12,198. Mr. Layton: On this question of grouping, do you contemplate a comparatively few great Trade Boards as the final result?—Yes, that is what I should like to see, and what I hope to see.

12,199. About a dozen or 20, say?—Yes; and I think you might have sub-committees of the Boards which would deal with the sectional interests of the trade. Of course I would reserve plenary powers in every case for the full Board.

12,200. That suggestion has obvious advantages, but I would like to take your view upon certain obvious objections such as, for example, that it would be unwieldy and less rapid in its operations and so on?—I think that the constitution of that Committee would want very careful consideration. I have not considered the question at all thoroughly, but I think that what you might do is to give your sub-committees power to co-opt from the trade or the section of the trade for which they are responsible; and you would have a fairly representative sectional committee.

12,201. I have not quite followed that?—If you had one Board, for instance, for the whole clothing trade, you would have a dressmaking sub-committee on that large Board.

12,202. Who would sit with the Board when it dealt with matters connected with dressmaking?—Yes, and where matters were specially important to the dressmaking trade, or perhaps solely important to that trade, they would act apart from the others and they would be entitled to co-opt various persons to assist them in their deliberations.

12,203. What would be the effect of that upon organisation? Would it be true to say that in small Boards with comparatively local range a Board of that kind is more likely to encourage organisation?—I do not think so. I think that the Trade Board in any form is bound in the long run to encourage organisation, and I think it is encouraging it. I look forward to seeing at no very distant date a very large Union embracing all the workers in the clothing trade on the one side, and a large Association of employers representing all the employers in the clothing trade on the other.

12,204. Your suggestion would tend to enlarge the scope of the individual organisation of both sides?—Yes; I think that has to come.

12,205. Dame Adelaide Anderson: But when you get that great development of organisation in the women's industries, you think they would even then not be strong enough to stand alone; they would need a Trade Board?—I am sure so, for a long time to come.

12,206. As regards the women, one of the reasons why they are weak is that so many of them go out of the industry?—That, of course, is a very important reason. There are others.

12,207. And then there are a great many fairly skilled workers who could be brought in in an emergency?—Yes.

12,208. That weakens organisation in itself?—Yes.

12,209. Mrs. Lyttelton: And those conditions are constant; they will not change with time?—They do not change, no.

12,210. Chairman: Shall we now go on to the question of the constitution of the Boards? First you deal with the Chairman and Appointed Members. You suggest that there should be a panel, and that the Minister should appoint a Chairman after consulting the members of the Board?—We do not suggest that too strongly; we merely throw it out as a suggestion.

12,211. Then as regards Appointed Members, you suggest that the others should be chosen from panels?—Yes. What we feel about the Appointed Members is that they have perhaps had rather a rough time, and have been treated with some want of fairness, and perhaps of courtesy, but I think it is fair to say that one is often in some doubt as to precisely why an Appointed Member other than the Chairman is found upon a particular Board. Their qualifications, which no doubt exist, seem often to be nebulous. Well, that nebulousness, I think, is a mistake. I think it would be very much better to give a definite character to the Appointed Members who work with the Chairman. We have considered how one can do that most easily, and the conclusion to which we have come is the one set out here. The effect of it would be this: we think that the employers would feel that they were able without unduly prejudicing their interests

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to go to the employers' representative, the employers' assessor, and give him such confidential information as they thought he ought to have. The workers on their part would feel similarly free. Very often there is, especially at the beginning of the Board, an unfortunate cleft between the Appointed Members on the one hand and the representative members on the other. We would like to see that bridged, and we think our suggestion is one way in which it is possible to build a bridge.

12,212. But unless you went outside the trade covered by the Board?—Oh, yes, we propose to do that.

12,213. I was going to say it would mean just increasing the number of employers' representatives and workmen's representatives. Do you propose to get employers' and workers' panels consisting of men of industrial experience?—Yes.

12,214. General industrial experience?—Yes.

12,215. Mr. Loyton: Do you think that both sides would give more information than they do to the present Appointed Members? I quite realise, of course, that when the Board is started there is a certain amount of shyness on all sides, but presumably that breaks down?—Well, it breaks down where, if I may put it plainly, you have the right kind of Appointed Member; but that right kind of Appointed Member does not exist in every case, and where he does not, then both sides are a little bit shy of making admissions which may damage them.

12,216. Mr. Pugh: I suppose the point is that whoever might be the persons, employers or workers on the Board nominated to their panels, there would tend to be a greater degree of confidence if they had the right of proposing those panels, and the Appointed Members were selected from them; is that so?—Yes. Again and again we do know that without any sufficient reason, perhaps without any reason, both sides have combined to suspect an Appointed Member, or even a Chairman. They have not known much about this individual, and they have suggested that the Minister has made the appointment for this or that reason. All that kind of thing would be got rid of at once if you had this machinery of consultation.

12,217. Chairman: Do you think it would?—I think so, if you had consultation.

12,218. Do you not think that the same kind of suspicion would remain even although the Appointed Members were persons experienced in the trade?—I think not. Of course, I realise that it is a very difficult rôle to fill.

12,219. And you would not have quite the same free consultation among the three Appointed Members as you have to-day if one of them was there rather representing the employers' side and the other representing the workers' side?—Well, they would act to some extent as feelers for the Chairman. They would help him in that way.

12,220. Mr. Pugh: It would place a great responsibility on your Chairman, of course?—It would.

12,221. Mr. Bell: Have you any experience of cases where the very fact that an employers' association have said that they would like a certain individual to be Chairman would arouse suspicion on the part of the workpeople's side?—Of course it would arouse a good deal of suspicion.

12,222. Is that not rather telling against your proposition?—No; the suggestion is that an employers' association should say so if you got some sort of agreement.

12,223. I was meaning where they were seeking agreement, and a request came from the employers' side, or a statement was made that on their side they would like so-and-so to be Chairman: has not that sometimes at once aroused suspicion on the part of the workpeople's representatives?—If there was a suggestion that a particular person should be appointed it would give rise to suspicion. Just the same thing would happen on the other side, but I think there are a great number of persons whose neutrality, uprightness and honour would not be in question. I think we should have no difficulty in drawing up a panel. (Miss Symons): And having drawn it up, we suggest that the initiative should

come from the Ministry of Labour, that they should suggest somebody from that panel to the Board.

12,224. Mr. Pugh: I am only afraid you are being rather optimistic about it.—(Mr. Mallon): Yes.

12,225. Chairman: Subject to that, you think the Appointed Members should continue?—Yes.

12,226. Then as regards the composition of the Board, you deal with the vexed question of the Trade Union officials?—On that I am not sure that this is the best moment, but I want to do it at some time—perhaps I might say what occurred with regard to the Boards that were in existence in 1918. They had to consider what use should be made of the new powers conferred by the Trade Boards Act of 1918, and they had to consider also what, if anything, should be their relation to the Whitley Committee scheme. I will put in a paper which deals with that point. The Tailoring Trade Board, one of those in existence, met to consider these matters and passed two resolutions: "That this Committee recommend the Trade Board should respond to the express desire of the Minister of Labour that the Board should act as the official consultative body for the trade, and is of opinion that having regard to the powers conferred by the Trade Boards Act, 1918, the establishment of a Joint Industrial Council is unnecessary, and recommend that the Trade Board itself should exercise the functions of a Joint Industrial Council." The second resolution is to this effect: "That with a view to effect being given to the foregoing recommendation and in order that the additional powers conferred by the Act of 1918 may be efficiently exercised, the Committee is strongly of the opinion that the constitution of the Trade Board should be devised on such a basis that the representative members should consist solely of persons jointly selected by the organisation representing employers and workers respectively, and recommend that the Minister of Labour be approached with a view to such alterations of the regulations establishing the Board being made as may be necessary." Well, that does mark, I think, an interesting departure of policy. There the Trade Board ask unanimously of the Minister that in future the Board should be constituted on the same model as the Industrial Council, and should consist of representatives of Associations in the trade. The other Boards in existence acted in the same way as from that date, and I think the Minister was giving effect to what at the time was desired by employers and workers. As from that date the workers' side of the Board has been built up so as adequately to represent all the Unions in the trade.

12,227. What is the date of that?—That is 1918, and there is attached to this Minute a memorandum, for which I was responsible, suggesting the way in which the Trade Board could make use of the powers which it already possessed—the powers conferred under the Act of 1918—and could also discharge the functions of a Joint Industrial Council. I might point out in passing that I said the functions described the memorandum under (a)—those are the functions of fixing minimum rates and accompanying conditions which become binding on the whole trade by force of law—are the old Trade Board functions, but they are given greater potency and elasticity by various provisions of the Act of 1918. That makes it clear, I think, in my view at any rate, for what that is worth, that the effect of the Act of 1918 was only to give greater potency and elasticity to the powers which the Boards already possessed. But the point I am on is that the Minister of Labour, as from that time, has tended to give effect to the wishes of both employers and workers with whom he was dealing that the Boards should be representative of the Associations in the trade. Well, of course, it follows that you do get a great number of trade union officials, but of course that is true not only of Trade Boards; it is true of Joint Industrial Councils. It was true, while they lasted, of Interim Industrial Reconstruction Committees; nor did it seem that these bodies could adequately discharge their functions if they

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were constituted on any other basis; and it has to be remembered that although the presence on the Boards of actual workers is very important, and is highly desirable, yet those workers, except in very exceptional circumstances, cannot contribute very much to a general discussion, and indeed, in my knowledge of them they are only valuable when some concrete process of the trade is being referred to, and when perhaps you are dealing with a question of the actual piece-rates to be fixed for a job. As a matter of fact, the experience which a worker has in a trade is very often restrictive. A worker has worked in a particular factory in a particular process. His knowledge of the trade is not a general knowledge such as an inspector of the Trade Boards might hope to attain to; it is a limited and circumscribed knowledge. In short, he is able to talk about the concrete process that he knows, but he knows nothing else, and therefore if you confined yourself to workers in the trade as is suggested, you would have a volume of experience which would be entirely insufficient for the carrying on of the work of the Board.

12,228. *Mr. Pugh*: But is not the question rather this; at any rate, this has been raised: Where the objection has not been made to the Trade Union representatives the argument has been that they themselves have no practical experience of the trade. What do you say about that?—Well, in some cases, of course, it is quite true. It is quite true where you are dealing with a trade in which there is not any craftsmanship and where the workers are distributed over a number of general labour unions. You have to give representation to all those general labour unions; each of those unions includes members who work in ten, or twenty, or thirty, or forty trades; and it follows that you have a great number of people who have no knowledge of the trade.

12,229. But you have always got somebody who knows something about it?—You have always a great

number of people who have first-hand knowledge of the trade. I think a great deal too much has been made of the matter. You had Mr. Barnard especially talking about the question as though it were one of very great importance. Mr. Barnard, after saying that nobody but an actual employer or worker should be on the Board, proceeded to express his indignation that the Board did not find a place for Mr. Quilter, who, admittedly, was not and never had been, a worker or an employer in the trade.

12,230. I think it came down to this, as regards most of the criticism referred to, that the majority—some said 75 per cent.—of the members of a Board ought to be persons who were, or had been, engaged in the trade?—Well, I should not like to contest that as a general principle. I quite agree that it is important that the workers in the trade should be heavily represented.

12,231. Then as regards district trade committees you would leave that to the Boards?—Yes. There is a good deal to be said about that and the other question of district rates. I do not know whether you want to go into that matter?

Chairman: I am afraid that I cannot remain any longer. If the Committee desire to conclude the evidence of this witness, would somebody else take the Chair?

Mr. Pugh: I think Mr. Mallon is rather an important witness, and I should not like his evidence to be curtailed. I should suggest, unless you think it is practicable to finish to-night, that we should adjourn now and finish Mr. Mallon's evidence later.

12,232. *Chairman* (to *Mr. Mallon*): When would you like to come again?—I am very largely at the disposal of the Committee; I have given the Committee a good deal of trouble, and I should like to consult its convenience.

Chairman: I am told that there will be time next Wednesday morning to conclude your evidence.

(Adjourned till Wednesday next, the 15th inst., at 11 o'clock.)

TWENTY-FIFTH DAY.

Wednesday, February 15th, 1922.

PRESENT:

THE RIGHT HON. THE VISCOUNT CAVE, G.C.M.G. (*Chairman*).

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTELTON, D.B.E.

MR. JAMES BELL, M.P.

SIR ARTHUR F. PEASE.

MR. E. L. POULTON, O.B.E., J.P.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (*Secretary*).

Mr. J. J. MALLON and Miss M. J. SYMONS recalled, and further examined.

12,233. *Chairman*: Mr. Mallon, you had reached a point in your evidence where you dealt with District Committees, and you have expressed the view that this matter should be left to the individual Boards?—(*Mr. Mallon*): Yes. I thought it might be interesting if I elaborated that just a little, because the point is one of importance, and a good deal of attention has been given to it. The representatives of the Unions on the various Boards have never been, and are not against differentiation. All they desire is that the Boards should be given a free hand and should be allowed to do what seems on the whole to be best for the trade with which they are dealing. As regards attempts that have been made in the past to fix differential rates, I ought perhaps to say that both sides—employers and

workers—went into the matter without bias, and they did their very best to meet any cases of grievance, or alleged grievance, that were put to them; but they were held up by practical difficulties. Generally there were three points in these discussions. It was argued that where a manufacturer is in an out-of-the-way part of the country he is handicapped by that, and therefore it is not right to put upon him just the same obligations as regards wages as are borne by employers in large centres. We found on investigation that that was not quite as simple as it looked. In the first place, there was the offset of low rents and low rates.

12,234. Low local rates you mean?—Yes. If you have two places in the Eastern Counties—and we had a good many of these places put before us—

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there was a very wide difference between what was paid under these headings there and what was paid by employers in, say, London. That was the sort of thing that we had to consider on the first point. The second point was this: It was said the Unions in the great trades assent without demur to the fixing of rates on a district basis. Why then do you make difficulties on these Boards? Of course we explained that we did not make difficulties. We pointed out that so far as the Unions assent to wage variations on a district basis, their assent is little more than the register of the variations in the strength of their organisation. I got out some figures years ago to show this. I took the towns of Hull and Leicester, and I compared the rates of wages which were in fact being paid in the building trade, in the engineering trade, in the furnishing trade, in the printing trade, and so on, and I showed that whereas those rates were in some cases low in one of these towns they were for other trades high in the same town, and I think I did make the point that there is no principle of scientific adjustment of Trade Union rates to local conditions. There is little more at the back of those variations than the greater or lesser strength of the organisations which are concerned in the fixing of them.

12,235. Do you mean that these Unions really differentiate on no other grounds than that? Have they not some regard to economic conditions if they agree to a differentiation?—Economic conditions come in, but I think you will find it generally true that if the organisation in any area is strong, wages tend to be high. If the organisation is weak, wages tend to be low.

12,236. Is that really the basis on which the Unions proceed?—I think you will be driven to that conclusion if you look at the documents which are in question.

12,237. I am rather surprised at the managers of these great Unions assenting to that principle?—I think that there is no question that they do in practice accept it. You can find no other basis for a rate of 28s. in certain parts of the Eastern Counties for engineers when the London rate is 42s. That was the case before the war.

12,238. Is not a basis to be found in the differences in cost of living, in transport, and other matters, as between the Eastern Counties and London?—That is my third point, and I will address myself to that now.

12,239. *Sir Arthur Pease*: But take the Co-operative Societies. We have had evidence of their rates, and they have a differential rate for their employees in different districts of the country, and, of course, as you know, they pay a much higher rate than the average?—Their scale for women, brought into operation, I think, about 1913, was on a flat basis. It gave a wage of 17s. to women 20 years of age and upwards in all parts of the country. It is quite true that some of the local Societies were slow to adopt that scale; but pressure to adopt the scale was kept up persistently, and I think most of them did eventually adopt the scale.

12,240. I have not got the figures in front of me at the moment, but they put in a definite statement showing very large variations in the rates which they paid in different parts of the country—one was the Midland area, another the Northern area, and another was the Southern area—which had been agreed to?—Yes.

12,241. *Mr. Poulton*: These are all distributive trades?—Yes.

12,242. *Sir Arthur Pease*: I presume they had reasons for doing that?—Yes. Those reasons might be—I do not pronounce on that—the strength of the organisations in the areas where the rates were higher than in the other areas. I would not like to commit myself on that particular case.

12,243. They were the general rates of wages paid in those districts for all other kinds of employment, were they not?—I do not know.

12,244. *Chairman*: Take the Joint Industrial Councils. I have got before me the figures for

general labourers employed by Local Authorities. The country is divided into certain areas which they call zones, or grade areas. Surely those zones and grade areas are not fixed according to the strength of industrial organisation?—I do not say solely, but I do say mainly. May I ask you to do a simple thing? Take two towns, as to which the index figure in the Board of Trade tabulation of the cost of living is the same. Then take the rates of wages which are in operation for given trades—trades that occur to you—and you will find that there is a fluctuation—a difference—between these sets of rates explainable on no other principle than that in certain of the Unions concerned organisation in that place is strong, and in other Unions it is weak.

12,245. *Sir Arthur Pease*: But even within one area governed by the same Trade Union and the same organisation, substantial differences are found in different parts of the area on account of the differences in the district. One is near a seaport—a disagreeable district to live in—and wages are very high. In another case perhaps it is in a country district. There is the same Union and the same District Committee, if you like, but still there is always a substantial difference?—Yes. The circumstances in a given area may tend to favour a certain high wage, but if the workers concerned in that area are not strongly organised they will not be able to take advantage of those favourable circumstances.

12,246. But they are organised in exactly the same way, as far as I know, in the case to which I am referring?—I should think—but I do not dogmatise—that the wages would tend to be the same. I do not say they would always be the same, but that would be the tendency.

12,247. 99 per cent. of the men are in the Union?—Yes.

12,248. *Chairman*: Perhaps we may pass from what is in the minds of the managers of these Unions and come to your own view?—May I deal with the question of the cost of living? If you look at the Board of Trade inquiry which took place, I think, in 1906 you will find that the variations are from 100—which is the figure to represent London—down to, I think, a figure of about 80 or less. I have not got the figure before me. When you try to relate those varying figures representing cost of living to wages in the areas, you fail entirely to do so. When the Tailoring Trade Board was established, we devoted a lot of time to this question of variation, and we were not opposed at all to the principle that there should be a variation based upon the differing costs of living; but we found that would have involved us in quite preposterous situations. For instance, the wages in the wholesale tailoring trade for women were higher in Manchester than in any other town in the country. The wages for women in that trade were lower in Norwich than in any other town in the country. Yet if we had persisted on the basis of cost of living figures we should have been compelled to fix a higher rate for Norwich than for Manchester, because the cost of living was higher in Norwich than it was in Manchester. The cost of living in Norwich and Ipswich—two towns which are industrially difficult—was appreciably higher than the cost of living in Leeds. I mention this to show how difficult it was for the Boards, and how difficult it is, even if you have all the goodwill in the world, for them to find a basis for differentiation. Mr. Wethered, I think it was, made a distinction between manufacturing trades, whose commodities tend to find the same markets, and other trades like those of distribution, and handicraft production which tend to sell in the local market. I think the workers as a whole will be prepared to follow that line, and I think they are now gradually tending to follow that line. But where you are dealing with manufacture, you find it almost impossible to get a principle of differentiation which does not create more difficulties than it remedies.

12,249. If you are going to have differentiation in areas, say for distributive trades, have you any

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view as to which is the better mode of differentiation—whether by population or in some other way?—I think you can only put it on the basis of population. That, after all, is something existent—something demonstrable—and you can administer on that basis. I do not know on what other basis you could administer.

12,250. I think some trades have fixed zones; that is, they have taken in some industrial area and made that a zone and fixed a rate there according to the index figure, or something of that kind. Have you ever had occasion to consider that matter?—No. On the Boards to which I have belonged we have differentiated in one or two cases on the basis of population. There has been no attempt to do more than that, and I should think—though again I speak with diffidence—that the zone difference would be full of peril. Within the zone you would almost certainly get inequality of conditions comparable with the inequalities which exist in the country as a whole.

12,251. The building trade has zones, I think?—Yes, it has.

12,252. Do you find that a difficulty?—I should think you would find it a difficulty. I am not speaking with exact knowledge, but I think you would. It certainly would be a difficulty which would occur in so far as the zones were large.

12,253. You would leave it to the Trade Boards to set up District Committees, or not?—As they choose.

12,254. And then I think you want to say something about abolishing the Committees if they are no longer desired?—Yes, that is important. I think it must be a defect or an oversight in the Act of 1909 that it empowers the Boards to create District Committees, but it does not empower them to throw down those District Committees when they are set up. The consequence of that is, of course, sometimes serious. You create a scheme of District Committees. In the paper box trade, for instance, we have nine of them. Having brought them into existence these Committees pursue us—we cannot get rid of them. They have no useful function, as we have found.

12,255. Mr. Poulton: They can pursue you?—Yes. They cost the country a good deal of money, and we are bound under the Act, whenever we vary a rate, to send our proposals down to the Committees. That means, of course, that the Committees must be convened, and that a great many people must be drawn together to attend them, and all that is futile. I think the Trade Boards should experiment in regard to district machinery, but, of course, they never will experiment if they realise that the consequences of setting up District Committees is that, if set up, the Committees will remain in existence for ever. I think it is only a defect in the Act.

12,256. Mrs. Lyttelton: What were the ideas your Trade Board had in their head when they set them up? What made them have them?—It is kind of you to suggest that we had any idea; but it was that we were all fresh at our job. We had not any preconceived ideas, I think, at all, and since the Act gave us the power to set up District Committees, we thought it wise to set them up. There was no wish then, or, I think, now, to choke the free expression of district opinion.

12,257. Chairman: Do you on those Boards consult those District Committees before you propose a rate, or only after proposing it and before fixing?—There was some discussion on those earlier Boards whether the Board should send down to the District Committee a recommendation, or whether they should throw the onus of recommending on the District Committee. The course adopted, I think, in every case was to send down two rates. The employers proposed a rate, and the workers proposed a rate. Those two rates went down to the Committee for consideration.

12,258. That was before the proposal by the Board?—Yes.

12,259. Mrs. Lyttelton: Why should they be a failure; that is what I want to get at?—There is a number of reasons. I see my friend Mr. Harmer is good enough to attribute their failure in the tailoring trade to me, but that does me more than justice. What did happen was that the trade about this stage began to be organised, very largely, I think, as the result of setting up the Board. The employers had to organise themselves in order that they might say something collectively. In just the same way the workers had to organise themselves. But, of course, this organisation covered not merely the Central Board but the District Committees, and since the two sides had formally adumbrated their policy on the Central Board, they were bound more or less to say the same thing on the District Committee, and that is, in fact, what happened. It was not worth while to have District Committees to say "Ditto" to the main Board. I have thought a good deal about these District Committees, and my own view is that in general there is not any particular use for them or grace in them. But I think where a special district is disposed to argue that its circumstances are special—that its problems are different from those that exist in other towns—there is no reason at all why that district should not be given some machinery through which it can speak, as long as plenary powers are not conceded. I think the vital thing is that plenary powers must reside in the Central Board.

There is one other thing I would like to say. I have felt, as I think others who are on Trade Boards must have felt, considerable regret that the workers for whom we legislate, and the employers for whom we legislate, do not know enough about the work of the Boards. We think if they knew more, and the whole thing was more alive and fertilised, there would not be these misunderstandings. I do not know what the suggestion is worth, but I have always thought that it would be useful to have in the districts, not District Committees but occasional district meetings; they might be half-yearly, or they might be yearly. To these district meetings representatives of the local employers and of the local workers would be invited, and they would receive from their representatives—employers and workers—on the Central Board an account of the stewardship of those persons, and those who attended the meetings would have a right of question and comment and criticism and suggestion. I think that procedure on those lines might be useful.

12,260. Chairman: The meetings would be called, I suppose, by the representatives on the Board?—I think it ought to be done officially. I think there ought to be a notice sent out as from the Trade Board or from the Ministry of Labour—preferably, I think, from the Trade Board—that these meetings would be held on a given date, and two representatives from the workpeople in each factory, say, should be invited to attend; and such employers might be invited to attend as chose to turn up. Then they would receive an account from the people who purported to represent them.

12,261. Sir Arthur Pease: Would there be no possibility of dividing the actual work to be done—say, fix the general principles on the main Board and leave a lot of the detail for carrying them out to the District Committee?—That is desirable, and I should like to see a development on those lines. The only difficulty in the way of doing that, I think, is a practical difficulty. If you take the areas of the District Committees which have been set up, you find that these areas are very large, and it is almost as difficult to convene a District Committee for any purpose as it is to convene a meeting of the Board. Then when the District Committee meets, since its members are drawn from a very wide area, it has not that immediate knowledge which is supposed to be the virtue of these Committees. If, for instance, you have a Committee in the tailoring trade—as you have for the North-East—you draw representatives from several

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counties, and if you are dealing with a case which has arisen in Bradford, or in Stanningley, or some other such place, it may be that nobody on your Committee comes from those towns or has any knowledge of them. Then your District Committee has no more advantage in dealing with a case which arises there than your Trade Board would have. That is a difficulty I see there, but on the general principle I agree. I wish it could be done.

12,262. But in the big organised trades, even where there are national settlements, it would be quite impossible to carry on without having District Committees of employers and employed to settle hundreds and hundreds of difficulties which arise from time to time?—Quite. That contact is made in these trades by the local organisation. The local Association of employers is in touch with the Unions.

12,263. Outside the Trade Board?—Yes.

12,264. There is one point on a matter which was raised a little way back. Have you experienced as a Trade Board any evidence that in a particular district where a trade is concentrated the workers are actually worth more and do more work in a given time than they do in an outlying district?—Yes, I think there is some evidence of that, certainly. I think if you take the town of Leeds you get a concentration on the clothing trade which does result, over a period, in the acquirement of a special degree of skill by the workers. That illustrates one sense in which the minimum never can become the standard. We fix a minimum rate for women in the tailoring trade. It does not matter what rate we fix, the rate paid in Leeds is always above that rate. That is perhaps one part of the answer to those who say we ought not to fix flat rates. You have a flat rate, but on top of that flat rate all sorts of economic influences begin to get to work, and the reasons, whatever they are, which have decided that the rate in Leeds should be something more than the rate in Norwich will again manifest themselves, and the Leeds rate will climb up on top of your flat rate. So you have a flat rate co-existing with wide variations on top of the flat rate.

12,265. Your flat rate would be the standard rate in one place, but only a minimum rate in another?—Yes. It is a flat minimum; but above the minimum you have very wide variations which are explained by such facts as those to which you direct attention.

12,266. Mr. Poulton: That would not necessarily become a standard rate, even then?—No.

12,267. A minimum is entirely different from a standard rate?—I mean that you have your minimum, but your standard rates do tend to be sometimes very widely ahead of your minimum rate.

12,268. Apart from the question of District Committees, where they have been set up, considering proposals sent down from the principal body, would you give them any initiative? Suppose they had got some special difficulties in a district which they felt were such that the central body had no full knowledge of, should they be allowed to make proposals to the central body?—I think they ought to have the widest powers of that kind so long as those powers are powers of suggesting.

12,269. I do not mean legislation?—I entirely agree. I think they ought to have powers.

12,270. Chairman: Perhaps we had better go now to the next point. On the question of the period for objections, I gather for a new rate you would keep to the present period of two months, and for variations you would reduce it to one month?—Yes.

12,271. Then as to amending proposals without re-proposing, you would allow a power of amendment?—Yes; I think that is important.

12,272. But only, I gather, if the amendment is agreed on both sides?—Yes. I think that would meet with all the serious cases in which it is desirable to make an alteration.

12,273. Now as to confirmation, which is an important matter. You deal with the question of confirmation of rates by the Minister?—Yes.

12,274. You agree that there must be some confirming authority?—Yes.

12,275. I suppose someone responsible to Parliament for the confirmation?—Yes.

12,276. But your Council propose that the Minister should be limited either to confirming the rates sent to him by the Trade Board or referring them to the Industrial Court?—Yes. As we see the matter, there are three possibilities. You could contemplate an entirely autonomous body and let it fix and enforce its own rates—at any rate, definitely fix its own rates. I think, if I may say so, that there is more to be said for that policy than appears on the face of it. The Board does tend to be sober and responsible in the degree in which it exercises real power, and in so far as you take power away from it, I think you tend to devitalise it. If the Boards had the powers which they now enjoy, and had much more information than they now possess—as to which we shall say a word in a moment—I think there is no reason to suppose they would make an unwise use of their powers. I think rather that the fact that there was no appeal from them would tend to make them move with great circumspection. But I do not press that, because I think it is unlikely, in all the circumstances, that the country would contemplate the setting up of Boards of this kind with full powers. The other possibilities are to set up a Trade Board Council such as was proposed, I think, by Professor Hobhouse, and the proposal we make here. With regard to the Trade Board Council or super-Trade Board, or whatever it is called, we do not criticise that, and we realise that it has some very great advantages. On the whole, however, it does not seem to us that the policy would be likely to meet with public approval just now, and we do not press that either. What we feel very strongly is that the present system is a thoroughly bad one, and it is bad for, among other reasons, this: It does expose the Minister—or it is thought to expose him, which is just the same thing for all practical purposes—to political pressure. The fact that the pressure is exercised, or is thought to be exercised, is a very serious matter. We have tried—those of us who have been connected with Trade Boards from the beginning—to keep Trade Boards out of politics. Once you let Trade Boards be labelled this or that, their usefulness is compromised and almost gone. Just at present it is being reported to this or that Board that this or that powerful politician has sent in a protest against the rates which are proposed to be fixed in this or that trade. I need not emphasise the seriousness of that.

12,277. Mr. Poulton: Do you mean that he has sent it in as a member of the industry, or as outside the industry?—Outside that industry. There is no reason why I should not mention the name; it does not carry any censure against him. It was said to the members of a Scottish Board that a letter of protest against the rates—couched, I am sure, in quite correct terminology—was received from Mr. Bonar Law. Naturally, it upset the workers on that Trade Board, and other names were mentioned in that connection. In so far as there is a possibility of that, we have, I think, a very undesirable state of affairs. What is felt always in these matters is that somebody is seeing the Minister, or may be seeing the Minister, and as to that we know nothing. When the Minister, for good reason, says: "I will not confirm these rates," or "I refer them back," we do not know what considerations have induced him to take that course. That is very unsatisfactory. I need not emphasise the state of affairs which exists at present. Miss Symons, I think, will say something about it on that; but it is very unsatisfactory. The fact that a good many employers are dissatisfied with the Trade Boards machinery proceeds to a large extent from the Minister's inexcusable and, as they see it, entirely unexplainable dilatoriness. Every employer wants a rate at a given time, he cannot carry on his business if a scheme of rates is hanging over him—nobody can—but that is what he cannot

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get. He does not know where he is from six months to six months, and he cannot get ahead with his costings.

12,278. *Chairman*: As between the Central Board which is proposed and the Industrial Court, I suppose the Central Trade Board would be rather quicker than the Court?—Yes, I think it might be.

12,279. And it would also, it was suggested to us, have the advantage that it would contain representatives of both employers and workmen?—Yes.

12,280. And there would be a certain number of them, but the Industrial Court, I suppose, would be a smaller body?—It would be a smaller body.

12,281. And it would have a lawyer—perhaps Sir William Mackenzie or someone else—presiding, and two other members?—Yes. We make the suggestion, which you have noted, of course, that for the special purposes of these appeals, so called, there should be added to the Industrial Court certain persons—we do not say anything, I think, as to numbers—who have appropriate experience, as assessors.

12,282. I suppose you would have before that description of tribunal a formal argument, possibly with Counsel?—I should hope not.

12,283. That is what I was wondering?—I should think that that would be lamentable, because I think it would have the effect of going far to sterilise the Boards. If the Boards thought that there was going to be in every case an appeal, and that the case would be argued again, the effect on them, I think, would be grave.

12,284. I suppose you would have to make rules of court to meet that point?—Yes. I sympathise entirely with what you are saying. I think that would require very great care. The presumption must be that when a Board, thoroughly representative of its trade, has with deliberation come to a conclusion with regard to that trade, that that conclusion must be right. I think you cannot proceed on any other basis. Therefore, that implies some limitation of the cases in which appeals should be allowed; but I do not take it upon myself—and I do not think Miss Symons will either—to suggest what those limitations should be.

12,285. That wants a little thinking out. I have come to no conclusion at all. I am really only desirous of knowing which is the better plan?—Quite.

12,286. Would it be better to have your Central Board, or whatever you call it, just hearing the representatives of the two sides of the Board, and any other evidence they want, and deciding the matter in a room, or to have what must be, I think, a somewhat more formal hearing before the Industrial Court?—In so far as it is formal, it is bad. I think we want to have the most informal procedure possible. I think it is highly undesirable that we should have protracted formal argument, because that very often conceals the truth rather than reveals it.

12,287. You have got this difference, have you not, that whereas the Central Board would contain men who have experience of a good many trades, the Court is presumed to know little or nothing before the hearing begins?—Yes. The Trade Boards have a grip on the wages part of the trade as a whole, and I think that is good. I do not think we want to put the Trade Boards on a sort of economic island and leave them to themselves. They must have a relation to the main wages system of the country.

12,288. I suppose your Central Board would inform itself as to that?—Yes, it would have to if it were going to do its work properly. I really feel very much what you feel—that the qualities of informality and expeditiousness and so on would be possessed by the Central Board more than by the other tribunal. But I think the other tribunal has by this time earned for itself an accepted place; it has got a status, and I think there would be a disposition on all hands to accept its decisions.

12,289. It would be possible to give the Minister an option so that he could refer minor matters to the Central Committee and matters of importance

to the Industrial Court?—Yes, I should think that is not impossible. I should like to think about it. On the face of it, if I may say so, I think it is a good suggestion.

12,290. *Mr. Poulton*: There would have to be a safeguard to prevent a Court of this sort delaying things?—Yes, I quite agree. I should hope it would be possible, if the suggestion we make is taken advantage of, to limit in some not captious way the reference of cases. I think that if the Minister is satisfied that no very great harm will be done by the fixing of a rate, then he should fix the rate, because it may be supposed to have been sent to him as the result of the very careful deliberation of the Board. If the Board has not very carefully thought over what it is going to do, it has failed in its duty. If there is no suggestion of that sort, the Minister should fix; but if, on the other hand, he thinks there is a possibility that the Board's mind has not been fully informed on some question of importance—if he thinks that certain industrial or other harm would be likely to result from the fixing of these principles, then he might refer the matter to this expert tribunal.

12,291. On page 9 of your statement, do I read your evidence aright in thinking that your suggestion would really take away from the Minister every power of even suggestion; that is to say, he becomes merely a registering machine?—Yes, that is broadly the effect of our suggestion. We think that good from the point of view of the Minister himself.

12,292. I am wondering whether that is not going too far the other way, and whether he might not have some power of suggestion without setting up the machine, because however simple the machine it would take time?—(*Miss Symons*): Our difficulty about that is that the present system unfortunately takes more time. Perhaps I can give a recent instance. There was a Trade Board set up quite recently. For various reasons there was a delay of two years in setting up the Board. It was the Boot Polish Trade Board. It eventually fixed a rate. There were various delays before the rate was actually fixed, in order to enable the employers to consult the trade as a whole. When we met finally, there was one point in the whole set of rates on which we could not agree, and they were carried by a vote. But the employers very fairly said that they were not playing for time and that they hoped, as we did, that the final result of the Board would be brought into operation very rapidly. The period suggested was a fortnight. A fortnight elapsed, and no word was heard from the Minister as to what had happened. As Secretary of the workers' side, I wrote two letters, to which we got no reply. We finally went to see the Ministry of Labour and asked them what they proposed to do on these rates, and what their reason was for the delay. All we discovered at length was that nobody had appealed against the rates. There had been no definite appeal to the Minister that these rates were dangerous, and we could not ascertain the Minister's reasons for delaying the matter. We do not know whether we are going to get those rates. That is the kind of difficulty we are so anxious to remove, because we feel it weakens the whole status of the Board and makes it appear that their lengthy deliberations are a waste of time. It leads to uncertainty. Our difficulty is, in dealing with Mr. Poulton's point, to give the Minister any scope without involving ourselves in that kind of difficulty—a position in which we are simply held up, and uncertainty and dissatisfaction are caused all round.

12,293. I had not that kind of thing in mind. I was thinking of a case where you are framing complex conditions of employment. I have just had such a document myself. It was put into the hands of two or three people, and we found mistakes in it, and it had to be rectified. Obviously you do not want this elaborate tribunal to rectify something which is quite plain. I do not mean the case put by Miss Symons?—You mean some legal and technical point?

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12,294. Some oversight in the composition of the thing?—(Mr. Mallon): Doubtless that could be dealt with in the period allowed. We ask that the Minister should, in a given time, confirm the rates or refer them to the Industrial Court. Possibly in that time there would be some informal conversation between the representatives of the two sides and the thing agreed. (Miss Symons): On that point, do you not think that a good many of those difficulties would probably be removed in the proposal stage? In fact, our difficulty on some Boards has been that the Minister has allowed the whole of the proposal stage to elapse without calling the Board's attention to legal difficulties in their determination, and has raised them at a later stage after the rates have been actually fixed, which has caused delay at the last minute which might have been prevented by consultation between the legal adviser of the Ministry and the Trade Board at the proposal stage.

Mr. Poulton: It seemed to me that there was no latitude allowed him at all. All that he was to do was to register.

12,295. *Chairman*: If you gave the power to him to amend the proposal by agreement that would be satisfactory, combined with the power to refer to the Board?—(Mr. Mallon): I think so.

12,296. Now passing to the question of scope, you think that that should be first considered by the Trade Board or Trade Boards concerned, and if the Minister accepts their view his decision should be binding?—Yes.

12,297. But if he cannot accept it, or if the allied Boards express contradictory views, then you would give power to refer the matter to the Industrial Court?—Yes. All that we say on that is that the important element of these matters is time, and certainty. What is important is that you should know whether a given article or a given process is to be included within the scope of the one Board or of another. Employers, I find, do not very much worry as long as a definite decision has been reached. What they cannot stand is uncertainty.

12,298. Mr. Poulton: They want to know where they stand in relation to hours, wages, and general conditions, and that is the idea behind it?—Yes, that is the idea.

12,299. *Chairman*: Then passing to machinery for enforcing rates, you deal first with inspection. What do you say about inspection?—I think inspection is a very large part of the trouble. It was natural perhaps during the war that very much thought should not be given to this machinery; more important machinery had to be thought about. But after the war very precious time was lost, and for reasons into which I need not go, some of the most experienced Inspectors were allowed to leave the Trade Board office. That was a very great loss. Those Boards were started in very considerable number, but no very efficient machinery for enforcement was provided. That created a state of things as to which I, and I think all my colleagues, have the greatest sympathy with the employers who are concerned. A great number of employers were entirely loyal. They paid rates which they had agreed to at a time when they were perfectly well aware that large numbers of their fellow traders were not paying those rates. That put a very heavy strain upon their loyalty such as, I think, ought not to be put upon it. The fact that that was so, affected more than the trades immediately concerned. The opinion was spread that under the Trade Board Acts a number of employers who were public spirited and so on, felt compelled to pay, and did pay, certain rates of wages, but other employers of a different kind did not pay these rates. Nothing could be more fatal to the repute of the Boards. Another trouble was that when the Ministry of Labour were persuaded that there was a great gap in the inspection they endeavoured to fill it—no doubt with the best motives—from the ranks of not very highly qualified persons—those who were engaged in non-compliance work under the Unemployment Insurance Act. As I think the Inspectors, who I understand are going to give

evidence, will make plain, the work of inspection under these Acts is very highly skilled, and it is not possible to bring in people of inadequate experience and education and ask them to do this work. They cannot do it well.

12,300. Could the factory inspectors do any part of it?—They could, of course. The factory inspectors are entirely of the right stamp, but the factory inspectors, I imagine are very fully employed. There are not a great number of them, and then as regards the examination of wages books, which forms the main part of the employment of a Trade Board inspector, the factory inspectors have not had any experience, and they would have to be trained for that special work.

12,301. They have to look at particulars, do they not?—Yes.

12,302. *Dame Adelaide Anderson*: They have to start with a general knowledge of the investigation of wages books from the point of view of wrong deductions?—Certainly.

12,303. Under the Truck Acts as well as under the written particulars?—Yes, of course they are by no means strange to the technical aspects of wages.

12,304. And they have also conducted very difficult proceedings connected with wages?—Yes. I should like your view as to whether factory inspectors could combine with their already multitudinous duties this very large and technically difficult job of inspection of wages.

12,305. I do not want to place a new burden upon the factory inspectors. I only wanted to make it plain that they had some knowledge to start with?—Yes. What I should like to emphasise is the very specialised nature of the work. If you are dealing with a complicated scheme of piece rates, and if you have in every group to find the ordinary worker, you cannot do that unless you are accustomed to that job, and I do not know any set of inspectors—much as I esteem the various groups of inspectors—who would, without a good deal of training, be competent to do the work which is done by the Trade Board inspector of the best kind.

12,306. *Chairman*: It seems to come to this, that you do not think we can get on without additional trained inspectors?—That is what we think. I think there are ways, and we will discuss those ways, if you will let us later on, as to how that burden of inspection can be lightened. But there is no question at all that under any system we shall want more trained inspectors than are available at the moment. We make two suggestions on that. We make a suggestion as to the collection of information by the Board itself, and we make a suggestion as to the nature of the tribunal through which there shall be enforcement.

12,307. *Sir Arthur Pease*: But without inspection cannot the individual tell he is not being paid the right wage?—Of course he can in most cases. Sometimes it is a little bit difficult in a piecework case for even the worker to know whether he is or is not being paid less than he is entitled to, because what is looked to—as I explained last time—is not the earnings of any particular worker, but the nature of the piece-rate as a whole. On that large matter the individual worker does not know whether the piece-rate as a whole is paid or is not, and there you have to get an outside authority. (Miss Symons): Also I think the fear of victimisation would deter large groups of unorganised workers from making a complaint. They would be afraid of losing their work if they made a complaint; whereas under this system, if there is inspection the complaint does not come direct from them. In the case of unorganised workers, I think that is the only way you can get the rates recognised.

12,308. *Chairman*: The remedy for that is more organisation?—Quite.

12,309. Mr. Poulton: But it does not prevent them now from making complaints to you?—(Mr. Mallon): We have a complaint form, and we send these out through the various Unions which are affiliated to Congress. The organisers can get these forms in

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large numbers. Where there is any complaint they are asked to send one of these forms to the worker. The complaint forms are very carefully drawn up. Then they are collected. We hope that that will save a good deal of the Inspector's time, because he will go down to investigate something on which he has definite information.

12,310. *Chairman*: I think that some suggestion has been made that complaints might be made to the Labour Exchanges?—I do not see how the Labour Exchanges could effectively intervene.

12,311. *Dame Adelaide Anderson*: What is really wanted, is it not, is that the complaint should get as quickly as possible to the sufficiently experienced Inspector?—That is so.

12,312. So that it might be a circular sent to the Inspector?—Yes.

12,313. Would you say that one trained inspector is more than two half-trained inspectors?—I would put it very much more highly than that.

12,314. And that the all-important thing is gradually to increase—not by jerks, but steadily—the number of trained inspectors?—Yes.

12,315. You do not want to water down too rapidly the trained inspectors?—That is so. I agree entirely with the point which has been raised as to expense. Criticism in that connection would be modified a little if the wide range of work these inspectors cover and their general usefulness, not only in enforcing rates but in helping employers, were considered. If you call one of the inspectors with wide experience, and ask him to explain the way in which, for instance, minimum rates were introduced into the shirt trade in Ireland, or when minimum rates were introduced into an entirely disorganised trade like that of paper bags in this country, you will find he will give you, without difficulty, any number of cases in which he was able substantially to help the employer to achieve a much better organisation of his factory. That is one aspect of the work of these persons which has not received anything like adequate recognition. They are by no means mere policemen; they come into a factory without any intention to put the employer in the wrong. They go in to see that a certain industrial condition exists, and if it does not exist, to aid the employer to bring it into operation. Not once, but many times employers have written to the Trade Boards to acknowledge the debt under which they have been placed by the highly expert advice they have received from the Inspectors. (*Miss Symons*): I think one must say, to be truthful, that the half-trained inspector actually does more harm than good. Meeting employers all over the country, I think that people of the wrong kind and people of the wrong experience who were brought in to make up the deficiency in inspectors under the Trade Boards, did more to irritate employers against the system than anything else. The period during which they were brought in, I think, shows the effect of their introduction.

12,316. *Dame Adelaide Anderson*: But you cannot have a ready-made trained experienced inspector?—(*Mr. Mallon*): That is so.

12,317. You must always be adding steadily, and an untrained inspector can do certain work that is useful—though, perhaps, not the highest class of work—in acquiring knowledge. The gist of the matter is to bring in untrained people of a suitable kind so as not to overwork the trained inspector?—(*Miss Symons*): Clearly. I meant to say that they must be of the right kind. You must not decide to have a less experienced type of inspector.

12,318. *Chairman*: It is really in connection with piecework that the main difficulty arises, is it not?—(*Mr. Mallon*): That is the main difficulty; but, of course, the identification of classes where special classes exist, and a great many other such matters, are very important.

12,319. *Mr. Poulton*: There is the question of overlapping?—Yes. It is not possible, as Dame Adelaide Anderson will know, to divide the work of an inspector into simple duties and less simple

duties. The inspector goes round when a trade is scheduled, and his duty may be to see that notices are posted, or something as simple as that; but he goes into a factory, and then the employer has been thinking about the matter and he has a number of questions to ask. He asks the inspector to advise him on all sorts of important points. If the inspector does not know the Act and the Trade Boards very thoroughly, it is quite likely he will give wrong advice.

12,320. *Dame Adelaide Anderson*: That is the trouble. At any moment a difficult problem may be sprung upon the inspector?—Yes.

12,321. But you can only meet that by steady training?—That is our view.

12,322. And trying as much as possible to utilise the experienced inspector and not those who are acquiring the knowledge?—Yes.

12,323. *Mrs. Lyttelton*: I suppose judgment has to be continually exercised as to whether the failure of the worker to produce what is expected of him is due to a lack of organisation, and the wrong sort of machinery, and all those sort of points?—Yes.

12,324. It is very complicated?—Yes. Most of the inspectors know the trades very well, and they can pronounce on these matters much more readily than you would suppose. They do it—and that is the great thing—with the approval of the employers in the trade. It is notable that so little complaint has been made in respect of the work of the inspectors of the best class.

12,325. *Dame Adelaide Anderson*: Is it not possible to retrieve any of the experienced inspectors who disappeared?—I do not know if it is; I am afraid it is not. There is just one other remark I would like to make. I think that the problem of inspection does get lost sight of as time goes on in a trade that has been under the Act for some time. If you looked into the figures you would find that inspection in the wholesale tailoring trade is a very much less serious problem than it was when we began. The employers have settled down to it. The Employers Association is behind the rates, and they are looking out, as well as the worker, for any case of evasion. We have complaints from employers if there is any reason to suppose that evasion is taking place. For all those reasons—because the employers are working to detect evasion, and because the trade has settled down to the new conditions and does not want to evade, you get the job of inspection very sensibly lightened.

12,326. *Mr. Bell*: Do I take it, Mr. Mallon, that you are of opinion that the decisions of the Trade Board could not be effectively carried out without some elaborate system of inspection?—I do not think anything elaborate need be contemplated, if by elaborate you mean something complicated. But certainly you do want a sufficiently numerous body of competent Inspectors; that, I think, is essential.

12,327. What you have in mind evidently are Inspectors of the same type as are appointed under the Particulars Clause of the Factory Act?—Of the same type as Factory Inspectors.

12,328. Do you think that those Inspectors could carry out their work without the assistance of the well-organised workpeople in that industry?—Yes; they can and do. Where there is organisation, that is all to the good, and it helps appreciably. But in lots of trades in which there is no organisation, or no organisation to talk about, like lace finishing in Nottingham, these Inspectors do perform their duties, difficult as they are, with very great success.

12,329. In the case of any alteration in an elaborate system of piece-rates how is the Inspector to obtain his information as to the alteration that is taking place and the exact effect on the earnings of the workpeople?—The Inspectors have been very good in all those respects. The rapidity with which a trained investigator can master the technique of a trade with which up to a given date he has been unfamiliar, is remarkable. As a matter of fact, the investigation of the Inspectors has thrown a light which

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the employers, in some cases, have benefited by, on the organisation of various trades. I remember how during the war we had a report on the question of finishing. Flat rates were fixed for the making of army clothing, and it was attempted by the War Office to see that rates of wages for this work were substantially the same. That meant an investigation of the processes of the trade, and an Inspector was asked to report on what was included in the process of finishing army clothing. It appeared that finishing meant any one of about 12 things; the finishing process was carried on in so many ways. This was news to the employers, who all supposed that finishing was a generally understood term. It was not. Behind the term were very large diversities of practice.

12,330. *Mr. Poulton*: That means they were restricted in their idea of finishing to their locality?—Yes.

12,331. *Mr. Bell*: I see that you suggest some method. Suppose that you have an Inspector who receives his information, say, from a Trade Union official, and the Trade Union official knows that certain breaches are taking place by a certain employer, and he sends that information to the Inspector. Is it not a waste of time that the Inspector then has to verify it, if that evidence could be produced either before magistrates or some tribunal such as you suggest?—Yes, if it were as obvious as that; but in fact it does not tend to be quite so clear. You get an allegation that a piece-rate does not conform to the determination of the Trade Board, and that does call for very careful investigation. It is that type of complaint that takes up most of the time of the Inspectors. The question of time-rates is of course very much simpler. If you have a worker of a given age and of a given occupation who is getting 20s. instead of 30s. a week, there is not much trouble about it.

12,332. But the question even of piece-rates is only a question of fact, is it not?—Yes, but a very elusive and difficult fact.

12,333. *Mr. Poulton*: But is it not sometimes a question of conditions?—Yes.

12,334. Because the organisation may be such that they cannot earn the money, whereas under proper organisation they could earn the money?—Yes. There was a case of an employer in Londonderry whose piece-rates were satisfactory, but who had a defective dynamo, I think it was. As a result of that, although the piece-rate was right, the employees were getting very little money. The employer was twice warned, and as he failed to bring his machinery up to date he was prosecuted and fined heavily.

12,335. *Mrs. Lyttelton*: Would you say generally that the more organisation there is amongst the workers and employers, the less inspection is necessary?—Certainly.

12,336. *Sir Arthur Pease*: Would not a worker, if he or she found he or she was paid the wrong wage, go to the employer and complain?—In many cases I think, especially in a time of stress like the present, you would have many workers suffering a good deal rather than expose themselves to dismissal.

12,337. I have knowledge of some trades where the piece-rates are very complicated, and one of the rules between the Union and ourselves is that no worker may take any complaint before the Union till he has been before the Lodge?—(*Miss Symons*): That is where there is organisation. I was dealing with cases where there is no organisation.

12,338. It seems to me undesirable that people should run to some outside body before the complaint has been brought up before the employer directly?—(*Mr. Mallon*): We should entirely agree, and where there is organisation that is the course we advise.

12,339. *Mr. Poulton*: And would always advise?—Certainly.

12,340. *Dame Adelaide Anderson*: You would agree that in the worst places there is generally an obstacle to a complaint coming forward?—Yes.

12,341. And that it is rather where there is an idea that improvement is possible that a complaint comes forward?—Yes.

12,342. Is that the general rule?—Yes. Where there is organisation there is not much difficulty. We find if an employer on a Trade Board is opposed to some person whom he employs, there is freedom of discussion between those two persons. The man gets up and makes his complaint perhaps as to something which he says has occurred in the factory of his employer, and he is not in the least prejudiced. That is because it is a trade in which organisation is accepted by the employer, and there are good relations between the two sides.

12,343. Then the function of the inspector is to search out the worst places and to advise as to better organisation?—Yes.

12,344. That is his chief function?—Yes.

12,345. Apart from the possibility of taking proceedings?—Yes.

12,346. *Mr. Poulton*: You attach considerably more importance to the question of machinery than to the question of a prosecution?—Yes. We do not want a prosecution if we can get the result in any other way. Prosecution is a nuisance. There is just one other thing I want to say. It may be put—I do not know—that the question of effective enforcement has to do with the drawing up of rather elaborate schemes of rates; that in so far as the scheme of rates is elaborate, there is difficulty of information. In general, of course, one must admit that; but what one says is that the Boards very speedily learn. If you look at the way in which determinations have altered during the last 12 months, you see the Boards can be trusted to learn, and if their scheme of rates proves to be over-elaborate, or to give difficulty to the inspectors who have to enforce them, the Boards soon learn that, and re-arrange their determinations accordingly, and that difficulty is altered or removed. I think the best line to take is to let the Boards learn by experience.

12,347. *Sir Arthur Pease*: Would it not do to have simple piecework basis rates as minimum rates, and say that a normal worker must have a rate giving that sum?—That is what we do in most cases as regards piece-workers.

12,348. And leave the actual definite rate to be fixed locally?—That is, to have a piece-rate for the particular factory?

12,349. Yes.—That would involve very great difficulty.

Sir Arthur Pease: On the piecework basis rate. Say the time-rate was 1s., the piecework basis rate would be 10 or 20 per cent. more, and it would have to be shown that the normal worker in that group of factories, or whatever it was, could earn that piecework time-rate, and leave out all these complicated rates altogether.

Mrs. Lyttelton: Above it you mean?

12,350. *Sir Arthur Pease*: No—the fixing of these complicated rates?—(*Miss Symons*): You mean as against general minimum piece-rates.

12,351. *Chairman*: Is that not where the Inspector's work is most complicated?—(*Mr. Mallon*): That is so.

12,352. For that purpose he has to make all kinds of tests?—Quite. Where the Board can simplify his work by drawing up a complete set of piece-rates for the whole trade there is relatively little difficulty.

12,353. *Sir Arthur Pease*: Would not a piece-rate that was quite fair in one factory where they have got everything up to the scratch have to be quite different in a factory which was not quite up to the mark?—That in certain trades is quite true.

12,354. How would that be dealt with on the Trade Board?—A Board has a discretion, and if the Board were one in which it would not be desirable for any reason to fix a general minimum piece-rate, as has

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been fixed in the brush and broom trade, the Board would refrain from fixing such a rate. In the wholesale tailoring trade we discussed the fixing of general minimum piece-rates years ago, but we found that there were such difficulties of organisation between the different factories—precisely the difficulties to which you draw attention—that we gave it up. (*Miss Symons*): It may interest Sir Arthur Pease to know on that, that on the Laundry Board the employers have asked the Board to consider fixing general minimum piece-rates, because they submit that the difficulties of inspecting the piecework basis time-rate and of knowing whether the piecework basis time-rate is paid is so great, that the problem would be simpler by fixing minimum piece-rates. A request has come from them to that effect. They feel it would be much simpler and that they would know where they were. (*Mr. Mallon*): An employer under the Act has always the right, if he finds his circumstances are in any way peculiar, to require the Board to fix a special piece-rate to apply to his workers, and he has done so in several cases. There is one employer in Hampshire who keeps a factory of a particular kind in which the workers are mostly married women who come in at such times as they can spare. It would be unfair to enforce minimum wages there, because you do not know what time they put in. He applied for piece-rates to be fixed for his factory. They were fixed, and they operate without any friction.

12,355. What is the procedure you would have to adopt supposing a new machine were invented which could do 50 per cent. more work? Would it be a long process to adjust matters?—There would be no difficulty at all. We should not know of the coming in of the machines if we had fixed a piecework basis time-rate.

12,356. I mean if he had got an actual piece-rate fixed?—Then of course there would have to be a modification of the rate; but that might be done very quickly.

12,357. *Chairman*: In the meantime, the basis would remain?—Yes.

Sir Arthur Pease: And then the man would be earning 50 per cent. more, and he would feel very hurt at being put back?—As regards the Trade Board, the employer would have to see that in the new conditions the equivalent of the piece-work basis time-rate was earned. As regards the Trade Union, the difficulty, I think, would not arise, because the employer, before ordering the machine, or as soon as he had ordered it, would get into touch with the Union, and there would be negotiation and an agreement.

12,358. Outside the Trade Board?—The Trade Board would ratify it as soon as it was put to them.

12,359. *Dame Adelaide Anderson*: But take the case where there was no Union?—As the general minimum piece-rate would not apply in the new conditions, the employer has only to see that the employee earns the equivalent of the piece-work basis time-rate. If a modification of the general minimum piece-rate were desired the thing would come down to the Trade Board. It would not be quite so expeditiously dealt with, but it would be dealt with without unreasonable delay.

12,360. *Mr. Poulton*: But the officials in the other case would make tentative arrangements pending a settlement by the Board?—Yes. In trades where those changes occur, the Unions are in touch constantly with the employers.

12,361. *Chairman*: I think we will now leave inspection. You have something to say about a tribunal for enforcing the Act?—Yes. The difficulty we have to meet is that the Trade Union secretary and the Trade Union organiser has at present no *locus standi* under the Acts. He cannot intervene; he cannot take a case. The worker herself or himself can of course act in his or her own person, but this is done under very great difficulty. The worker does not know very much about the presentation of a case, and in the Courts he is dealing with persons whose language, being legal, is not his own. In those

ways, the courts, as we know them, do not seem to us to be the best authorities for the administration of Trade Board rates. We have to consider if there is any other machinery which might take the place of the courts. In that connection, we considered what was done during the war by the Munitions Tribunals. I think it is agreed that those Tribunals on the whole worked with very great success, and that they pleased both parties. There was an informality about them which was valued very much by workmen and workwomen.

12,362. *Mr. Poulton*: Is it not valued by the employers, too?—It is valued very much by the employers. Before these Tribunals it was possible for the Trade Union representative, or for the worker himself, to plead, and he was pleading before some body who were familiar with his complaint and who understood what was the matter. If we could get similar machinery for the enforcement of Trade Board rates, a great deal of the present difficulty would be removed. If such tribunals as that are set up, of course the question of their powers arises, and I contemplate Lord Cave's questions on the point with a trepidation which I do not disguise. But we are quite prepared to assent to the thing being put into the correct legal shape. It might be possible to attach such courts in some way which Lord Cave will understand, to the County Courts. We do not emphasise the non-legal character of the courts. All we are anxious about is that they should be informal; that they should be easy of access both to the Trade Union representative and to the actual worker, and of course should, both from the point of view of the country and the worker, be cheap.

12,363. *Chairman*: How many cases do you anticipate would come before a tribunal of this kind in a month?—You raise the difficulty that we saw. Obviously, I think you could not set up these courts merely for Trade Board cases; that would be an unreasonable request. I think, therefore, if the courts are set up it would have to be considered whether they could not deal with industrial questions generally—certainly with wage questions generally—questions arising under unemployment insurance and health insurance, and other similar matters.

12,364. There would have to be a whole network of these tribunals to cover the country?—I do not know how many tribunals would require to be set up. I do not think a great number would be necessary. It would not matter that you had one tribunal in a very wide area as long as access to it was to be obtained in this ready way.

12,365. *Dame Adelaide Anderson*: May I ask for information whether this new sort of body is meant simply for the recovery of wages or for the conviction of employers for criminal offences against the Act?—This court would only have the power to fine. It would not have the power to do anything more than inflict such fine as is provided in the Act. It would have the power to do that. Of course there would be an appeal, I suppose, from courts of this character to an appropriate tribunal.

12,366. Would it be possible to have one or two industrial assessors sitting with the magistrates to add what is required in the way of knowledge?—You have, I think, a deputy to the Judge of the County Court, and I thought that that deputy might possibly act as the centre of this new tribunal.

12,367. *Chairman*: There are two different organisations. Minor criminal charges are dealt with at petty sessions courts where magistrates sit. County Courts only deal with civil cases. One must not mix up the two?—Quite. I would be willing to put the magistrates and the petty sessions out, speaking for myself, and get these matters referred either to some such machinery as is here indicated, or to something that, in my phraseology, would be a sub-committee of the County Court.

12,368. Would you give to this Tribunal power to inflict fines?—Yes.

12,369. What about imprisonment?—I do not think there would be any question of imprisonment; if the

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Court has the power to fine more and more heavily for repeated offences, would not that be all that is necessary?

12,370. There must be some power to enforce fines, otherwise the fines would never be paid?—Yes, that is so.

12,371. Would you also give this Tribunal power to award arrears?—Yes.

12,372. Without limit?—Yes.

12,373. Appeals from Magistrates go to Quarter Sessions, except in a case where a case is stated for the opinion of the higher Courts; on the other hand, the County Courts only deal with civil matters; to which Body would you appeal from this Tribunal?—I would rather not say anything on that very difficult subject; I think it is rather for you, if I may say so. I think there would have to be a machinery of appeal, and I do not think if the Deputy were presiding over the Court to which I have referred, either the County Court or the High Court would be precisely right.

12,374. Is there anything to justify the setting up of this large number of Tribunals, whose members I suppose would have to be paid, and which would require the machinery necessary to work it?—Yes, I think the number is very important, but I should not desire that these Courts should be created all over the country, at any rate immediately, and I should not desire that they should be set up at all unless it were found that they were to be useful for other purposes. It was my view, seeing, as I understand, that at present the various kinds of Courts are overlaid, that there might be a gradual transference from those Courts of less serious matters, and the Judges and others might be free to deal with cases of a higher level of importance.

12,375. What kind of matters? If it was a question of wages they would go to a Petty Sessional Court?—Yes.

12,376. What matters would you transfer to this Tribunal?—I have in mind any case which arises under the Acts I have mentioned, the Trade Boards Acts, the National Health Insurance Act, Unemployment Insurance, and possibly Workmen's Compensation.

12,377. Mr. Poulton: And the Factory Acts?—Yes.

12,378. Chairman: Workmen's Compensation is a very important jurisdiction?—That is rather more difficult, I agree.

12,379. Sometimes it involves very large sums?—Yes.

12,380. Mr. Bell: Do you know any reason why the Trade Board itself should not deal with these cases?—In many ways there is a good deal to be said for that, but of course it is an entirely new proposal, and its novelty if nothing else would probably condemn it.

12,381. The Trade Board itself decides what rates should be paid, does it not?—It fixes the rates.

12,382. And on that Trade Board there are supposed to be men and women on both sides who know the conditions in that particular trade?—Yes.

12,383. What Tribunal would be more efficient than the Trade Board itself which has fixed the rates?—I think some such Tribunal would probably be accepted by a great many employers; the members of the Association probably would be very glad to have a Board of that sort to deal with complaints. But supposing you had a great number of employers outside an Association, and possibly at feud with the Association, they would not desire that a case of an alleged offence involving them should go before a Tribunal which they would either believe or say they believed was biased.

12,384. But the same objection, of course, applies that the employers could not be taken to the Tribunal itself fixing the rates if they were not members. The Trade Boards fix the rates. If there is a breach of the rates that they have fixed, are you not of opinion that the Trade Board itself could be that Tribunal?—Well, the Trade Board has been set up with quite different functions, and I think it would be a very drastic step to invest it with punitive powers.

12,385. In a well organised industry where you have, say, a Joint Board—you do not call it a Trade Board, you have a Joint Board—if there is a breach of the rates agreed upon what takes place then in that well organised industry?—The employer who is alleged to have broken the agreement is reported to his Association.

12,386. And then brought before the Joint Board?—Yes.

12,387. Who decide whether he is right or wrong? Is not the Trade Board supposed to be in a somewhat similar position to the Joint Board of a well organised industry?—As you perceive that is a very different case. In the organised trades you get an acceptance of that machinery by all the parties concerned, and the acceptance of that machinery involves the acceptance of this particular procedure which you are emphasising. It is rather difficult, of course, to contemplate that the Trade Boards should have, without the consent of anybody, the power to impose fines on employers who are alleged not to be carrying out its determinations.

12,388. I am not going so far. I was trying to get at the position that there is a breach and as to whether the Tribunal that you suggest should not be the Trade Board which itself should be satisfied whether there is a breach or not, and that the Trade Board should then decide what action should be taken against the employer who has committed the breach?—Other considerations apply. I do not think we should make very good judicial bodies. I think that would reveal one of our weaknesses.

12,389. Chairman: You are not appointed for that purpose?—No.

12,390. Mr. Poulton: Instead of setting up machinery would not it be desirable that in all cases which may have to come before the Courts the Courts in particular cases should have competent Assessors with them?—Yes.

12,391. The great difficulty is, is it not, that the members feel that the bench has not that competent knowledge technically of what importance is attached to the case which may be before them?—I think that is just it. The pleader is a lawyer who has only a very general knowledge of the Acts; he has a number of cases; he cannot perhaps give this particular case the consideration that is due to it, and the point is not clearly apprehended by him and is not clearly put by him to the Bench. The Bench is similarly uninstructed and you get, as you have got in many cases, failure on the part of the Court to comprehend what is the precise point of dispute?—(Miss Symons): I think there is another difficulty, and that is the difficulty of expense in the present procedure. I mean that with a Munitions Tribunal or with any court on the lines that we are suggesting the worker or his Trade Union representative would be able to come before the Tribunal and plead the case, which would not be expensive. It would not deter the Union from taking the case on the ground of expense, and it would not deter the worker from taking proceedings as some of them are deterred now. In our view that is one of its great advantages if it could be done.

12,392. Mr. Bell: Did I understand you to say that the Trade Boards are only appointed to fix rates?—(Mr. Mallon): Yes, and other things connected therewith.

12,393. And that the Trade Board which fixes the rates has nothing whatever to do with seeing that the rates are paid after they are fixed?—I did not say that. Of course they have a general duty of seeing that the rates are enforced, but that does not extend to acting as a Court in regard to a question as to whether a breach of the Act has in fact occurred or not, or as to the extent of that breach.

12,394. Mr. Poulton: That is the administrative side, whilst the point raised is a judicial one?—Yes.

12,395. Mr. Bell: You have one body which you can call a Trade Board or you can call it a Tribunal, if you like, which fixes the rates, and then you are advocating bringing in another Tribunal to see that

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those rates are paid. Why is that?—You have to think of the fitness of the instrument. After all, if one is going to administer the law one must know something about it. On a great many of our Boards we have not anybody who has any knowledge of the law, and for that reason, if for no other, we should not be competent to discharge a purely judicial function. I wish that the Trade Boards were effective for all these purposes; nothing more would rejoice me than to sit in judgment upon a great many persons.

12,396. I think you will agree that they have an intimate knowledge of some of the most elaborate piecework rates in the country?—Yes.

12,397. But this is a question of fact simply as to whether the rates are paid or not and the Trade Board has fixed the rates after considering the work and the conditions. Surely no other tribunal can claim to possess such knowledge of the rates and the conditions as the Trade Board which fixes the rates?—In Lancashire, of course, you have a state of organisation, in some respects, almost ideal, and you really cannot generalise from the example of Lancashire. You cannot refer from Lancashire to some of these very different trades under Trade Boards. Just think of a Trade Board: the members are partisan to a large extent. You have your workers and your employers. It might be that in a great many cases of this kind there would be violent differences; the employers would hold unitedly to one view, and the workers would hold no less unitedly to another view. Does that mean that the Appointed Members of the Trade Board are appointed in a judicial capacity? They would disclaim that capacity; they would not want to add it to their present burdens and worries. I do not think, if I may say so, that is feasible. I think if you had an organisation like the Lancashire organisation a different answer might be possible, but it would not be in this case.

12,398. Perhaps the only question would be was this employer carrying out the decision of the Trade Board?—Take Lancashire; you have your recognised piece lists. A question of that sort can be very swiftly determined, but it cannot be determined in the trades with which we are dealing, trades which have no established piece-rates at all, and in which you have to investigate with respect to every piece payment before you know whether a rate is proper or not.

12,399. The question as to whether a rate is proper or not would have been taken into consideration before the rate was fixed. I thought we were dealing with what happens after the rate was fixed, and as to what steps should be taken to see that that rate is paid when it is fixed?—When a piece-rate is fixed by an employer which purports to conform with the time-rate or the piece-work basis time-rate, the question of its sufficiency arises, and it is just that as to which there is difficulty. I think there would be lots of rates of this kind fixed by employers which would involve disagreement on the Trade Board. (*Miss Symons*): I do not know whether you think it worth while going into, but there is one point on our suggestion which perhaps does not emerge quite clearly, that is that presumably sometimes these tribunals would come up against questions of scope; I mean an employer would be prosecuted for not paying a rate, and he would argue, in fact, that the work that these workers did was not covered by that particular rate or was covered by another rate. On that, the reasonable suggestion, we think, is that that should be dealt with just as the problem was dealt with by the Munitions Courts, that if they were merely faced with a breach of the rate and no difference as to what was the rate, they could deal with it if there was a difference as to the appropriate rate; it was referred back to a special arbitration body, and in the same way, if there was a difference as to the rate on a question of scope, that

question should be referred back to whatever scope tribunal you eventually decide upon.

12,400. *Chairman*: I suppose the appointment of working men as magistrates tends to increase the general confidence of workers in industry?—(*Mr. Malton*): Yes, I think so.

12,401. *Sir Arthur Pease*: How would it do for the magistrates to have the power to refer this to some body to go into if there were these very technical questions?—I think any suggestion of that sort is on the right lines. What we want is somebody who is familiar with the trades so that he apprehends at once, and without a lot of legal argument, the nature of the issues involved, and if he is dealing with that kind of case frequently, then he is almost certain to come to the right sort of decision.

12,402. What I have in my mind is, say, where the High Court send the matter to a Referee to go into the details and to have a report?—Yes, I should like to think about that; it seems to me a good suggestion.

12,403. *Chairman*: I think we understand that point now. May we now come to the question of "Slow workers." It has been suggested to us by many witnesses that power should be given in regard to certain trades so as to enable a Trade Board or its Administrative Committee to grant permits to slow workers. What do you say to that?—I do not think it is workable. I think where you have a system of issuing permits to workers who have a definite physical infirmity or injury or are obviously very old, that is a definite ground, and you can proceed. But if you are vaguer than that you may have all sorts of persons or their employers coming forward to request permits, and you have no grounds on which you can issue those permits, no definite grounds. The difficulty is that you tend to create inequality of treatment. One employer may bring a number of workers forward and he gets certificates in respect of each of those workers; some other employer who is competing with him does not do that, and he is paying higher wages to workers who are comparable with the others.

12,404. Could you trust the Trade Board to deal with that?—I am not sure that it is not beyond their power. I should like to look a little more carefully than I have done at the experience of the Agricultural Wages Board; they had a wider system of issuing permits, and it was attended with considerable difficulty. (*Miss Symons*): It varies so much in different trades. I am concerned with some Trade Boards where we get very few applications for permits and where it might be possible for the Administrative Committee, as you have heard from other witnesses, to investigate every case very carefully. On the other hand, I have dealt with permits from other Boards where I do think it would be impracticable. Just recently I have talked the matter over with several employers on such Committees and asked them whether they thought we could possibly deal with cases of slow workers if this additional power were granted to us, and in a great many cases they have agreed with me that we could not; we should not have the machinery at our disposal to investigate the cases of that kind properly.

12,405. Could you not set up local machinery?—I think in some cases it would be a most enormous problem, and you would have the serious risk of undermining the rate.

12,406. On the other hand, I suppose there is the great risk, if you make no such provision, that the worker who is not under any physical disability, but is still constitutionally slower than other people, may lose his place?—I think not in most trades, because where that arises they put the workers on piecework.

12,407. *Dame Adelaide Anderson*: Are not there some industries where another system is imposed, that you simply cannot put the pieceworker on a rate and let him remain at that; they have to get to a certain level?—(*Mr. Malton*): If a worker can be employed on piecework there is no question of the issue of a permit.

12,408. Not in any industry?—No, not in any industry under the Act.

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12,409. There has been no scale fixed that prevents that operating in the case of a slow worker?—Are you thinking of the guaranteed time-rate?

12,410. Yes, that has been the point put forward?—I think there is only one trade in which that guaranteed piecework has been adopted, and I am not sure how far it is in operation at the moment. I do not think that has been a difficulty.

12,411. *Chairman*: There are trades in which there is not and can be no piece-rate?—That is true.

12,412. Like the distributive trades?—That is true.

12,413. You cannot provide for the slow worker there by putting him on piecework?—No.

12,414. *Mr. Poulton*: Supposing a basic rate was kept intact, there is no reason, is there, why it should not be sufficiently widened for those abnormal cases to be dealt with?—When cases of that sort are referred to the Board the Board does not, I think, stand too nicely on ceremony. If it is satisfied that a case is made out that the worker is for some reason not normal—it does not worry too much over the words of the section—it gives a permit. But the consideration that lies behind all this, I think, is that both sides want as far as possible to get rid of the sub-ordinary worker—I mean in an entirely painless way. You do that by preventing people who are not fit for an industry from getting into it. What we are doing gradually under this Trade Board system is to have a test applied to any young worker who seeks to enter a particular trade. Generally no question is asked for a month in all the trades where we have the system of issuing certificates for learners, and in some cases for longer. During that month the employer has a chance of ascertaining through his representatives, the Welfare Worker or whoever it may be, whether the worker is really fit for that trade. If the girl is not fit for that trade then she is turned away, and it is good from every point of view that she should be. In this way, in this entirely painless way, we are getting rid of the ordinary worker difficulty.

12,415. *Dame Adelaide Anderson*: She has to find some other trade?—Yes, she has to find some other trade; she is removed to something which is more appropriate to her. In the past no test of that sort was applied, and thus a very large class of sub-ordinary workers was brought into existence. There may be here and there some present difficulty and possibly some little suffering—I do not say that there is not—but I am sure that the effect of the Trade Board machinery, if you take a long view, is to prevent the slow worker from being created.

12,416. *Sir Arthur Pease*: Where does she go to?—That is a question almost always of the suitability of the trade. If you take a worker who has previously been fit for some manual employment, and put her into a trade in which she has to work with her head, she is not very good. At present there is no attempt really to suit people to their jobs, and all kinds of people do get into the wrong trades.

12,417. But the man or woman I am thinking of is a man or woman that nobody would want in any trade or any occupation unless they could get him or her at a considerably lower rate than is the ordinary rate of the trade. Are you going to shut those people out from employment altogether?—No. If the case was as plain as that then there would be something specifically affecting the man or woman and that could be made the subject of an application.

12,418. *Mr. Bell*: Is there any reason why this class of worker should be driven almost entirely into certain industries. What I mean is this, and I think *Sir Arthur Pease* will agree, that in the well organised industries of the country no provision whatever has been made for slow workers?—Quite.

12,419. *Mr. Poulton*: Oh yes, there is.—In some instances it is true.

Mr. Poulton: We are fairly well organised and we have always made provision for them.

Chairman: How do you do it?

Mr. Poulton: We have an agreed permit.

Dame Adelaide Anderson: For some particular type of worker?

Mr. Poulton: For any type, but the basic rate must not be endangered.

Chairman: But the Trade Boards would see to that.

12,420. *Mr. Poulton*: Yes.—(*Miss Symons*): I must say that in our own trade we usually have agreements embodying the wording of the Trade Boards Acts as a clause in the agreement and we deal with it in very much the same way as it is dealt with under the Trade Board.

12,421. *Sir Arthur Pease*: What about old age which is allied to it? Would you agree that people after a certain age should be excluded from the Trade Board rates?—(*Mr. Mallon*): There is no particular virtue in an age test. But if a person is too old for his job that is a point that the Boards must take into consideration.

12,422. They have not that power at present, have they?—Yes, they construe the words of the "permit" section to cover cases of age, and as a matter of fact we have issued a great number of permits in many of the Boards on account of age.

12,423. I thought we were told that they could not do that unless a man or woman was physically unfit?—Infirmity is pre-supposed. An employer writes and says: "I have a woman working for me and she is 73 years of age and she is not able as other workers are to perform her duties, but I think that a wage of so much would be appropriate to her."

12,424. *Mr. Poulton*: Would you with your large experience elaborate that point because I do not agree with the interpretation which has been put upon that clause of the Act by a number of witnesses because I hold that the word has a wider meaning. I should like to have your experience?—We have construed those words in a large way, and in a case such as I have supposed it may be that neither side is satisfied on the statement of the employer that a permit should be issued. If we are not satisfied, if we think perhaps that the disability of the worker is over stated, then we ask a local employer or a local worker (we do not stand on ceremony) to look into the matter and report and he does that. If there is still room for dissatisfaction, and that is very rarely the case, then we wait until a Trade Board Inspector reports. But the worker is not prejudiced by that because we allow the employer to have a permit *pro tem* or else we simply do not deal with his application.—(*Miss Symons*): Certainly on any of the Boards of which I have been a member we have treated the word "infirmity" in the section of the Act to cover old age, and I should say that the greater number of permits which we have granted on all the Boards that I have been connected with were granted to people where the infirmity has been old age.

12,425. *Chairman*: Would there be any danger in enlarging the power so as to enable the Board to grant a permit if by reason of any infirmity or physical injury or for any other reason a worker is incapable of earning the minimum wage?—(*Mr. Mallon*): I do not think I should very much demur to those words being inserted, but the case against the insertion of them is the case I have already mentioned, that it might possibly create inequality of treatment as between different employers.

12,426. Of course you have to make the word "incapable" emphatic?—Yes, I appreciate that. In so far as you make employers feel that one is getting different treatment to another you upset them.

12,427. But it is the Board which would have to settle it, not the employer?—That is so. But imagine a number of employers outside the Board, and they have in each of their factories a number of old people, then if one has no difficulty in getting certificates for his people and the other has there tends to be trouble.

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12,428. They might be in different trades you mean?—Or in the same trade.

12,429. They would have the same Board?—As long as we are held to these words physical injury and infirmity we are not likely to make a mistake because those words do constrain us. But if we are not constrained we might be in a more generous mood on one day and a more uggardly mood on another day.

12,430. *Sir Arthur Pease*: Human nature?—Yes, in short, human nature.

12,431. *Chairman*: Will you now deal with the paragraph about "Power to acquire information as to wages"?—That is a very important suggestion. There are two points. In the first place a Board is established and it has to fix rates for a trade which previously has had no such rates fixed. The Ministry provide the Appointed Members with a document, which, of course, is a secret document and which we do not see. In that document information is given as to the rates of wages that prevail in the trade and so on. But obviously that information cannot be sufficient because the Ministry can only get information as to wages just as I can get information by going to employers and asking for it; they have no right to demand information. That means that the Appointed Members are perhaps not so very well equipped for their job of deciding what the rate of wages should be and that the representative Members of the Board are not equipped at all, because the employers do not like freely to communicate their wages one to another. The information of the workers' representatives is frequently defective, and so far as we have made mistakes on Boards by fixing rates that are to any extent inappropriate, it has been due to the fact that our information was defective. I do not suggest that the information, if any, obtained from employers should be made public; but I think that it ought to be within the power of a Board, when it is established, to call for a wages return from an employer in its industry; that the figures in that return should be dealt with by the Ministry or the Secretariat of the Board and that the figure should be furnished in an appropriate form to the Members of the Boards. With a statement of wages to steady them it would be almost impossible for the Board to go wrong.

12,432. *Sir Arthur Pease*: You mean a schedule of the actual wages being paid at the time?—Yes.

12,433. All the wages in the board brought together in the form of statistics?—Yes.

12,434. Not to present the individual wages of each mill?—No. The statements, of course, would be furnished by each mill or each employer but the Trade Board would not see the statements in that form; all it would get would be a generalised statement as to various rates of wages which had been paid.

12,435. *Mr. Poulton*: Would not the measure of that objection be done away with if it was made beyond any dispute that the wages when they got into the hands of officials would be dealt with under numbers instead of by name?—Yes. I think if it was understood that the information was private and confidential just as the information obtained for the hours and earnings enquiry in 1906 was, the difficulty would be minimised. I have asked the Secretaries of various employers' Associations whether there would be any objection to a power of this kind being wielded by Trade Boards, and generally I think there is agreement that it would help the Boards and make it impossible for them to fix on ill-advised rate.

12,436. *Dame Adelaide Anderson*: You suggest that even if the power is given to the Trade Board it would be exercised through the Minister?—Yes.

12,437. They would ask the Minister to collect the information?—Yes, a Trade Board would have its own power and they would employ either their own inspectors or such people as the Ministry thought proper.

12,438. It would be very serious for an individual firm to appear by name before the group of the Trade Board?—Yes. That is the second provision. On one Trade Board, which I had better not

name, it was alleged by the employers that there was a great deal of underpayments in a particular area. They had asked the Ministry of Labour to make a special inquiry in that area. The Ministry of Labour, because of the deficiency of inspectors, was not able to make that inquiry. The employers protested very warmly against this state of affairs. We could not deal with the matter, but if we had had the power we could have asked the employers in that area to make a return of the wages which they were in fact paying. These individual statements would not have come before the Board, they would have gone before the Department, but the Department would have been saved the trouble of sending one or several inspectors down to the locality, and they would have known from the nature of the returns whether there was any reason or not to apprehend that an evasion of the rates was taking place. Those two powers I think in the first place would equip the Boards much better for their task than they are now equipped, and in the second place would facilitate and cheapen administration.

12,439. *Sir Arthur Pease*: Would you make that a continuing return or just ask for it once in a way?—It would be asked for generally from employers when the Board was set up. It would be asked for from districts or from particular employers as might be required during the lifetime of the Board.

12,440. *Mr. Poulton*: For instance, when you are proposing to vary a rate—Yes, it might be desirable then to have information.

12,441. *Sir Arthur Pease*: Because most firms in recent years have had some experience of returns?—Yes, I think that is so. I agree that, other things equal, the less trouble we give to employers in that way the better.

12,442. *Chairman*: Then you quote some resolutions and make some observations and then you support the majority report of the Trade Boards Administration Committee?—Yes. What happened with regard to that Committee was very significant and from one point of view encouraging. Practically all the Boards were represented at a deputation to the Minister of Labour. At that deputation there was little or no criticism of the Boards, and the view taken by the two sides was that if the Minister would make certain changes, he would have in the Boards and in the willingness of the two sides to co-operate an asset of great national importance. The Committee which was set up as a result of that deputation sat for a long time. It reached an agreement and was signed among others by Mr. Wolfe as representing the Ministry. We therefore had no doubt that the recommendations of that Committee would be adopted. Unfortunately the Minister refused to do as that Committee advised him, and the result has been in many ways serious. The Advisory Committee which we thought very important has not been set up because we thought it was no good setting up an Advisory Committee until other changes were made. The fact that the Boards and the Ministry of Labour have gone apart explains a good deal of the criticism which has been poured out on the Boards. A further explanation is that the dissatisfaction with the Boards is due very largely to the state of Trade. I can quite understand that in a time like this employers must be very anxious, or some employers must be very anxious, to get free of any restraint, and I think the protests to which you have listened are just a register of that feeling. But I might make the suggestion that an analysis of the action of the Boards would show that these suggestions were not as numerous or as weighty as might appear. I have been looking into the matter since last week and so far as I can see, if you leave the Scottish Boards and the Irish Boards, as to which I am not so well informed, out of account, 19 Boards are in favour not only of the Boards continuing but of the exercise by those Boards of the powers which they at present possess. I will put in a list of those 19 Boards. I reckon that some 4 or 5

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Boards are in a condition of divided mind and that possibly 8 or 9 Boards are against the Board continuing to exercise the powers which they at present exercise. Of those Boards one is the Grocery Trade which has not so far brought any rate into operation, and 2 or 3 are Boards which have had very little experience of the operation of the Act. I do suggest that that analysis shows that the great bulk of employers under the Trade Board system are in favour of it; and I would most earnestly like to put to you and to the Committee that if anything is done to weaken the Boards and to detract from their powers there will certainly be a very great national loss. I cannot over-emphasise the extent to which, in certain trades, industrial relations have improved. On a number of the Boards we are working together as a team and there is a spirit quite new in the industry which holds out the most abundant promise for the future. All that rests on this power to fix rates of wages, not merely for those who are at the bottom of the industrial ladder, but for those who are higher up. We cannot have really satisfactory relations with these employers unless they are going to be able, along with the representatives of the workers, to draw up a scale of wages which they think to be fair and to see that that scale is imposed on the industry as a whole. If that power is conceded, under the shadow of it, a development of good industrial relations is possible, but not if that power is taken away. So that I do put it to the Committee that before anything, even the least power, is taken away from any Board it should be considered how much may depend upon the subtraction of that power.

12,443. *Mr. Poulton*: On that last point with regard to the analysis, the 10 Boards that you name, I should like to be informed if you can give me any information, because I do not remember any such number as that being in favour of abolition. I thought it was only a few in favour of abolition?—Not abolition; this is not an abolition list.

12,444. A number of them said that they would like them altered, but they were in favour of the Boards continuing?—Yes. This is entirely on the question of retaining present powers.

12,445. It does not refer to abolition at all?—Oh, no.

12,446. *Chairman*: Will you hand in that analysis?—Yes.

12,447. Have you taken it from the evidence?—I have taken it from my own knowledge of the Boards, but I will buttress it with the requisite evidence.

12,448. *Dame Adelaide Anderson*: Have you a figure for those who really do desire abolition?—I think there are hardly any if there are any.

12,449. *Sir Arthur Pease*: There is the jute trade?—Yes, there is the jute trade possibly.

12,450. *Mr. Poulton*: And the Birmingham people, the Hook and Eye people?—There were two or three cases so far as I have followed the evidence in which preference was expressed for a national minimum wage as against Trade Boards, but I do not think anybody was against regulation in any form.

12,451. *Mrs. Lyttelton*: I think the Rope people were?—No. They asked me to attend the meeting of that Board (I am not a member of it) to consider the question of the evidence they should submit to this Committee, and I was allowed to take part in the discussion. Mr. Buckpitt, who is a leading member of the Board, expressed his complete satisfaction with the Board—that was his view at the time—provided it was taken away from the Ministry of Labour.

12,452. *Chairman*: I suppose you are only dealing with the employers' sides?—Yes, I have assumed that all the workers' sides are in favour.

12,453. I think there was hardly any body of any importance which even suggested the abolition of Trade Boards?—No.

12,454. I mean my impression is that there has been a very strong consensus of evidence in favour of the anti-sweating powers of the Boards being retained,

but have you included in your list those bodies which favour confining the Boards to anti-sweating, and really keeping to anti-sweating functions apart from wage-regulation?—Yes, I have treated all those trades which desire that the Board should be limited to the fixing of anti-sweating rates as anti. The Boards I put into the positive list are the Boards which favour the retention of present powers. I think in the list I can show 19 or 20, probably 20, trades. There are some trades which I have not put into any of these categories, because they have not given any evidence at all, and I do not know what their mind is.

12,455. I suppose an employer who is on a Board has rather a tendency to support it than an employer who is not on the Board?—Yes, I should say that was true in general, but I should explain it by saying that he knows more about the matter than the man outside.

12,456. *Mr. Poulton*: With your long experience of these Boards, right from the inception of the first Act, would you say, on the whole, apart from the question of raising wages, they have been beneficial to the country?—I think there is no kind of question about that. I should like to put this in. It is a letter which was sent to the *Star* on Thursday, October 6th, by a Mr. Duncan Campbell, of Messrs. Horne Bros. I put the letter in more readily because I have never met Mr. Campbell, and I did not know what his views were. He says what has happened in the wholesale tailoring trade. He says, for instance—he is talking of the period before the Boards were set up—"The best employers were undercut by the products of the sweat-shops. Gradually, but surely, the skilled workers were being forced towards the pittance on which fresh importations from Poland could live in some East End cellar. Disease and discontent were spread through the community. Did such conditions exist to-day, the East End would be solidly Bolshevik, and who could blame them?" But he goes on: "This shameful state of things was ended by the Trade Boards. Their minimum wage secured the workers against sweating, and at the same time protected all the decent employers against being undercut by the sweat-shops. The Trade Boards are an ideal method for the peaceful settlement of industrial troubles. In some respects they need altering, but their abolition means the return of the hideous sweating system"; and so on.

12,457. *Dame Adelaide Anderson*: Have you ever read Lakeman's account in the Report of 1893 or 1894, or thereabouts, of the shops in the East End?—Yes, I did.

12,458. There are lurid details given there?—Yes. The experience of that trade is the experience of a great many trades with which I have had to do, and I have seen these trades being cleaned up by Trade Boards; and it fills me with despair that anybody, with all this evidence before him, should take a circumscribed view of the work of the Boards.

12,459. *Chairman*: Have you anything to add, Miss Symons?—(Miss Symons): No, I have not; I agree with what has been said.

12,460. *Mrs. Lyttelton*: I want to ask you one general question. I understood you to say that you felt that District Committees on the whole very much encouraged organisation?—(Mr. Mallon): Not District Committees; I think the setting up of the Board has encouraged organisation.

12,461. I thought you said that when the workers had to put their case, or the employers had to put their case, before a District Committee, it tended to make for local organisation?—It may have helped a little bit, but I do not think that that is important. What I said was on the point of the failure or the non-success of the District Committees. Take the trade that Mr. Harner referred to. There is Mr. Healy on the one side and myself on the other. We were the spokesmen of organisations in the trade. Mr. Healy, when a District Committee was going to be held, of course, went down to the locality and had a local meeting, and I did the same thing. It followed that when the District Committee assembled, these two sides met, but they really had formed their view, and they said

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whatever had been done already on the Central Board. I think, as most of you will realise who know organised trades, the very fact that there is organisation does limit the power of the district to say what it likes.

12,462. *Sir Arthur Pease*: As long as you do not give the District Board power to settle certain details within the general principles of the Central Board?—I agree. You mean that the major power should be exercised by the Central Board, but subject to that, you should allow a large liberty to the District Committee. I should agree to that, certainly.

12,463. *Mrs. Lyttelton*: Speaking generally, you would say that the Trade Boards encourage organisation?—There is no question about it.

12,464. Therefore, one could look forward to a possible time when, in certain trades, Trade Boards would no longer be necessary because there would be sufficient organisation dealing with the matter?—Yes, I think I would put it as high as that. I think you have to have regard to the fact that in many of these trades you cannot expect a continuity of organisation such as is possible in the trades in which men

are predominant. But subject to that, I say that I agree.

12,465. *Dame Adelaide Anderson*: Arising out of something you said to Mrs. Lyttelton just now, do you think the difficulty of women's wages in certain of the Trade Board industries may tend to decrease when there is greater facility for women to go into any trade?—Certainly I think so.

12,466. Limitation is perhaps the largest factor in depressing women's wages?—Yes, I think so. I should emphasise the importance of selecting trades for the employment of women. I should hope that women would get very much larger scope in trades like distribution trades, which are in many ways so suitable for them.

12,467. There should be a careful study made of suitable trades for women and a real, determined effort made to get them trained?—Yes, I should very much like to see that done.

Chairman: We are very much obliged to you, Mr. Mallon, and to Miss Symons, for your valuable evidence.

(Mr. Mallon with drew.)

(Adjourned for a short time.)

Miss M. J. SYMONS, recalled and further examined.

The Witness handed in the following statement:—

SUMMARY OF EVIDENCE to be submitted by Miss MADELINE J. SYMONS, Assistant Secretary of the Women's Section, National Union of General Workers, and member of the following Trade Boards: Boot and Floor Polish; Laundry; Ostrich and Fancy Feathers; Stamped or Pressed Metalwares; Tin Box.

Need for the extension of Trade Boards under the 1918 Act to trades not as yet covered.

The Women's Section of the National Union of General Workers comprises approximately 40,000 women members. Before its amalgamation with the National Union of General Workers in January, 1921, the Women's Section was the National Federation of Women Workers, founded in 1906.

As an organisation covering women workers in many of the lowest paid trades, the National Federation of Women Workers was vitally interested in the passing of the 1909 Trade Boards Act, and later in the 1918 Act. It had experience of the working of Trade Boards from the beginning, being represented on all the early Boards, and has now 92 seats on the following Trade Boards:—

Aerated Waters (England and Wales).
 Boot and Floor Polish.
 Brush and Broom.
 Button-making.
 Chain.
 Corset.
 Dressmaking and Women's Light Clothing.
 Flax and Hemp.
 Fur.
 Grocery and Provisions.
 Hat, Cap and Millinery.
 Hollow-ware.
 Lace.
 Laundry.
 Linen and Cotton Handkerchiefs.
 Hair, Bass and Fibre.
 Made-up Textiles.
 Ostrich and Fancy Feathers.
 Paper Bag.
 Paper Box.
 Perambulator and Invalid Carriage.
 Pin, Hook and Eye and Snap Fastener.
 Ready-made and Wholesale Bespoke Tailoring.
 Retail Bespoke Tailoring.
 Rope, Twine and Net.
 Sacks and Bags.
 Shirtmaking.
 Stamped or Pressed Metalwares.
 Sugar Confectionery and Food Preserving.

Tin Box.

Toy.

Wholesale Mantle and Costume Trade.

Waste Reclamation (General).

On all points the Women's Section are in entire agreement with the evidence and proposals to be submitted on behalf of the Trade Boards Advisory Council, and, in order to save the time of the Committee, they have therefore confined their evidence to the need for new Trade Boards and to certain matters arising from this question on which they feel particularly strongly.

On the question of the effect of Trade Boards on organisation, the Women's Section desire to state that it is their considered view, based on evidence dating from the setting up of the first Trade Board to the present day, that Trade Boards stimulate organisation and make joint agreements between Employers' Associations and Trade Unions possible in trades where otherwise such machinery could not have been secured. As instances of this tendency, the Cradley Heath chain trade and the hollow-ware trade may be quoted from the early Boards, and the button trade affords a striking instance among the more recent Trade Boards. Before the setting up of the Button Trade Board in March, 1920, the button workers in the London District were receiving about 16s. on timework and were earning on piecework from 10s. up to a maximum of 19s.-23s. At this date, the official figures for the cost of living were 130. Owing to the miserable conditions prevailing, it had been found quite impossible to organise these workers. After the Trade Board had fixed a minimum rate of 8½d. as from July 7th, 1920, over 90 per cent. of these workers in the London District were organised, following upon their organisation the employers in the London District federated, and by negotiation with this Federation the Women Workers' Section were able, working on the basis of the Trade Board, to secure special conditions for special classes of workers.

Women's wages at the end of the War.—During the war, the membership of the Women's Section was mainly engaged on war work of some kind, and serious apprehension existed in the minds of these members as to what their conditions would be when the war wages in their particular trade came to an end, or when they were obliged to return to their pre-war occupation. The Women's Section took an active part throughout the later part of the war in urging upon the Government the necessity of expediting the machinery of Trade Boards, in order to deal with post-war conditions, and strongly supported the passing of the 1918 Act. In 1920, when it became

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clear that the Government did not propose to continue the machinery contained in the Wages (Temporary Regulation) Act, as continued by the Industrial Courts Act, the Women's Section became increasingly anxious that Trade Boards should be set up in many trades with the least possible delay.

Government's Pledges with regard to Trade Boards.—At a conference of Trade Unions, summoned by the Minister of Labour in January, 1919, definite pledges were made that Trade Boards should be set up with the greatest possible speed, and these pledges were repeated on subsequent occasions.

In March, 1921, the Minister of Labour, in answer to a Parliamentary question, supplied the following list of trades in which investigations were being undertaken in February. (It should be noted that several of these trades—among others, the distributive trades and embroidery—were mentioned at the conference held in January, 1919):—

1. Distributive:

Alcoholic Liquor.
Boot and Shoe Wholesale.
Bread and Flour Confectionery.
China and Glass.
Confectionery (Sweets).
Corn and Forage.
Fancy Goods Group (including Bazaars, Games and Sports Requisites, Stationers and Cheap Jewellery).
Fish, Poultry, Game and Rabbits.
Fried Fish.
Fruit, Flowers and Vegetables (for Association figures—practically finished).
Furniture, Antiques, and Art Dealers (including Carpets and Floor Coverings).
Jewellery and Allied Trades.
Meat.
Retail Chemists and Druggists (including Photographic Materials).
Secondhand Clothing.
Seed. Tobacconists.

2. Manufacturing:

Bacon Curing and Quick Sale Goods.
Brass Ware.
Drugs and Fine Chemicals.
Embroidery and Trimmings.
Envelope Making and Manufactured Stationery.
Glove and Warp Fabric.
Hatters' Fur.
Home Knitting.
Jewellery, Clock and Watch Repairing.
Job Dyeing and Cleaning.
Lace Warehousing and Finishing.
Made-up Leather Goods.
Mustard.
Provender Grist and Rice Milling.
Sacks and Bags.
Self-raising Flour.
Tallow-melting and Refining.
Textile Smallwares.

3. Other Trades:

Funeral Furnishing and Undertaking.

With regard to this list of trades, the distributive trades have already been dealt with by the unions specially concerned with distribution, but the following instances may indicate the position which exists in certain sections of the other trades:—

Textile Smallwares Trade.—Investigations have been proceeding since April 7th, 1920. In November, 1920, instances of rates of 12s. paid to women of 18 in this trade were quoted to the Ministry of Labour.

Decorative Needlework and Embroidery Trade.—The Minister of Labour stated as early as the conference held in January, 1919, that a Trade Board was under consideration for these trades.

In December, 1920, a circular was issued by the Ministry of Labour stating that the Minister was anxious to set up a Trade Board with the least

possible delay. No further progress appears to have been made. Wages of less than £1 a week prevail for workers with considerable length of service.

Hatters' Fur.—Instances have come to our notice in which women in this trade are paid less than £1 a week. In one London firm employing over 30 workers, the quickest workers earn 18s. a week, ordinary workers, 15s. These workers were threatened with dismissal if they joined a trade union or were seen approaching a trade union official.

Catering Trade.—(1) *Summary of Negotiations.*—The Women's Section of the National Union of General Workers desire to emphasise more particularly the need for a Trade Board in the Catering trade. On this subject the following summary of negotiations may be of interest to the Committee.

For two years organisations interested in the Catering Trade have been pressing the Ministry of Labour to set up a Trade Board for this trade, in view of the fact that though many establishments are no doubt paying a fair rate, a large number are undoubtedly employing women and girls under conditions which would be universally condemned and which are a menace to good employers.

(2) *Conditions in the trade.*—The following summary of wages is representative of the bad conditions which prevail in certain sections of the trade all over the country:—

Manchester:

Restaurant A.—Hours 6.30 a.m. to 7 p.m., 7s. per week.
Restaurant B.—10 hours per day. 8s. to 10s. per week; 1s. 6d. addition for 8 hours' Sunday work.
Restaurant C.—Several branches; 10 hours per day. 12s. per week.
General and Licensed Hotels.—8s. to 10s. per week.

London:

Eating House Bar, with Branches all over London: 11s. 11d. per week. Hours 9 a.m. to 7 p.m.
In these restaurants tips are pooled, no waitress has ever received more than 5s. per month as her share.
Restaurant with several Branches: Kitchen Worker, 16s. per week. Hours 7 a.m. to 6.30 p.m.
West-End Dining Room: 30s. per week—no food. Hours, ordinary week, 6½, alternate weeks 72. 1 hour per day allowed for meals. These workers work on Sundays.
Three Central London Restaurants: Wages from 5s. to 4s. 6d. Hours in two cases, 9 a.m. to 10 or 11 p.m.
Woolwich Dining Room A: 11s. per week. Hours 7 a.m. to 9 p.m. every day in the week and alternate Sundays.
Woolwich Dining Room B: Kitchen Workers 10s., Waitresses 12s. 6d. Hours 7.15 a.m. to 7.30 p.m. No set time for meals—now open on Sundays.

Luton:

11s. per week. Hours 9 to 7; ¼ day off. Waitresses supply their own dresses.

Newcastle:

Wages vary from 12s. to 5s. per week. Hours from 10 to 12 per day—Sunday work included in some cases.

Brighton:

Dairies, creameries, teasshops, from 6s. to 10s. per week.

Cardiff:

Generally from 10s. to 18s. per week.

Glasgow:

From 8s. to 14s. per week.

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The cases usually include two meals, and sometimes food is supplied in the morning. It is difficult to estimate the value of these meals because the food varies greatly in quality. In most cases the waitresses are given what is left when the customers have finished, and in many places the quality and quantity of the food is bad and inadequate. The hours are often 72 per week.

It is sometimes contended that the wages in the catering trade are better than in many more highly paid trades because they are supplemented by tips, but, apart from the fact that self-respecting workers do not like to be dependent on tips, it should be remembered that in restaurants in the poorer quarters tips often amount to little or nothing.

While it is true that the better firms pay from 20s. to 30s. per week, with meals, and that the low wages quoted may form a small percentage of the total number of firms in the trade, it is our contention that, owing to the very large number of workers employed in this trade, a small percentage of firms represents a very large number of underpaid workers. Further, it will be easily understood that firms working under conditions of this kind are a serious menace to good employers, and certain large catering firms, fully recognising this danger, are strong supporters of Trade Boards.

Retention of all powers conferred upon Trade Boards under the 1909 and 1918 Acts.

For the adequate protection of trades, where Trade Boards are under contemplation, the Women's Section considers that all the powers conferred upon Trade Boards under the 1909 and 1918 Acts should be retained. In particular, they desire to stress the importance of the power to fix rates so as to apply to any special process in the work of a trade, or to any class of workers in a trade, in accordance with the provisions of Section 3 (1) (c) of the 1918 Act.

From practical experience they have found that in dealing with a new Trade Board in a trade which is badly organised, there is tendency to fix a very low general minimum time-rate owing to the exceptionally low rates which usually prevail in certain sections of the trade.

In such cases there is serious danger that in the process of improving the conditions of the lowest-paid workers, the wages of certain classes of workers who, for one reason or another, have been relatively better paid, may not be adequately protected and even that their wages in certain cases may be adversely affected.

To meet such cases the Women's Section considers that Trade Boards should retain the fullest powers to deal with the conditions which may confront them in any trade.

The present powers of the Trade Board in this matter are only permissive. It is a question on which full co-operation between employers and workers is necessary, and judging from past experience, it appears extremely unlikely that skilled rates would be fixed against the definite wishes of either side except in a case in which the evidence in favour of such rates proved startlingly conclusive.

With regard to the argument that once the Trade Board has fixed a minimum rate any rates above the minimum should be arrived at by means of voluntary agreement, the Women's Section is convinced that in

many cases where organisation is imperfect and particularly where a large percentage of the workers in the trade are women, such a procedure would be impossible. Further, they are convinced that many of the agreements in Trade Board trades which are now amicably arrived at and which give satisfaction to both sides would never be concluded unless the Trade Board retained its powers to make the agreements statutory, and thus prevent unfair competition. Examples of this point arose recently in the Boot and Floor Polish, Drug and Fine Chemical, and Sack and Bag Trades, in which the employers' sides of the Negotiating Committees represented to the trade unions that they could no longer maintain agreements if they were to be subjected to competition by firms in which organisation was unable to prevent the payment of low rates.

This point is further emphasised by the present tendency both of employers and workers to press for amalgamation of Trade Boards. As the area covered by any one Trade Board is widened the conditions with which it has to deal tend to become more diverse and complicated, and the Boards may find their usefulness seriously crippled if they are no longer empowered to deal freely with the facts before them.

Machinery of the 1918 Act for the establishment of Trade Boards.

In the opinion of the Women's Section the method of the 1909 Act of submitting every Provisional Order to Parliament for confirmation led to undesirable delay, and they do not imagine that it is seriously contended that anything would be gained by a return to this cumbersome machinery.

On the question of the wording of Section 1 (2) of the 1909 Act, as against 1 (2) of the 1918 Act, they consider that the emphasis laid in the 1918 Act on the lack of adequate machinery for the effective regulation of wages is proper. It is relatively easy for the Minister of Labour to secure reliable information on this subject, and our experience leads us to the conclusion that the lack of such machinery inevitably means the existence of unsatisfactory conditions in the trade. It must be pointed out that the time when low wages and unemployment are most prevalent, and therefore the need for the protection of the Trade Board greatest, is precisely when it is most difficult for the workers to come forward and give evidence as to low wages.

Recent experience with regard to the Catering trade proves that long hours, underpayment and the fear of unemployment render the workers increasingly unwilling to volunteer information as to their conditions.

In the case of all the Trade Boards which have been set up under the 1918 Act, very full investigations have been carried out by the Ministry of Labour, extending in all cases over many months, and it should be noted in estimating the value of the employers' objections to the machinery of the 1918 Act that in no case within our knowledge have the employers availed themselves of their right to request an enquiry under the provisions of the First Schedule of the 1918 Act.

Miss M. J. SYMONS, recalled and further examined.

12,468. *Chairman*: I understand, Miss Symons, you have a short statement to add?—I do not want to waste the time of the Committee in going over points that have been dealt with, but I have put in a summary, which you probably have, on behalf of my Union, because we felt that it might be useful to the Committee to have in some detail the Trade Boards which have been under contemplation which have not yet been set up, with some notes on conditions in those trades. The reason why I was asked to put it before you rather specially was because, as you may know, no new Boards have, in fact, been set up pending the meetings of this Committee, and in some trades—particularly the catering trade, with

regard to which I have put in a summary of negotiations of some length—the history of the proposed setting up of that Board covers a very long period—over two years. Steps have been taken during that time not only to put the conditions very fully before the Ministry of Labour, but waitresses have met Members in the House of Commons, and every effort has been made to get the facts of the case fully understood. On the last occasion when we met Dr. Macnamara we were told during that investigation that the Ministry had in fact got sufficient information to enable them to define the trade in a workable manner and to go ahead; but the general opposition to Trade Boards, and finally the setting up of

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this Committee, have apparently prevented any further action being taken, and we did want to urge, because of the conditions which we have tried to outline in this summary, that the Committee should bear that in mind, and, if possible, if that is in accordance with their final finding, make some recommendation for special urgency in some of these trades which have been delayed so long. I do not think it is an exaggeration to say that in certain of these industries the rates of wages and the conditions which are now existing are quite as bad as the worst cases of sweating which led to the passing of the 1909 Act.

12,469. *Chairman*: Is that so in the catering trade?—In the catering trade and in some of the other trades which appear in this list which was given by Dr. Macnamara in the House of Commons in March, 1921. The distributive trades, of course, have been fully dealt with before you, and I will not go into them. But trades like the textile smallware trade—the small ribbon making and silk goods of the kind which are made in the Coventry districts, the hatters' fur trade and most of the trades which appear on this list—have got, if not general underpayment, either certain districts or certain small classes of employers who are at the present moment paying wages which certainly compare unfavourably with the instances which were quoted in support of the 1909 Act. I have met, personally, women in all those trades who are getting wages of from 12s. to 16s. per week.

(The Witness withdrew.)

Professor TILLYARD, called and examined.

The Witness handed in the following statement as his evidence-in-chief:—

1. The Principles of Minimum Wage Legislation.

(a) *National Minimum Wage*.—I do not think a national minimum wage feasible. The smallest Board of which I am Chairman has 2 Sections for male workers and 3 Sections for female workers, and some of the sections are graded.

(b) *Legislation trade by trade*.—The present method of legislation trade by trade has worked with reasonable success, having regard to the novelty of the experiment.

(c) *Legislation district by district*.—In the early days of Trade Boards there was a very strong feeling amongst employers and workers against legislation district by district. Personally I thought that to some extent fairness was being sacrificed to simplicity.

I think there is a difference in principle between manufacturing trades and distributive trades. In a book written sometime ago and now in course of publication I wrote: "To take a local instance at the time of writing the general Birmingham rate for unskilled labour is about 63s. a week for men, and at Stratford-on-Avon it is roughly £1 a week less. In the case of ready-made clothes this is an immaterial factor, as though no ready-made clothes are likely to be made at Stratford-on-Avon, the transport of ready-made clothes from other centres is quite easy, and the concentration of the making of clothes in districts which have some special facilities for it, and in which the payment of a universally applicable minimum rate is feasible, may be to the real advantage even of Stratford-on-Avon. But in the case of milkmen the position is very different. Both at Stratford-on-Avon and Birmingham are bound to have milkmen. If the standard of good employers at Stratford is made the basis of Trade Board legislation and universally applied then only a few little country towns will get the benefit. On the other hand if the standard rate of good employers at Birmingham is taken as the basis, wages at Stratford will be suddenly raised about 50 per cent., and milkmen will be getting higher wages than some highly skilled workmen."

12,470. I take it you would like this printed as part of your evidence. Is it necessary to print the whole of this summary of negotiations? After all, that is only *ad personam*; it does not affect the merits of the thing?—If it is not possible to print it as a whole I wish some reference could be made to it, because I do think that the time which has elapsed in these negotiations is exceptional, and we would like to stress the fact which appears in the summary that on several occasions definite promises were made by various Ministers of Labour in the House of Commons that the Boards would be set up. The difficulty which will, I think, be obvious to you in these trades is that it is quite impossible to get anything adequate done in the absence of a Trade Board. Take the hatters' fur trade. I have met several firms in the London district lately, and in one or two cases the firm simply said that they could not raise their rates because of the competition of all these other firms who are underpaying. In other cases there is such victimisation that it is impossible for the workers to do anything. We have had several cases in that trade where the workers who have approached us have been instantly dismissed and replaced by other workers.

12,471. Is that all you wish to add?—I think the other points which were put in, because they were of special importance to us, have been dealt with in the general evidence.

2. The principles on which minimum wages are settled by Trade Boards.

Trade Boards seldom discuss principles. In fixing its first rates a Trade Board can generally be content if it can get the rates actually paid by good and efficient employers adopted by the Board. Where the trade is widely spread and the existing differences in wages are considerable it may have to be content with less.

In the last resort the views of the appointed members prevail and like all other arbitrators they have a natural tendency to split the difference between the two sides. Personally, I have known many instances in which several rates might all be said to be reasonable. In these cases the lowest reasonable rate, if granted with the goodwill of the employers' side, might in practice be worth more to the workers' side than a higher rate which would be bitterly opposed by the employers.

In altering existing rates it is not always easy to get the views of the good employer, who within reasonable limits will act with the employers' side as a whole, but sometimes a shrewd guess can be made.

3. The method by which Trade Board rate settlements are reached, e.g., how far such settlements are reached by complete agreement between employers' and workers' representatives; how far they are reached by (a) the influence, (b) the votes of the appointed members.

No general rule can be laid down. All that can be said is that there are numerous instances of all three methods. Allowance must also be made for the fact that there is often a real agreement between the two sides, though one or both feel pledged by instructions to say they cannot vote for what they really feel to be fair terms. I can give two recent instances. In one case the leaders of one side told the appointed members that it would not be unacceptable to their side if the appointed members voted for a compromise against which their side was going to vote in accordance with its instructions.

In the other case both sides were so pledged beforehand that although the appointed members had suggested a settlement which was really acceptable

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to both sides, the deadlock could only be undone by the Chairman obtaining a pledge in conference with each side separately that if he himself proposed a resolution embodying this settlement the side would not vote against it, and his resolution was actually carried by three vote to none.

4. *The rate-fixing powers of Boards. Are the present powers (a) adequate, (b) excessive?*

The present powers on the whole are adequate. There is some difficulty in some cases in turning existing trade customs as to overtime payments into Trade Board overtime rates. In the Lace Finishing Trade Board there is urgent need of a power to fix rates for the middle-women as well as for the actual workers.

I do not think the powers are excessive if the Board use them with discretion. One board has without any friction at all introduced an elaborate grading scheme, and now has a proposal for male rates varying with the Cost-of-Living index figure. This Board will agree on pages of figures in the course of a single afternoon. Another Board, on the other hand, has with the greatest difficulty been induced to adopt a piecework basis rate for female workers, and though it has worked out a grading scheme, has not so far fixed rates for any but the lowest class of worker.

The guaranteed time-rate for pieceworkers, so far as women are concerned, was the product of war conditions and orders made to suit them. Under present conditions in any manufacturing industry a pieceworker whose wages had to be "made up" would be immediately discharged. I have not served on any Board which has fixed a rate of this kind, and if there is any feeling against this rate I see no serious harm in abandoning it.

5. *The sanction behind Trade Board rates. Should State enforcement be (a) maintained, (b) restricted in respect of any rates or classes of workers?*

(a) I think State enforcement should be maintained. I have personal knowledge that the Wages Temporary Regulation Act was largely a dead letter because there was no provision for inspection and official enforcement.

(b) I think it would be better to deprive Boards of some of their powers than to let them exercise powers, and then prevent the enforcement of their legislation.

6. *The Minister's position as the rate-confirming authority.*

It seems to me that the Minister's position as a rate-confirming authority is really double, and the two positions must be clearly distinguished—(a) Trade Boards legislate within the limits of the Acts of 1909 and 1918, and though the Courts are the final arbiters of the constitutionality of their legislation it is a great convenience that the Minister, with the aid of his legal advisers, should scrutinise this legislation before it finally comes into force. As, moreover, the Minister is responsible for the enforcement of Trade Board legislation, he would be in an invidious position if he had no power of checking legislation which he was advised he could not enforce in a Court of Law; (b) the Minister is from time to time appealed to by one or other side of a Trade Board to pronounce on the substance and merits of a Trade Board's decision. This, I think, a dangerous practice. If a Court of Appeal is necessary, then something better can be found than a Government Department. In Australia there is an Industrial Judge. In England any Appeal Court should, in my opinion, include employers and workmen as well as a legal and neutral element.

7. *The need for Appointed Members. (a) Chairman, (b) Additional Appointed Members. Voting powers.*

The Whitley Committee advocated placing industries under (a) National Industrial Councils, or (b) Trade Boards according as they were completely or

incompletely organised for the purpose of settling wages and conditions. I agree with this view. The essential difference between a Trade Board and an Industrial Council is that the former has a neutral element of appointed members through whom a decision can always be reached, and their decision is enforceable at law. Experience has shown that Industrial Councils sometimes fail to arrive at decisions. No very great harm is done in these cases, because the workmen are by hypothesis so completely organised that they are in a position to defend themselves, though possibly the undecided dispute may result in a strike or lockout. If, however, a Trade Board were not in a position to come to a decision and to enforce it, by hypothesis, a considerable section of the workers would be at the mercy of unscrupulous employers.

I am, therefore, a strong believer in the need for appointed members. As a Chairman, I find the assistance of appointed members invaluable. Apart from the fact that three heads may be better than one, there are occasions when it is an advantage that neither side should know exactly who is responsible for the decision given on a contentious point. I should leave numbers and voting power unaltered.

8. *Provision for special local conditions.*

I have already dealt with some aspects of this question under 1 (c)—the only district Committees I have known intimately were those of the first Tailoring Board. They were practically useless.

9. *The value of special powers of Boards in regard to juveniles:—*

- (a) *The fixing of rates on a pure age basis.*
- (b) *The fixing of rates on an experience basis.*
- (c) *Apprenticeship schemes.*

In the book already referred to I wrote as follows on this point: "If the trade demands a long experience before full qualification is reached, then a sum which is reasonable for an absolute novice is fixed, and the sum payable to the fully qualified worker being already fixed the scale for the years of learner-ship ascends by more or less regular increments from one limit to the other. If, on the other hand, age is of more importance than experience, and a boy of 19 with no experience is practically as good as a boy of 19 with five years' experience, then a scale of payments is fixed according to age. In practical life the two points of view cannot be entirely separated, and nearly all learner-ship schemes are a blend of two systems. In the first type the grading is mainly according to experience with certain allowance for age, and in the second type the grading is mainly by age with certain allowance for experience."

My experience is that Trade Boards will not take very much trouble over rates for juveniles while there is serious contention over the adult rates, and that more attention might profitably be given to the rates for juveniles. Most of the boards on which I serve are beginning to give this. One of them is discussing apprenticeship and finding it a very difficult question. It is worth considering whether permits for apprenticeship might not be given on an individual basis on the same principles as permits for the aged and infirm. So much depends on the reputation of the individual employer responsible for the apprentice.

10. *The influence of the working of Trade Boards on relations between Employers and Workers.*

This is a big question. I content myself with saying that any institution (Munitions Tribunal, Court of Referees, Local Employment Committee, etc.) which brings employers and workers round a table (or its equivalent) for the discussion of points in which both are interested improves the relationship between them.

12,472. *Chairman:* Professor Tillyard, you are Professor of Commercial Law at the Birmingham University, are you not?—Yes.

12,473. And Chairman of the Birmingham Court of Referees?—Yes.

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12,474. And I think you were an appointed member of the Tailoring Trade Board?—Yes.

12,475. And you are Chairman of the Lace Finishing, the Coffin Furniture, and the Tin Box Boards?—Yes, and Chairman of the Chain Board and the Hollow-ware Board.

12,476. You have been good enough to send us a memorandum on certain points. First, you do not think a national minimum wage feasible?—That is so.

12,477. Do you wish to develop that?—I think if you have one wage for everybody you either put it very low, and a certain number of people are affected by it, and if you put it very high I think there are a good many objections. Taking my own group of Boards, I think there are very considerable variations in the rates. There is a variation of at least 1d. per hour in the women's rates at given times. Sometimes it is a little more I should think—possibly 1½d.

12,478. To what are those variations due?—The lowest rate fixed by any of my Boards would be in connection with home workers—largely because the trade is a home work trade.

12,479. That is a piece-rate, I suppose?—Yes, but based, of course, on a time-rate which would be a good deal lower than the time-rate which the other Boards have adopted.

12,480. So that really it is owing to the history and circumstances of certain trades that you cannot fix for those trades a minimum which would serve for the other Boards with which you are acquainted?—That is my opinion strongly.

12,481. *Dame Adelaide Anderson*: And that in some cases it might drive the trades out of existence?—Yes, it might if it were fixed at all high.

12,482. *Chairman*: Therefore, you prefer the present method of dealing with each trade one at a time?—Yes, by itself.

12,483. Now as to rate fixing district by district, what do you say? In the case of distributive trades I understand you think there are good reasons for that?—Yes; in the distributive trades I think it is fairly easy to do, and I think there are strong reasons for it. In the manufacturing trades the reasons are not so urgent, because manufacturers have a good deal of choice of districts. I should not like to rule out legislation district by district even in the case of manufacturing trades, but the feeling there is very much stronger against it. Most of my Boards are what I might call local Boards, and we are legislating more or less for a particular district. But I was for some years on the Tailoring Trade Board, which is a national Board, and there there was a very strong feeling against legislation by district, though the conditions of the districts did in fact vary very much indeed.

12,484. If a lower rate were fixed for a particular district the trade would migrate to that district?—Yes.

12,485. *Dame Adelaide Anderson*: Does a national Board like that tend to make the minimum rather lower than it might have been in some cases?—It did make the minimum lower than it might have been, but, strange to say, it was more effective in some of the higher-paid districts than we had any anticipation that it would be. For instance, we knew when we fixed the rates in the tailoring trade that the great bulk of the employers in Leeds would be paying a higher rate than our Trade Board rate, yet we discovered that there was a certain number of small people in Leeds who were not paying even the Trade Board rate. It did operate to some extent in Leeds though nothing like to the extent that it did in the Eastern Counties.

12,486. *Chairman*: You took the least favoured district, I suppose?—We took a medium district and legislated for that really.

12,487. But that would not apply with the same force to distributive trades which are localised, or, I suppose, to other trades such as the making-up

trades?—That is so; I should class the making-up trades with the distributive trades—work that is always done on the spot, so to speak.

12,488. And so with the laundry trade?—Yes.

12,489. Now dealing with the principles on which minimum rates are settled by the Boards, you say the Boards seldom discuss principles?—Yes, that is my experience.

12,490. They find out the rate which is usually paid by efficient employers, and they get as near that rate as they can?—Yes; I think that is the general line on which the Board begins.

12,491. I suppose they have regard to the cost of living?—Yes.

12,492. It seemed to me that there was some doubt in your voice?—I was wondering whether you meant the cost of living as between different districts, or the cost of living considered more or less on a national basis. At one time we used to hear a good deal about the differences in the cost of living as between different districts, and came to the conclusion that there was not a great deal in it, because although in the big towns they generally paid higher rent, they got a good deal of their food much cheaper than they did in the country districts, though, of course, in country districts and small towns there were certain articles of food they could get cheaper. I do not think we were much impressed at the difference in the cost of living between district and district; but, of course, in considering wages nationally the cost of living has been a very important point in the last few years.

12,493. *Sir Arthur Pease*: Do you have any general line which you carry through as to how much a minimum rate ought to be, based, say, on those figures which Mr. Rowntree put forward, which have been quoted to us, or anything of that sort. Did you have anything of that sort in your mind?—I do not think we had those figures in our mind. Boards which have been in existence a considerable time have the pre-war standard in their mind to some extent, of course.

12,494. We had an arrangement quoted to us the other day whereby the rates came down 4 per cent. for every 5 points fall in the cost of living figures. Taking the rates back to pre-war conditions, they would be left 25 to 30 per cent. above pre-war conditions. If everybody was to do that, what would happen?—You would have a general rise of wages of 25 per cent. compared with the pre-war rate. Whether the country could stand it I could not say.

12,495. Would it be possible for prices to be down to pre-war rates if wages were up 25 per cent.?—No, probably not. You would be stuck towards the bottom of the scale.

12,496. The two things would be quite incompatible?—Yes.

12,497. And therefore that particular trade which got a rate like that would be put in a specially favourable position against all other trades in the country, would it not?—Yes, I think it would. I think there is a general feeling that, if possible, one should try and grade one's scales so that there could be some small advance on pre-war figures amongst the Trade Board trades, because the general feeling was that the Trade Board trades, at any rate in pre-war times, were not having a sufficient rate. I mean it was hoped that they would gradually advance. They began at a reasonably low figure, and the feeling, I think, is that in trying to diminish rates now in accordance with the falling cost of living, you want to aim at a rate which would be a little higher than the pre-war Trade Board rate. One reckons that if there had been no war and no increase in the cost of living, and things had kept steady, the Trade Board rates would have gradually increased. The Tailoring Board began with a rate of 3½d., and just before the war they put it up to 3½d. I think it was hoped that in the course of a few years' time we should have got it up to 3½d. or to 4d.; so that there was a prospect of

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gradually getting up the Trade Board rate, and the workers feel that they do not want to lose that prospect because in the interim there has been a war and a great alteration in the cost of living.

12,498. At the present time, in accordance with the statistics we have had taken out, the lowest Trade Board rates are substantially above the lowest rates in any of the large industries outside. Do you think that will continue?—I do not think it can. I should think part of that is possibly due to the slowness with which you can bring alterations into effect under the present system. I mean they have lagged a little bit behind the other changes of wages.

12,499. *Chairman*: I believe you are an economist. What do you say about State regulation of wages generally?—I hardly call myself an economist. Like everybody else, one has to dabble a good deal in economics, but really it is hardly my profession. I do not think you can go on raising wages indefinitely apart from increase in efficiency; but, on the whole, I think the Trade Board regulation of wages has promoted efficiency in the trades, and has, therefore, enabled employers to pay a higher wage.

12,500. That means that in order to pay a Trade Board rate they must sometimes improve their machinery and their organisation?—Yes; and there has been great room for it apparently.

12,501. *Sir Arthur Pease*: But the Trade Boards have done two things: one, they have raised wages; the other, they have cut down hours probably about 10 per cent.?—Is it quite fair to say that the Trade Boards have cut down hours? I mean there has been a general movement for the cutting down of hours, and I think Trade Boards have taken notice of it, but I do not think they have ever taken a lead. In some of my Boards we give overtime rates after 47 hours, but that is because 47 hours has been adopted in the metal industry as the standard working week, and it was adopted by the whole of the engineering and allied trades before any Trade Board put it into force.

12,502. I was not looking at it from that standpoint; but if hours are reduced 10 per cent. in all the trades and wages are put up, do you think it is possible to produce the same value as before? Do you think efficiency could possibly cover the two?—Some of my friends in the employing class tell me that the hours have not been so reduced as to affect output. Some of them are very strong believers in a 48-hour week. They say you get more production than from a 50 or 53-hour week. I have a good many friends in Birmingham who tell me that 48 hours is a better working week for the Birmingham industries than 53 hours.

12,503. Of course that may apply where the work is continuous?—Yes.

12,504. But in an intermittent trade it cannot be so, can it?—I should think not, possibly.

12,505. *Chairman*: Then you describe the part taken by the Appointed Members in fixing the rates, which agrees with what we have been told, and you mention a case, which is new to me, where nobody voted except the Appointed Member?—Yes. I am quite prepared to tell you in confidence the actual Board, but I thought it advisable perhaps not to mention it in my statement.

12,506. That is a case, I gather, where both sides were pledged to a particular proposal—one on each side. Neither would give way, but both consented to abstain from voting?—Yes. They thought they could go as far as that without getting themselves into too much hot water from their constituents on both sides, so I got it through on those lines.

12,507. Then as to the rate-fixing powers of Boards, you think they are not excessive if used with discretion?—Yes. As I try to indicate, Boards vary very much indeed. Some Boards like to exercise practically all the powers that are given to them under the Act. Other Boards are still in the state of mind in which they will not go beyond the general minimum

rate for the lowest class of worker in the trade. They can only be induced to go beyond that with very great difficulty.

12,508. But where the higher rates are fixed, I suppose they are very often fixed by agreement between the two sides?—Yes.

12,509. Then as to the sanction behind Trade Board rates, you think State enforcement should be maintained?—I think so, subject no doubt to due economy in administration. Of course, that is a point we cannot lose sight of just now.

12,510. Then as to the Minister's position as the rate-confirming authority, you say that is really double?—Yes. I think it is as well to separate those two aspects of the case. I do not think they are necessarily bound up together in the same person.

12,511. One aspect is his position as the person who has to consider and confirm the rates, and the other is his position when he is asked to pronounce on the substance and merits of a Trade Board's decision?—Yes. He is at the present moment legally responsible for enforcing the rate. It is quite possible that the Trade Board, not being composed of skilled lawyers, may go beyond their powers, or may express their intention in terms which are a little hard to justify under the exact terms of the Trade Boards Acts. In that case, I think it is as well that there should be some authority that should just scrutinise their determinations before they become law, to see that they are reasonably workable, and have a reasonable chance of enforcement in a Court of Law. But those are technical points; those are points of form which have nothing whatever in substance to do with what a Trade Board has done so frequently. When it comes to a question of whether a woman should be paid 7d. or 8d. an hour, I do not think the Minister is the person to have the last voice on a matter of that sort.

12,512. To what authority would you entrust that duty?—First of all, one has got to decide whether there should be an appeal court at all. The Agricultural Wages Board, for instance, acted, I believe, without any sort of authority behind them.

12,513. They did; but where are they now?—I suppose we must not discuss politics here. I think business men are keen, if they are going to have this sort of regulation of their trade, that it should be as far as possible a business regulation, and not a Government regulation. Therefore, if you are to have a court of appeal on substance, I think you ought to set up some sort of business organisation to deal with it. I was wondering in my own mind whether a grouping of Trade Boards for certain purposes—a sort of standing joint committee of Trade Boards which have, at any rate, more or less similar problems—could not be entrusted with certain powers of revision. I have not read any of the evidence which has been given here, but I believe one of the Chairmen before you has advocated a sort of Trade Board House of Lords. I do not know that a House of Lords formed of all existing Boards would be quite as valuable as the group system. There are a lot of Trade Boards in the sewing industry. There are a lot of Trade Boards now in the metal industry. The question is, whether the grouping of those by themselves under a sort of Joint Committee would not make a better revising body. I do not think experience of the tailoring trade would be very helpful in the metal trades, and *vice versa*. But I think the experience of each of half-a-dozen Boards in the metal trades might be of value to the other Boards.

12,514. But someone in the end has to consider these rates on merits, and endeavour to co-ordinate them, and it must be some one authority. We have two proposals before us: One is a Central Board such as you have just mentioned, and the other is the Industrial Court, which is a Court having a Chairman with legal knowledge, and representatives of employers and workmen sitting with him. As between those two have you formed any opinion?—I should prefer the Central Board to the Industrial

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{Continued.}

Court, I think. After all, the Trade Board machinery is a very special machinery, and I think people who have had experience of it would give more valuable decisions than those who have had no experience of it, however valuable their general knowledge of industrial conditions might be. I think the actual experience of sitting and working on a Trade Board would be valuable.

12,515. *Sir Arthur Pease*: You speak about the legal points which you might have to refer to the Minister. One or two witnesses have urged very strongly that a solicitor should be available when the Trade Board are drawing up their proposals or terms. Do you think that necessary?—I do not think I should have a solicitor present or waiting in an anteroom as a matter of course, because a great many of the determinations are quite simple, and there is no difficulty whatever in drawing them up. But I think the Board should be advised as to their legal powers at quite an early stage; for instance, criticisms should be made on the proposal stage rather than on the final stage.

12,516. The suggestion was that the solicitor should be in the Trade Board offices, available to be called if he was wanted on any particular point during the sitting of a Board?—Of course, for a Board sitting in London that is quite workable. Most of my Boards are provincial Boards, and we should have to wire for him, or something of that sort, which would be a little awkward. It would be a pity, I think, to get him down to a provincial meeting on the chance of his being wanted, because in nine cases out of ten he would not be wanted. I do not know that it is necessary to go as far as that. I have no objection to it if it is workable.

12,517. I was only putting that because you suggested that the Board should have the right of being legally advised after you send in the proposals?—Yes.

12,518. And other witnesses have suggested that legal advice should be taken at an earlier stage?—Yes; the earlier the stage the better. I thought, however, that it would perhaps be more workable to wait till the proposal stage. There is at the moment two months between the proposal stage and the next stage, so that there is plenty of time.

12,519. But suppose the proposals were altered?—If they were slightly altered in point of form, the solicitor often says there is no need to repropose, because it is on the question of reproposing that you waste such a lot of time. If it is purely a legal point and a matter of form—

12,520. There may be a good deal in a legal point, and then those matters of form might lead to very different results?—I should have no objection at all to the solicitor having his office at the Trade Board offices in order that he might be available at an early stage; but I rather deprecate the idea of his being trotted round to every board meeting in London as well as in the provinces. The Solicitors' Department to the Ministry of Labour deals with certain Trade Board things which are highly specialised, and they are highly expert in that particular matter.

12,521. *Chairman*: Do you always meet in the country?—The Tin Box Board meet in London. My other four Boards always meet in the country—two at Birmingham, one at Cradley Heath, and one at Nottingham.

12,522. Then I gather that you are in favour of keeping the appointed members at their present number?—Yes.

12,523. You would rather have three than be alone?—Yes, decidedly.

12,524. Then as to district committees, you think that there is something to be said for them, too, but they have not, in fact, worked out practically?—They have had so very little responsibility. What I felt about the district committees in the old Tailoring Board was that we went round and we had a stock resolution presented by each side, and they were

simply copies of each other. It was only here and there that we really got any local opinion or local information. We did occasionally, but I do not think we ever had any suggestions from the district committee that led us to alter our minds at the executive meeting.

12,525. Have you fixed any district rates?—I have not fixed any district rates. Mine are all practically local boards, except the Tin Box Board.

12,526. Then as to juveniles and the question whether their rate should be fixed according to age or experience, you would leave that to the Boards?—I think I would leave that to the Boards. I do not think you can lay down any general principle, in fact I have known Boards which have fixed the girls' rates on an experience basis, and the boys' rates on an age basis, showing that they have a perfectly open mind on the subject, because on one particular side of a particular trade they wanted to take one plan and on the other side the other.

12,527. *Sir Arthur Pease*: And in different trades the custom would necessarily be different, would it not?—Certainly.

12,528. One trade simply depends on a boy's physical powers?—Yes.

12,529. And in another case he has to be trained for years before he is worth any money?—Yes—physical powers with just a little knack and acquaintance with implements and the stuff he is handling. There is always a little bit of experience even where physical power is the main point.

12,530. *Chairman*: Have your Boards done anything to encourage apprenticeship?—The Chain Board is considering that at the present moment and is finding a certain amount of difficulty with it.

12,531. What is the difficulty?—I think the main difficulty is that we should have to legislate for all apprentices on the same footing, as a class; I think that is a real difficulty. I think they feel that certain employers have greater facilities for training apprentices than others, and that possibly they might be offered more favourable terms than the members of the trade generally; but there is no power at present to legislate except by classes. You cannot make any individual exceptions.

12,532. *Mrs. Lyttelton*: You mean it would be a minimum rate for apprentices?—Yes, it would be a minimum rate for apprentices, wherever they were; whereas they feel in certain cases you might possibly pass on apprentices to a particular employer at a special rate.

12,533. Would it be impossible to have differentiated rates for apprentices in different trades? I cannot see what the difficulty would be.—You can between different trades but not between different employers in the same trade.

12,534. I thought you meant in different trades?—No, I mean different employers in the same trade.

12,535. *Chairman*: That is what you mean when you say it would be worth considering whether permits might not be allowed?—If a particular employer is known to have laid himself out for teaching his apprentices in a thoroughly capable way and giving them a great variety of experience and so on, and another employer does not give equal facilities and does not give equal consideration to them, I do not see why the first employer should not possibly take his apprentices at a somewhat lower rate than the other.

12,536. I suppose that might give rise to questions of preference?—There might be accusations of favouritism. It would have to be very carefully worked out, and I am not quite sure whether it is possible in a big trade. In the chain trade, which is a local trade, and everybody knows everybody else, it is quite possible it might be done without much friction. I think you would have to get the trade unions—or at any rate the workers' side—to consent.

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[Continued.]

They would have to have a very fair idea that the conditions were fair in all the circumstances.

12,537. It would be very difficult to work?—It would be very difficult to work in a big trade. I should like to try it as an experiment in a small trade like the chain trade. There could not be very much harm done.

(The Witness withdrew.)

Sir GEORGE BARNES, K.C.S.I., K.C.B., called and examined.

The Witness handed in the following statement as his evidence-in-chief.

MEMORANDUM BY SIR GEORGE BARNES.

Responsible for administration of Trades Boards Act, 1909, from 1911 to March, 1916, as Comptroller-General of the Labour Department of the Board of Trade during the first part of the time and afterwards as one of the two Permanent Secretaries of the Board of Trade.

Sir George (now Lord) Asquith was Comptroller-General of the Labour Department up to 1911 and was consequently responsible for the earliest stage of the administration of the Act.

The Act of 1909 was passed during Mr. Churchill's Presidency of the Board of Trade, but the administration of the Act was worked out while Lord Buxton was President, and under his directions.

The Trade Boards in existence when I assumed control were as follows:—

Chain—established 3rd January, 1910.

Lace Finishing—established 7th September, 1910.

Paper Box (Great Britain) — established 29th July, 1910.

Ready-made and Wholesale Bespoke Tailoring (Great Britain)—established 23rd November, 1910.

Paper Box (Ireland)—established 8th September, 1911.

and subsequently a Board for Tailoring (Ireland) was established on 19th March, 1913. These four trades were included in the Schedule of the Act of 1909. In the original Bill shirtmaking appeared in the Schedule but, in the course of discussion in the House, chain-making was substituted as a more urgent case. It was considered advisable to begin with no more than four trades owing to the necessity of gaining experience of the working of legislation which was novel in character.

In 1913 four Provisional Orders were made and confirmed by Parliament applying the Acts to:—

Sugar Confectionery and Food Preserving.

Shirtmaking.

Hollow-ware and Tin Box Making.

Linen and Cotton Embroidery.

The reasons for this action were as follow:—

1. The experience gained from the working of the Boards already in existence showed that an extension of the operation of the Act might safely be made.
2. Representations had been made as to bad conditions existing in each of these trades.

In the case of *Hollow-ware* there was a strike of women in the Black Country to secure a wage of 10s. per week, and both in Parliament and in the Press, the necessity of giving the women in this trade the protection of a Trade Board was being urged. In the case of *Linen and Cotton Embroidery* the report of the Medical Officer of Belfast on the conditions of home-workers in the linen trades led to the appointment of a Committee of Inquiry under the Chairmanship of Sir Ernest Hatch. This Committee recommended the establishment of a Trade Board for certain branches of trade including linen and cotton embroidery. *Shirtmaking* was a trade which the Whittaker Committee on Homework specially noted as requiring the protection of a Trade Board and, as stated above, this trade was originally in-

cluded in the Schedule to the first Bill. In the case of *Sugar Confectionery and Food Preserving* a number of complaints were received by the Department regarding the conditions of the workers.

12,539. They find that other people are not so black as they are painted?—I think so.

While it was considered that these trades were suitable for the first extension of the operation of the Act it was clearly realised that there were many other trades in which wages, particularly women's wages, were no better than those to which the Act had been originally applied. It was, however, felt that the right policy was to proceed gradually with the extension of the operation of the Act to such trades. Apart from the desirability from the public point of view of proceeding cautiously with legislation of a novel kind, this method of procedure was also convenient from the administrative point of view as it afforded adequate opportunity of the gradual development of the necessary administrative machinery. It was accordingly the view of the Board of Trade that additions to the trades covered might properly be made each year.

In addition to the trades mentioned above the Board of Trade considered it necessary without further delay to extend the protection of the Act to the women in the calendering and machine ironing sections of the Laundry Trade in which wages were extremely low. A large proportion of these women were paid no more than 8s. per week. Accordingly a Provisional Order was made in 1913 to apply the Act to calendering and machine ironing in steam laundries. There were prolonged negotiations during which the employers consistently opposed the principle of applying the Act to the trade on two grounds (a) that wages were not exceptionally low; (b) that the large laundries which used calenders and machine irons would be placed at a disadvantage with smaller laundries which did not use this machinery. They proceeded with their opposition in the House of Commons and before the Select Committee introduced a new technical point that "steam laundries" would not include the growing number of laundries using electrical power. It being impossible under the Provisional Order procedure to amend an Order so as to include any type of laundry not covered by the original definition it would have been impossible in any case at that stage to include electric laundries, and the Committee accordingly recommended that the Order should be withdrawn.

In 1914 an Order was again made, omitting the word "steam" from the definition, thus making the Order apply to all calendering and machine ironing, whatever the motive power of the laundry. Again, at the Board of Trade the employers opposed the Order on general grounds, but before the Select Committee they based their opposition largely on the ground that it would be impracticable to differentiate between machine ironers and other machine operators. The Chairman, the late Sir Joseph Compton Rickett, expressed the view that the Board of Trade ought in any Provisional Order to cover the whole of a trade, and not to single out any particular processes (even though the low wages paid for these provided the justification for the application of the Act), but of course under the Provisional Order procedure no such extension of the Order was possible. After considerable hesitation the Committee decided by a majority to recommend the withdrawal of the Order.

It was the intention of the Board of Trade to review the position in respect of the Laundry Trade

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in the light of Sir J. Compton Rickett's opinion, but the outbreak of the war caused the suspension for the time being of action in this and other trades.

The Trade Boards for the trades covered by the Provisional Orders Confirmation Act, 1913, were established on the following dates:—

Shirtmaking (Great Britain)—6th Feb., 1914.
Sugar Confectionery (Great Britain)—6th Feb., 1914.

Sugar Confectionery (Ireland)—8th May, 1914.

Shirtmaking (Ireland)—14th May, 1914.

Tin Box (Great Britain)—30th July, 1914.

Hollow-ware (Great Britain)—4th Aug., 1914.

The Linen and Cotton Embroidery (Ireland) Board was on the point of establishment when I left for India in March, 1916. The reason for the long delay was the stubborn resistance of the Belfast employers to the constitution of the Board.

Tin Box and Hollow-ware making were included in one comprehensive Provisional Order, but the wide and distinct differences in the conditions under which these two branches of trade were carried on made it necessary to establish two separate Boards, as it would have been impossible to obtain the acquiescence of the employers in each branch to serve together.

The object of the Act of 1909 was the prevention of "sweating" and to give help and protection to those who were too weak to help themselves.

Relationship between the Board of Trade and the Trade Boards in the Administration of the Trade Boards Act of 1909.

While certain functions, such as the application of the Act to trades, the appointment of Trade Boards and the confirmation of rates and wages, were distinctly placed by the Statute in the hands of the Board of Trade, and others, such as the proposal and fixing of rates, in the hands of the Trade Boards, the responsibility for other functions, such as the enforcement of rates and the interpretation of scope, was not so clear.

In the early days of the operation of the Act all concerned were mutually feeling their way towards a system of administration which would work smoothly and at the same time preserve the proper position and functions of both the Board of Trade and the Trade Boards.

From the beginning there was a desire on the part of those who sat on the Trade Boards for autonomy. This desire showed itself in applications (a) for the control of the Inspectorate, and (b) a claim that the Trade Boards were entitled to decide questions of scope, that is, whether employers or workers were subject to or outside any particular Trade Board.

The view taken by the Board of Trade was that, as the President of the Board of Trade was responsible to Parliament for the administration of the Trade Boards Act, the Inspectorate must be under their control and that all decisions as to prosecutions at the public expense must rest with them.

As to scope, the Board of Trade expressed their willingness to give their opinion on any question referred to them, but always had to point out that an authoritative decision could only be given by a Court of Law.

Throughout the time of my responsibility Mr. Aves was Chairman of all the Trade Boards then existing. He was not an officer of the Board of Trade, though his salary was borne on the Board of Trade list. It was always intended that he should have some measure of independence of the Board of Trade. I had no power to give an order to Mr. Aves in regard to his action as Chairman of any Board, and I feel sure that I never did give an order. We were both very anxious that the Act should be a success, and worked very closely together. He made a practice of seeing me very frequently and of bringing all his difficulties to me for discussion. From time to time any difficulty which entailed laying down any point of policy of importance was discussed also by Mr. Aves and myself with Sir Hubert Ewellyn Smith,

and sometimes also with Lord Buxton, who was President of the Board of Trade from 1910 to 1914. In this way all questions of policy were settled at the Board of Trade, but Mr. Aves was alone responsible for the conduct of the meetings of the Trade Boards, and to his tact their smooth working was due. In order to keep full control over questions of policy, copies of all letters sent out from the Trade Boards Office were sent to me every day.

Though the Board of Trade held that the Inspectorate were under their control, the control was in practice delegated to Mr. Aves, who in this respect was personally responsible to the Board of Trade and whose discretion was strictly defined. The Inspectors were located in the Trade Boards Office, and Mr. Aves gave them daily instructions as to what they should do. Mr. Aves, of course, very frequently acted on the request of a Trade Board that an Inspector should be sent to some particular district, but the Inspectors received their instructions from Mr. Aves alone. I never gave the Inspectors direct instructions, but I received constant reports from Mr. Aves and saw the reports made by the Inspectors, and also saw the Inspectors personally from time to time, and, apart from their formal reports, heard from them verbally what they were doing.

Speaking generally, the relations between Mr. Aves and myself were never defined very strictly; my desire was to give him the largest measure of independence possible consistently with the retention by the Board of Trade of the control over all questions which involved policy.

(Signed) G. S. BARNES.

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12,540. *Chairman:* Sir George Barnes, you were Comptroller-General of the Labour Department of the Board of Trade from after the passing of the Trade Boards Act of 1909 for a time, and then afterwards you were one of the two permanent secretaries to the Board of Trade?—Yes, and during the whole of that time I was in charge of the administration of the Trade Boards. It did not properly belong to the post of second secretary, but I took it with me.

12,541. Were you at the Board of Trade when the Act of 1909 was passed?—Yes.

12,542. That was in Mr. Churchill's time?—Yes. It was passed just before I became Comptroller-General.

12,543. Then I think in 1910 Lord Buxton became President of the Board?—Yes.

12,544. And it was in his time that you saw the Act worked?—Yes; the administration was worked out under him.

12,545. When you assumed control there were Boards formed under the Act itself?—Yes—the four named in the schedule to the Act.

12,546. That is the Chain, the Lace-finishing, the Paper-box and the Ready-made and Wholesale Bespoke Tailoring Boards?—Yes.

12,547. And there was also the Irish Paper-box Board?—Yes.

12,548. Shirt making, I think, was originally proposed?—Shirt making was in the schedule to the Bill, but was afterwards taken out on the ground that chain making was more urgent.

12,549. After the passing of the Act some trades were added by provisional orders?—Yes.

12,550. Shirt making was one of those, was it not?—Shirt making was one of those.

12,551. And sugar confectionery and food preserving, hollow-ware and tin-box making, and linen and cotton embroidery?—Yes.

12,552. Were those all added in 1913?—Yes.

12,553. I suppose in each case there were representations that the wages in the trade were exceptionally low?—Yes—either representations from outside or representations from the inspectors employed by the Board.

12,554. In the hollow-ware trade there had been a strike of women for 10s. a week, I gather?—That is so.

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12,555. And in the case of the linen and cotton embroidery trade there was a committee of enquiry which recommended the formation of a Board?—That is so.

12,556. Shirt making, I understand, was notorious as an underpaid trade, and had been referred to in the report of the House of Commons Committee on Homework?—Yes.

12,557. Where, I think, some figures are given us of the wages in the trade?—Yes.

12,558. In the case of sugar confectionery and food preserving, the department had received a number of representations?—Yes, there was a number in that case.

12,559. You were going cautiously in forming new Boards at that time?—Yes. The legislation of course was entirely new and we were anxious to go slowly because we wanted to feel our way to make sure that we were going on the right path.

12,560. And I think the Boards themselves were proceeding with some caution in fixing their rates?—Yes. The Chain Board, for instance, fixed a rate of, I think it was, 2½d., and the women, before the Board came into being, were receiving wages which, I think, worked out at only 1½d. per hour. Then when the Chain Board was formed with some help, I think, from Mr. Mallon, the women formed a union among themselves and demanded 3d., and they got 3d. That I regarded as satisfactory from the point of view of the Trade Board administration, because it taught the women to help themselves.

12,561. Sir Arthur Pease: Did they get the 3d. from the Trade Board or from the outside people?—The Trade Board rate was 2½d., but by organisation amongst themselves they secured 3d.

12,562. Chairman: Having a little more wages, they were able to afford organisation?—Yes; and I think a little more wages also gave them courage.

12,563. Dame Adelaide Anderson: They saw that improvement was possible?—Yes.

12,564. Which is always a great step forward for them?—Yes.

12,565. Chairman: And I think afterwards the Board raised the rate again?—Yes, it did subsequently, but they won their 3d. before the Trade Board rate was moved upwards.

12,566. Then you made an attempt to get the laundry trade under the Act?—Yes; we made several attempts unsuccessfully at that time.

12,567. There was opposition in the Committee of the House of Commons?—Yes. The trade was very strongly opposed to a Board, and unfortunately it fell through.

12,568. Sir Arthur Pease: But it was thrown out on a technicality at one time?—Yes, as far as I remember—you mean the technicality between steam and electric power. Only steam was in the provisional order, if I remember.

12,569. Then if it was confined to steam laundries, it would not have affected people with small laundries in their own homes?—That is so.

12,570. Dame Adelaide Anderson: But there was a gain in the end: it applied to the whole trade?—Yes, ultimately it did apply to the whole trade, but that was after my time.

12,571. Were not the employers apprehensive of competition from non-commercial laundries; was not that one of the obstacles at the time?—I do not think I know what a non-commercial laundry would be.

12,572. Convents?—Yes—you are quite right.

12,573. Charitable Institutions?—Yes.

12,574. That was one of the reasons for the opposition of the organised employers, was it not?—Yes.

12,575. Chairman: During your time was Mr. Aves Chairman of all your Boards?—Mr. Yates was Chairman of two of the Boards, as well as I remember, for a short time; but substantially Mr. Aves was the sole chairman.

12,576. You have given us a note on the relationship between the Board of Trade and the Trade

Boards under the Act of 1909, and you say that the proposal and fixing of rates was placed in the hands of the Boards?—Yes.

12,577. And the confirmation of rates in the hands of the Board of Trade?—Certainly.

12,578. But as to certain other functions, there was some uncertainty?—Yes, particularly with regard to scope. Scope of course was outside both the Board of Trade and the Trade Board.

12,579. How, in the early days, did you deal with those matters? I suppose the Trade Boards desired to deal with such matters as scope and enforcement of rates, and so on?—Yes, Trade Boards, I think, wished from the beginning to be autonomous and to have full power with regard to the enforcement of rates and control of Inspectors, and they would have liked to decide questions of scope. But, of course, questions of scope could only be finally settled in a Court of Law.

12,580. In the meantime the Board of Trade was always willing to give an opinion upon them, I suppose?—Yes.

12,581. Then as to inspection and prosecution, was that kept entirely in the hands of the Board of Trade?—Prosecution entirely. What happened with regard to inspection and the control of Inspectors was that they were housed in the same office with Mr. Aves, and the Trade Boards were allowed a certain measure of control over the Inspectors subject to the condition that all instructions for the Inspectors had to be given by Mr. Aves. They could ask Mr. Aves to send an Inspector to this place, or to the other place, and if Mr. Aves thought fit he did so. The Board of Trade, in fact, delegated their powers over the Inspectors temporarily to Mr. Aves.

12,582. Mr. Aves occupied rather an amphibious position. He was both Chairman of the Board and an official of the Board of Trade?—He was not a permanent official of the Board of Trade. His salary was borne on the Board of Trade list, but all the papers were very careful to say that Mr. Aves was not an official of the Board of Trade. He was nominally, at all events, independent, but, in fact, I do not think he was. Mr. Aves used to come and see me very often, probably several times a week. He brought me, I think, all his difficulties. He discussed them, and I think he always followed the conclusion which we jointly arrived at. There was never any question of giving Mr. Aves directions, I think, but he was always willing to follow what he was asked to do.

12,583. I suppose sometimes he consulted the Secretary of the Board and the President?—Yes. Mr. Aves saw both of them continually. He was continually in the office; he saw Lord Buxton often, and he saw Sir Hubert Llewellyn Smith often also.

12,584. I suppose a good deal of the success of the early Boards was due to Mr. Aves' conduct of the proceedings?—I think so. He was an extremely tactful man. I do not remember any cases of trouble. At least incipient troubles were always stopped somehow or other, and there never was any serious trouble of any kind.

12,585. Dame Adelaide Anderson: He had exceptional powers of seeing both sides of the question?—Yes, he had.

12,586. Chairman: I think you left the Board in the year 1916?—March, 1916.

12,587. So that you knew nothing of the beginnings of the 1918 Act?—No.

12,588. Have you had occasion to see something of its working since you came back?—Yes, I was always much interested in the Trade Boards, and when I came back here I said I should like to see how they were going on, and the Minister asked me to take the Chair on two or three Boards, which I have done. But I have only attended a very limited number of meetings, I think four.

12,589. There are some difficulties in the working of the Boards to-day. Have you formed any opinion as to how difficulties arise, and how they might be remedied?—Would you tell me which difficulties you have in your mind?

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12,590. When I said "difficulties" I rather meant complaints. There are many complaints from employers, and so on, as to the working of the new Act and the operation of the rates. Some of them, of course, are put down to delay in changing the rates, and so on. Others seem to go deeper. I was wondering whether you had studied the matter and formed any opinion?—I naturally have formed opinions to some extent, but I feel that my knowledge probably as to the present state of affairs is insufficient to help you much. Yet I will certainly tell you what impressions I have got if it will help at all.

12,591. If you will we shall be obliged to you. We know you have great experience in so many matters.—The old policy was to fix a minimum wage for workers who could not help themselves. The first Act was an anti-sweating Act only. At least, that is how we all regarded it. I think we considered that all interference by the State in commerce, industry, or wages, was in itself an evil, but it was capable of justification in this case, because there was a still greater evil to be combated, namely, the great evil of sweating. What has struck me lately is that that old policy has been departed from to some extent. I think there seems to me a tendency, so far as I am able to gather—this is mainly from papers—to fix standard wages and not minimum wages. Further, I think wages have been fixed in certain cases for people who are not helpless. At least, judging by the rates fixed, wages have been fixed for people who ought, I think, to be able to help themselves. Then there is one more thing that has struck me. In the old days I think our hope was in each case that the workers would pluck up courage and try and help themselves, and as I said just now, I think Mr. Mallon helped a great deal to that end. But now I think the workers' case is very largely in too many professional hands. The workers are rather in the background, and the professional element in the front. I feel very strongly that the workers cannot stand without some help from the professional element; I think they need help. But when they have a great many helpers I think it makes it less likely that they will organise themselves. On the other hand, the first result of a Trade Board is always to organise the employers. Employers who did not know one another before, come together and get acquainted with one another, and they also have a professional helper, and that professional helper makes it his business to organise the employers. That being so, it seems to me the more necessary that the workers should be encouraged to organise themselves, not spread over a great variety of Unions, but in a single Union.

12,592. *Mrs. Lyttelton*: You do not think that the operation of the Trade Boards lately has discouraged organisation, or do you go so far as that?—I do not feel I am able to say that because I do not know enough, but I should be afraid that that might be the case.

12,593. *Chairman*: Really the Boards have gone a good deal beyond your original conception of their functions?—Oh yes, they have undoubtedly.

12,594. That runs counter to your own view, your present view, that you should not interfere with trade more than is necessary?—I may be behind the times, but I have not changed my view.

12,595. *Dame Adelaide Anderson*: Does not that partly depend upon the extent to which the Government is really representative of the country? Perhaps that is going too far afield. If a Government is really representative, might it not go a little bit further than a purely internal Government?—You mean in the way of interference?

12,596. Yes, I mean if really representing the true feeling of the country and having its fingers on the pulse of time?—I do think that interference by the Government in itself is bad.

12,597. If it militates against self-help amongst the people, but if it is really expressing their wishes and saving strikes and conflict?—That is a very big "If," is it not?

Dame Adelaide Anderson: Yes.

12,598. *Mrs. Lyttelton*: You said, I think, that the first Act did encourage organisation very much amongst the workers?—I do not know about the first Act, but certainly Mr. Mallon did help early organisation very much. Whether he is doing the same now I have not been able to know.

12,599. I think his view is that Trade Boards are still encouraging organisation. I think you can deduce that from what he said this morning. It is an interesting point, if you think it has reached the stage where it is not encouraging?—I think there is a great risk of its discouraging organisation owing to the fact that there are in some cases many competitive Unions sitting on the same Trade Board.

12,600. I do not quite understand why that has the effect of discouraging further organisation?—I think that what I want to say is that if the workers are diffused over, say, half a dozen Unions they cannot speak with one voice strongly as if they were concentrated in one Union.

12,601. *Sir Arthur Pease*: Would that be partly got over if there were not so many Trade Boards?—If they were grouped more than they are to-day?—It might, I think.

12,602. Of course, in some of the big trades a works may have anything up to 10 or 20 unions to deal with outside the Trade Boards altogether?—Yes.

12,603. And sometimes that is a matter of great confusion and difficulty?—Yes, I can well understand that.

12,604. You cannot dictate to a man which union he has to be in?—Oh, no, I would not suggest that for a moment. Perhaps too much importance is being attached to what I said. I still think that the diffusion of a limited number of workers over a large number of unions does tend to decrease the power of those workers as an organised body.

12,605. They do not concentrate on the wages in that particular trade?—No. Probably each union has a great many other people to look after.

12,606. And they do not understand it as well, either?—No.

(The Witness withdrew.)

Miss Power and Mr. W. E. COUNSELL, called and examined.

The Witnesses handed in the following statements as their evidence-in-chief:—

STATEMENT HANDED IN BY MISS POWER, OFFICER IN CHARGE OF STAFF ENGAGED ON NON-COMPLIANCE INSPECTION UNDER THE TRADE BOARDS ACTS.

Section A.—Method of inspection under the Trade Boards Acts.

Section B.—Numbers, Organisation, etc., of Inspectorate.

Appendix I.—Specimen reports showing normal work of inspection:—

- (A) dealing mainly with timeworkers.
- (B) dealing mainly with pieceworkers.

Appendix II.—Numbers of inspectorate, compared with the number of firms known to fall within the scope of the Trade Boards Acts at various dates.

(Appendices handed in, not printed.)

INTRODUCTION.

The question of Trade Board inspection has constantly been referred to in the evidence submitted to the Committee.

The Committee will probably wish to have a description of the ordinary duties of an inspector under the Trade Boards Acts. This is included in Section A.

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[Continued.]

SECTION A.

I.—Method of Inspection.

A brief description of the methods of inspection before and since the passing of the Act of 1918 is appended for comparative purposes. The work entailed in a visit of inspection has been very considerably increased during the second period. This is owing partly to the fact that the following additional powers were conferred upon Trade Boards by the Act of 1918:—

- (1) Power to fix rates for overtime.
- (2) Power to fix a guaranteed time-rate for piece-workers.
- (3) Power to fix a piecework basis time-rate other than the general minimum time-rates which had hitherto served as a basis for fixing piece-rates.

In addition to the exercise of these additional powers, however, the Trade Boards began after 1918 to make further use of powers which they held under the Act of 1909, such as power to fix rates "so as to apply to any special process in the work of the trade or to any special class of workers in the trade or to any special area." (Trade Boards Act, 1909, Section IV (1)). Under this provision, it is possible to fix occupational rates conditional on age and length of experience or competence, and finally rates applicable to certain areas.

It will be shown later that the average number of visits per week that an officer has been able to make has decreased by something like 50 per cent. in the last three years. This is largely accounted for by the increased difficulty of inspection.

An inspector is required to investigate and report on the following:—

(A) Posting of Notices.

During the earlier period, these were issued at long intervals, and there was usually only one, or at the most two, current at any one time.

Since the passing of the Act of 1918, notices have often been very numerous. This is due partly to the exercise by the Boards of new powers (e.g., to fix overtime rates), conferred on them by the Act of 1918, and partly to changes in the cost of living which have entailed more rapid adjustments in rates of wages than heretofore. The inspector is now obliged to spend longer time finding which notices are applicable, and how many of these are posted (e.g., at one time, no less than ten notices were current in the Brush and Broom trade).

(B) Wages and Time Records.

During the earlier period these needed to be only of a simple kind and were verified by questioning representative workers.

During the later period failure to keep adequate records became an offence, and special information on this point is now required from the officer. More elaborate records are needed, owing to the fixing of overtime rates, and in any trade where daily overtime rates are established, daily records must be available. This involves additional expenditure of time in checking the hours worked and wages paid. Where, as is often the case, a worker is employed in two or more different occupations at different rates of wages, the employer may be obliged to keep a separate record in each case. In the absence of wages or time records, or both, the inspector is often in the position of having to reconcile conflicting statements and to supply evidence which is only obtained after exhaustive individual enquiry upon such matters as lost time due to unpunctuality, holidays, sickness, etc., overtime, waiting time and allowances for meal reliefs.

(C) Rates of Wages Paid.

(i) *General Minimum Time-rates.*—During the earlier period there was in general one rate only fixed for male adults, and one for female adults. All workers found to be receiving less than the adult rate were either learners or permit cases, or were underpaid. It was not usually necessary to enquire into the occupation of adult workers unless under-

payment had occurred. Learners were payable either on an age basis, without regard to experience in which case certification with the Trade Board was not necessary, or on a basis of both age and experience in which case they were certifiable, and enquiry into the question of learning facilities became necessary. It was customary to make a retrospective inspection in order to see that successive rates had been paid as from the date of fixation. In cases where rates were clearly all in order, it was not always necessary to copy wages. In cases of underpayment which were not considered serious, the employer was sometimes asked to make a calculation of the arrears due, which could be checked if necessary at a subsequent visit.

After the passing of the Act of 1918 a very great variety of occupational rates were fixed. As already stated, this was not in virtue of any fresh powers conferred upon the Boards by the amended Acts, but was consequent upon the fuller use of powers which they already held under the Act of 1909. These occupational rates are based on age, length or nature of experience, skill, the exact type of work performed, or which the worker is capable of performing, or on the organisation of the workroom. It has, therefore, become necessary for the inspector to interview practically every worker employed, with a view to ascertaining the rate applicable, and many difficult questions of interpretation arise (e.g., in Retail Bespoke Tailoring, whether a worker is employed on "the constructional parts of coats"; in Dressmaking what constitutes the "general supervision of the fitter or forewoman"; in Coffin Furniture whether a worker is "an expert in all processes").

The rates fixed are not always stated hourly rates, e.g., in the milk distributive trade, the worker's wage is payable for the "hours customarily worked by the class in question," and the rate varies accordingly. Differential district rates have been fixed in certain trades, and the inspector has to determine the category to which the establishment belongs. In several trades different rates have been fixed for learners and apprentices, and the inspector should make careful enquiries into the exact conditions under which young workers are employed, in addition to the usual investigation of facilities for learning the trade.

The inspector is called upon to obtain signed statements from all workers underpaid in cases where any doubt exists as to the accuracy of the time records, the worker's age or previous experience, the proportion of time spent on work within the scope of the rates, etc. All previous experience in such cases has to be verified, and evidence thereof obtained in writing. In addition, a true copy of the wages book must be taken from the date when underpayment first occurred. It might be noted that owing to the frequent changes in the rates it has become necessary to inspect the wages paid at several different periods in order to see that compliance has been prompt and complete. It has been decided, however, shortly to confer on trained officers certain discretionary powers which should materially lighten the work of enforcement.

It should also be stated that under both the 1909 and 1918 Acts the inspector may have to decide who is legally the employer of the worker in question, whether a girl is a learner or a *bond fide* pupil, whether a tailor is a journeyman or a sub-contractor, and many other difficult points on which he should be able to give the employer guidance.

(ii) *Overtime Rates.*—Overtime rates are now enforceable, and these involve consideration of wages paid for work done on public holidays in addition to those paid during normal periods. In some cases it is possible for as many as three different overtime rates to accrue in one day (e.g., Milk Distributive trade).

(iii) *Permit Cases.*—Where application has been made by an employer for a Permit of Exemption in respect of any worker suffering from some physical or mental infirmity, or where the Inspector judges

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that such application might be made, very careful investigation is required. The Inspector has to guard against exploitation on the one hand and dismissal on the other. It is necessary for him to report fully on the comparative productive value of the worker concerned in order to secure that this shall as far as possible be represented by the wage proposed. In cases where mental deficiency is the grounds for the application, the enquiry necessitates very tactful handling, and it is often advisable to interview the relatives of the workers before arriving at any conclusion. Permit case investigations are often complicated by the fact that the statements of employer and worker as to the latter's capacity are at variance, and it rests with the Inspector to state what reliance is to be placed on the evidence.

It should be noted, however, that whereas it was previously the custom for the Inspectorate to report on all Permit applications, the majority of these are now investigated by the Administrative Committee of the various Trade Boards, and only cases of special difficulty are referred to the Inspectorate. The Inspectorate continue, of course, to report on permit cases discovered in the course of inspection.

It will, therefore, be appreciated that even in the case of firms employing time workers only, the Inspector needs to show considerable technical knowledge. At any moment he may come upon a case of infraction so serious that the question of proceedings must be considered, and he is almost invariably required to take decisions and give opinions on matters with which no one who is not thoroughly acquainted with the trade is competent to deal.

(iv) *Piece-Rates (a) Indoor Workers paid on a Piecework Basis Time Rate.*—The piece-rates paid must be such as to enable the ordinary worker, "in the circumstances of the case," to earn not less than the Piecework Basis Time-Rate. Enquiry into the yield of piecework rates usually takes the following lines:—The workers are first sorted into several groups according to occupation (*e.g.*, trouser finishers, vest machinists, etc.). Then a rapid analysis of earnings is made by marking each case where earnings fall below the basis rate. All workers whose earnings appear to be unsatisfactory are questioned as to their age, experience, health, capacity, etc., and the head of the workroom is asked to furnish evidence on these points. Workers determined by reason of age, inexperience, ill-health, lack of diligence, slowness, etc., to be sub-ordinary are ruled out of consideration. Workers are then graded in order of earning power, and the worker next above those considered to be sub-ordinary is normally taken to be the "ordinary" worker.

The facts so obtained, taken in conjunction with the earnings of the workers, often enable an agreement to be arrived at between the employer and the Inspector as to the earnings of the ordinary worker, and consequently as to the deficiency in the piece-rates. Should an agreement not be reached, the yield of the rates may sometimes be more clearly determined by—

- (a) the use of comparative evidence, with the necessary precautions to ensure that the work performed is identical and the "circumstances of the case" similar;
- (b) the carrying out of tests on workers judged to be "ordinary" with a view to determining the exact yield of the rates under suspicion.

This is only possible where a very limited number of rates are supposed to be inadequate. Where a large variety of rates are in operation, it is sometimes possible from examination of the pieceworkers' books and from the evidence of the workers themselves to select one or two which show a lower yield than the others, and to make tests on these. If all the piece-rates in operation show an approximately equal yield it will probably be necessary to assess arrears on a per-

centage basis, taking the ordinary worker's earnings as the standard (*e.g.*, if the Piecework Basis Time-rate is 8d. per hour, and the ordinary worker earns 7d. per hour, arrears would be assessed at one-seventh of the total earnings of each worker).

Tests are usually carried out under the joint supervision of the employer and the Inspector on workers mutually agreed to be "ordinary." They are arranged to cover as long a period as possible in order that the factors of fatigue, time lost in changing from one lot of work to another, preparation of work, etc., may receive due consideration. When the times taken on tests have been carefully noted and the yield of the rates ascertained, comparison can often be made with the yield as shown by the earnings of the same workers over a period. This can, however, only be done when reasonably accurate time records are kept. It will be appreciated that the conduct of the tests and the measurement of the results is a difficult matter, and one which requires considerable tact and sound judgment on the part of the Inspector.

As the result of an investigation of piece-rates it may happen—

- (a) that the employer will increase his rates without altering the conditions of work; or
- (b) that he will meet the situation wholly or in part by an alteration in the organisation of the workroom.

A piece-rate inspection very commonly brings to light conditions which are capable of modification, so that in the altered "circumstances of the case" the piece-rates previously found to be inadequate may prove to be satisfactory.

It has often been necessary to investigate such conditions as the following:—

- (a) Waiting time owing to bad distribution of work, lack of balance among groups of workers, or insufficiency of work;
- (b) whether workers fetch and carry for themselves, divide their own bundles of work, receive the work properly prepared, etc.;
- (c) whether the machinery is in good working order;
- (d) whether lighting, heating, etc., are adequate;
- (e) whether "dead horse" exists, *i.e.*, the completion in a succeeding week of work given out and paid for in a previous week;
- (f) whether workers' earnings are subject to deductions,

and many other circumstances of factory organisation.

Under the Act of 1909, the General Minimum Time-rate was also the Piecework Basis Time-rate, and was, moreover, the same for all workers, as the Boards did not exercise to any considerable extent their power to fix rates for different classes of workers.

Since 1918, it has sometimes become necessary to ascertain the age, experience and exact occupation of every pieceworker, owing to the fact that the Piecework Basis Rate may vary according to age and experience (*e.g.*, in the Retail Bespoke Tailoring Trade) or occupation (*e.g.*, in the Perambulator Trade). It should again be stated that this is not in consequence of any new provisions of the Act of 1918, but is due to a fuller use of an already existing clause of the Act of 1909. This entails more detailed analysis and grouping of the workers concerned. The guaranteed time rate involves special inquiry and raises the question of permits of exemption for pieceworkers. Overtime rates for pieceworkers are fixed on varying bases, and may be payable on either the piecework basis time rate or the general minimum time rate. Special overtime rates for juveniles exist in certain cases.

It should again be noted that frequent changes in the rates involve an examination of piecework

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earnings during several different periods, and as it is the invariable practice to take an average over not less than three weeks, the resultant clerical work may be very considerable.

The difficulty of piecework inspection at the present time is very much enhanced by the fact that the yield of piece rates tends to approximate more closely to the minimum than was formerly the case. Where the only basis rate was the general minimum time-rate, the pieceworkers usually earned considerably in excess of this. Now the level of earnings of the ordinary worker more frequently hovers round the border line and accordingly needs more careful investigation. During the present trade depression, shortage of work produces abnormally low pressure in the workroom, and the task of judging whether the rates are adequate or not becomes increasingly difficult.

(iv) *Piece Rates: (b) Home Workers paid on a Piecework Basis Time-rate.*—Home workers are always employed on piecework, as no supervision can be exercised over them by the firm, and consequently their hours of work cannot be known and no payment by time-rates is possible. They are frequently engaged on work which is not done indoors, and in such cases comparative evidence is seldom available. When enquiring into the yield of piece rates to home workers, the Inspector is met by great difficulty in determining the "ordinary" worker. The worker has often lost the habit of rapid and concentrated work, is subject to constant interruptions, and can seldom work for long periods. Moreover, a large proportion of home workers are elderly, poor in health, or otherwise sub-ordinary, or, in the absence of factory experience, adopt slow and old-fashioned methods of work.

It is the officer's duty in those circumstances to judge whether the worker is working at an ordinary speed, and is possessed of a reasonable degree of efficiency. Finally, it has to be borne in mind that in dealing with home workers the "circumstances of the case" are often adverse, e.g., the worker has to use a small table instead of a bench, or a treadle machine instead of a power machine, and is without the normal factory equipment.

As it is impossible for the employer to keep time records in respect of home workers, it is necessary, where comparative evidence is not available, for the Inspector to carry out tests. For the reasons given above, this is a difficult matter, and especially so from the fact that the "circumstances of the case" and methods of work often differ considerably from one home worker to another. It is inevitable that the home worker should know that she is being tested, and her output may vary in consequence, so that in order to arrive at a fair estimate of the yield of the rates it becomes necessary to test as many workers as possible. In spite of these difficulties a great deal of work (e.g., Lace Finishing and Irish Embroidery) general minimum piece rates have been fixed as the result of numerous and careful tests made on home workers.

During the second period, it has in certain trades (e.g., Retail Bespoke Tailoring) become necessary to ascertain the age and experience even of home workers, as the piecework basis time-rate applicable may depend upon these factors. In certain cases (e.g., Retail Bespoke Tailoring home workers working on the "log") the times taken to complete the various garments are too great to allow of a personally supervised test, and the Inspector has to be possessed of very considerable technical knowledge before he can fairly test the value of the rates in force.

(iv) *Piece Rates: (c) Workers paid on General Minimum Piece Rates.*—In certain trades (e.g., Boot and Shoe Repairing, Brush and Broom, Fur, Hair Bass and Fibre, etc.), general minimum piece rates have been fixed, and in such cases the Inspector's duty is to compare the prices paid by the firm with those set out in the Trade Board Determinations. As

a great variety of piece rates has been fixed, this comparison is often a difficult matter. A slight difference in the specification of the work may make a particular piece-rate inapplicable, and it is inevitable that instances should frequently arise for which the list of general minimum piece rates fails to provide. In such cases the piece rates have to be judged by their adequacy to yield the piecework basis time-rate to the ordinary worker.

It will be observed from a study of the general minimum piece rates already fixed that, in order to see that there is compliance, a technical knowledge of the processes described is essential, and very careful inquiry into the methods of payment adopted by the firm is required.

(v) *Payment for Waiting Time.*—It is also obligatory, under the Act of 1918, for payment to be made for waiting time in the case of piece-workers, on a time-rate basis. The assessment of the amount of waiting time involves very careful enquiry, and the exact amount is often exceedingly difficult to estimate. This is particularly the case during periods of trade depression, when workers may be present on the employer's premises at their own desire and without the employer's express consent.

(D) Questions of Interpretation.

Another serious problem arising is the increasing difficulty in giving an employer guidance on questions of scope.

Definitions of trades may be such that a workshop is covered by more than one Board, and cases sometimes arise where one worker is entitled to rates fixed by several different Trade Boards. Examples of this are:—

- (1) A worker employed by drapery firm on alterations to ready-made tailored and non-tailored garments for female persons will come under rates fixed by the Wholesale Mantle and Costume and Dressmaking and Women's Light Clothing Trade Boards.
- (2) A coat maker, making ladies' and men's coats, both retail bespoke and for stock, will be entitled to rates fixed by the Retail Bespoke Tailoring Trade Board, the Ready-made and Wholesale Bespoke Tailoring Trade Board, and the Wholesale Mantle and Costume Trade Board.

Those instances occur more frequently in the clothing trades than any other. A more unusual instance outside these trade is that of a worker in a textile firm who may weave on the same loom webbing made from flax with hemp, jute with hemp, wool with hem, jute with cotton, and pure cotton. This worker may therefore come at various times within the scope of the Jute Board and the Flax and Hemp Board, and for part of her time will be engaged on work not within the scope of any Board.

The tendency recently has been to include within the scope of the rates such ancillary occupations as warehousing, portering and packing, the investigation of which often leads to very complicated questions of scope and interpretation. For instance, it may be very difficult to determine the rates due to the warehouse and factory staff of a firm which weaves damask, thus coming under the Flax and Hemp Trade Board, and also makes it up into household goods—work to which the rates fixed by the Linen and Cotton Handkerchief and Household Goods Trade Board apply.

(E) Other Points Arising in the Course of Inspection.

In addition to the inspection of notices, records and wages, which is always necessary, the Officer may be required to investigate infractions in other respects.

Inspectors have had occasion to deal, among other things, with such matters as:—

- (a) the production of false wages and time records;
- (b) the production of false receipts for arrears of wages;
- (c) the concealment of workers;

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- (d) the giving of false information and the incitement of workers to give false information;
- (e) collusion between employer and worker with regard to underpayment;
- (f) refusal to supply information and other obstructive tactics.

(F) *Proceedings Cases.*

From 1915 to 1920 Inspectors, in addition to undertaking the whole preparation of cases for proceedings, laid informations, made out summonses and conducted their own cases, including a number which presented considerable difficulties (e.g., the prosecution of a firm for aiding and abetting a sub-contractor to underpay, for procuring agents and workers to give false information, proceedings taken on piece-rates paid to outworkers, etc.). In several of these cases counsel was employed for the defence.

Since 1920 the actual conduct of cases has been in the hands of the Solicitor's Department of the Ministry, but officers still carry out most of the preliminary work, including the drawing up of summonses and the laying of informations. Thereafter they act as prosecutors on whom the principal burden of proof lies.

SECTION B.

(1) Numbers and Organisation of Inspectorate, 1911-1921.

(2) Recruitment and Training of Trade Board Inspectors.

(3) Classification of Work of Inspection (Complaint, Routine, Permit, etc.).

(4) Output of Inspectors.

(5) Proportion of time allotted to different types of Inspection.

(6) Specialisation of Officers according to Trades and Localities.

(7) The possibility of Pooling Government Inspectorates.

(8) The necessity for the continuation of Inspection.

(9) Attitude of Employers and Workers towards Trade Boards.

SECTION B.

Introduction.

In view of complaints which have been made, since the passing of the 1918 Act, with regard to the quantity and quality of Trade Board Inspection, the following statement has been prepared which deals with the past and present numbers and organisation of the Inspectorate, the claims made upon it, and its ability to meet them.

(1) *Numbers and Organisation of Inspectorate, 1911-1921.*

A. Numbers of Inspectors.

(i) *Period I, 1911-March, 1920.*—During this period the Inspectorate was full time on Trade Board Inspection and was controlled from and housed at the Office of Trade Boards:—

1911-12	...	4 Officers	Under the control
July 1914	...	9 "	of the Board of
July 1915	...	12 "	Trade.
July 1917	...	10 "	Under the control
July 1918	...	9 "	of the Ministry
July 1919	...	9 "	of Labour.

(ii) *Period II, March 1920, to date.*—In March, 1920, the Inspectorate was transferred from the Office of Trade Boards to the Headquarters of the Ministry of Labour, and at about this period arrangements were made for utilising the services of certain Officers of the Employment Department on Trade Boards work.

17 officers housed at Headquarters and the remainder in Provincial Centres.	July, 1920.	34 Officers	For analysis of this figure see Appendix II.
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All Officers housed at Headquarters with the exception of 9 based in Provincial Centres.	July, 1921.	28 Officers.	
	Sept., 1921.	36 Officers.	(8 of these are still in training.)

In Appendix II, is shown the number of Inspectors at different periods compared with the number of firms known to be covered by the Trade Boards Acts. It will be seen that whereas in July, 1919, the number of firms per Inspector was 1,408, this increased in 1920 to 2,818, and at the present time stands at 4,966. This figure is based upon those trades in which minimum rates are already operative, and it would be increased to approximately 8,500 if there were included firms covered by Trade Boards which have no rates in operation.

B. Organisation and Duties of Inspectorate.

Period 1 (A) under the late Chairman, Mr. Ernest Aves, 1910-1917.—At this time the Trade Board Inspectorate consisted of a small number of permanent Officers engaged full time on Trade Board work. These Officers were under the immediate control of the Chairman who, at that time, acted as Chairman to all the existing Boards, of which there were eight English and five Irish.

During this period the Chairman, Secretary and Inspectorate were responsible subject to the direction of the Board of Trade, both for Inspection and Enforcement, i.e., the work of considering what action should be taken on an Inspector's report which revealed infraction. At this time the work of enforcement carried on from headquarters was considerably less than is the case at the present time, owing to the policy of allowing Officers to settle a number of the simpler cases of infraction at the time of making the inspection. The enforcement action on cases not settled on the spot was dealt with by correspondence from headquarters. At first, one senior, and later, one senior and one junior, Officer were engaged on this work. Only the most serious cases were considered with a view to proceedings. These were referred to the Labour Department of the Board of Trade up to 1917, and subsequently to the Trade Board Branch of the Ministry of Labour. Where legal proceedings were taken they were conducted up to 1915 by Solicitors acting as agents of the Board of Trade and thereafter by the Inspectors.

In addition to the ordinary work of inspection, Officers at this time were also called upon—

- (1) to hold meetings of workers at factories in order to explain the provisions of the Trade Boards Act, and to obtain workers' representatives and candidates for the workers' sides of Trade Boards;
- (2) to interview nominees of Trade Unions, etc., for workers' representatives and report on their suitability;
- (3) To make special enquiries at the request of Trade Boards including those involving the suggestion of general minimum piece-rates.

During this period, the Inspectors were not decentralised but were housed at the Office of Trade Boards working by tours from headquarters. Officers were not specialised in their work except in the more technical trades, e.g., Chain, Lace and Irish Embroidery. The specialised Officers not only carried out all inspections but also made the investigations on which the Board subsequently fixed general minimum piece-rates, and attended the bulk of the Trade Board meetings in a consultative capacity.

No statistics are available as to the number of complaints received during this period. From 1911-1915 inspection was on complaint only, but from 1915 with the increase in the Inspectorate much of the inspection undertaken was routine work. An Officer would visit a certain town on complaint cases and would take with him lists of the firms in that town coming under all or several Trade Boards. Having investigated the complaint the rest of his time would be spent on routine inspection.

A general routine inspection throughout the country was usually undertaken when a new trade was scheduled under the Act, e.g., the Sugar Confectionery trade at the close of 1915, an endeavour

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being made to cover as big a section of the trade as possible for the purpose of explanation and inspection. Moreover at this period no firm which had already been inspected and found not to have complied with the requirements of the Trade Boards Acts, in however small a degree, would be left without a further visit for more than nine months. Firms showing compliance were generally marked "For Re-inspection" in 12 or 18 months (according to size) and firms showing infractions in 3 to 9 months (according to the degree of non-compliance).

Period 1. (B), 1917 to March 1920.—After the death of Mr. Ernest Aves the policy of having one Chairman was abandoned in favour of appointing a number of chairmen for the various Boards. The Secretary was then made Chief Executive Officer in addition to acting as Secretary of the Boards, and took over at the same time the control of the Inspectorate.

During the period 1917 to 1919, the numbers of the Inspectorate decreased from 12 to 9, as Officers left either on marriage or to take up work in other departments. At the time, therefore, of the large increase in the numbers of trades coming under the Trade Boards Acts, due to the passing of the 1918 Act (11 new Boards being set up in 1919 alone), the number of trained Trade Board Officers on the actual work of inspection was very small, only six remaining of the original twelve. On these Officers fell all the work of learning the technicalities of new trades, investigating a steadily increasing number of complaints and training fresh Officers appointed during 1920.

In March, 1920, the Inspectorate was removed from the Office of Trade Boards to the headquarters of the Ministry of Labour and was placed under the control of a member of the old Trade Board Inspection Staff, who held the title of Deputy Chief Executive Officer.

Period 2 (A), March, 1920 to July, 1921.—At the time of the transfer to the headquarters of the Ministry of Labour the bulk of the Inspectorate was still only semi-trained. Four of the six fully trained Officers of the old staff were at this period engaged for 75 per cent. of their time in reading and criticising the reports of the junior Inspectors and taking the latter out for training on the more difficult cases wherever possible.

Owing to the semi-trained nature of the Inspectorate and the steadily increasing number of trades coming under the Trade Boards Acts, it became necessary at this period to lessen the responsibility of individual officers. Instructions were accordingly given that no Officer was to settle any case out of hand at the time of inspection, all cases of infraction being prepared with a view to consideration of proceedings at headquarters. By this means it was ensured that junior officers should inspect only and should neither assume any of the work of enforcement nor take any decision on policy.

The work of enforcement was at this time in a transitional period prior to being separated altogether from the work of inspection. It was undertaken in part (*i.e.*, summarising cases for proceedings, etc.) by the senior Inspectorate engaged on reading and criticising reports of the junior Inspectorate, and in part, *i.e.*, the drafting of letters, etc., by a separate staff.

Shortly before this date it had been decided to make use of Employment Department Officers on Trade Board work in order to assist the regular Trade Board staff with the over increasing bulk of work. These Officers were under the disciplinary control of the Divisional Controllers of that Department, and were engaged partly on Trade Board work and partly on Appeals or on Unemployment Insurance work. They did not, however, combine Trade Board and Unemployment Insurance work in one inspection. Some of these Employment Department Officers came to the Trade Board headquarters for training, which nominally extended over a period of nine weeks. This period was only long enough to give them a

general grounding in the methods of inspection. It was found impossible, however, to give them longer training, owing to the small number of the old Trade Board staff available for training purposes, and the number of Employment Department Officers to be trained.

Other Employment Department Officers (under 30 in number) received no training at headquarters, but were engaged either on the simpler cases, or on preliminary investigation to be completed by those Officers who had received training at headquarters, and had returned to their Divisions to undertake a certain percentage of Trade Board work.

The Inspectorate, therefore, at this period fell into four divisions:—

- (1) The old Trade Board Inspectorate stationed at headquarters, engaged on special enquiries, training junior Officers, more difficult inspection cases, and work of criticism on junior Officers' reports, with recommendations as to enforcement.
- (2) Junior Trade Board staff, stationed at headquarters, but working also in the provinces; engaged entirely on inspection, reporting all infractions with a view to consideration for proceedings, but not calling personally for arrears or taking any decisions on policy.
- (3) Employment Department Officers trained at headquarters, and stationed in the provinces; working under the control of the Divisional Controllers of that Department, only part time on Trade Board work, but undertaking all kinds of inspection, as in the case of the junior Trade Board staff.
- (4) Employment Department Officers not trained at headquarters, stationed in the provinces; working under the control of their Divisional Controllers; only part time on Trade Board work, and only undertaking the simpler cases of time wages or making preliminary investigations for the Employment Department Officers in their Divisions who had been trained at headquarters.

It was found that the work of these untrained and of some of the semi-trained Officers was generally of little value to the Department; the impression created on the public by untrained Inspectors is always a bad one, and a Department may sometimes find itself in a different position as a result of the action taken by such Officers.

Period 2 (B) from July, 1921, to the present date.—In July, 1921, a reorganisation of the Inspectorate took place.

An Acting Chief Inspector was appointed with three deputies—

- (1) an Officer in charge of Enforcement, namely, the action taken by the Department on an Inspector's report.
- (2) an Officer in charge of Special Enquiries (*see* evidence submitted by Mr. Counsell) with two Inspectors working under his direction;
- (3) an Officer in charge of Non-Compliance Inspection with a number of Inspectors (varying from 28 to 32) working under her direction.

In September, 1921, the scheme of using Employment Department Officers part time on Trade Board work was abandoned, but nine of those Employment Department Officers who had shown considerable aptitude for the work were either loaned or transferred to the Trade Boards Department. These nine Officers ceased to be controlled by their Divisional Controllers, but were made directly responsible to headquarters, although remaining localised in their Divisions. Henceforward they were employed full time on Trade Board work. It was found, however, that the work of these nine Officers was naturally not equivalent to the work of about 40 Employment Department Officers employed part time on Trade Board work, and consequently in November, 1921,

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when the public criticism directed against Trade Boards resulted in a slackening of investigation in the trades in which it was suggested that Trade Boards might be set up, eight Intelligence and Statistics Department Officers (temporary), previously employed on this work, were transferred to the Trade Boards Division, and are now in course of training.

(2) *Recruitment and Training of Trade Board Inspectors.*

Among the complaints recently made as to Trade Board Inspection some have been directed to the employment of an untrained and unqualified staff.

(a) *During the earlier period* Trade Board Officers were possessed either of University education or of special technical or industrial qualifications. In most instances the competition for these posts was keen. Moreover the men and women received the same salaries and undertook work of the same responsibility. Inspectors at this time had certain discretionary powers in settling cases out of hand without reference to headquarters, and thus performed a percentage of the enforcement work of the Department at the time of inspection.

(b) *During the second period.*—After the passing of the 1918 Act, however, and the setting up of a number of new Boards fixing a variety of specialised rates, a considerable change took place in the position of the Inspectorate. Only six of the old trained staff were available for training new staff, and the allocation of Employment Department Inspectors to Trade Board work presented a number of difficulties, and was by no means altogether successful for the following reasons:—

- (1) Most of the Employment Department Officers loaned to the Trade Board Department were originally recruited for Unemployment Insurance inspection on an entirely different basis from the old Trade Board staff.
- (2) The period of training was far too brief for the increasing complication of the work, but the pressure of work both in the provinces and at headquarters made a longer period of training impracticable.
- (3) The number of senior officers was insufficient to undertake the work of training, six only being available, of whom two were frequently engaged on special enquiries for the Boards and consequently were not available for training purposes.

Moreover, it should be borne in mind that the advent of these officers coincided not only with the setting up of a number of new Boards covering in some cases trades requiring special technical and industrial knowledge which the Trade Board Inspectorate had yet to acquire, but also with a considerable increase in the number of infractions revealed as a result of inspection.

About 50 per cent. of the Employment Department officers either sent up for training or trained locally on Trade Board work proved capable of handling the more difficult cases. Of the remainder some retired voluntarily and others were re-transferred to the work of their own Department. Of officers competent for this kind of work as many as could be spared from their own work were taken over entirely by the Trade Boards Department at the time of the re-organisation of the Trade Board Inspectorate on the lines of the Majority Report in November last.

The employment of untrained officers on Trade Board work proved:—

- (1) the inexpediency of employing any but fully trained officers on Trade Board Inspection for the following reasons:—

(a) It is impossible before the inspection is made to differentiate between simple and difficult cases, as points may arise during any inspection which require the knowledge of a trained officer;

(b) even in cases which have been classed as preliminary investigations the

employer is likely to put questions of interpretation to the Inspector, which, unless he is fully trained, he will be unable to answer;

- (c) every inspection which is undertaken may reveal infractions which necessitate the preparation of a case with a view to consideration of proceedings, which an untrained officer would be unable to undertake. To suspend the case until it can be taken over by a fully trained officer involves delay which is both irritating and unfair to the employer, who, during the period of delay, may be incurring an increasingly heavy bill of arrears.

- (2) The necessity for a very careful recruitment of Officers whose visits may involve changes in the economic basis of an employer's business and whose recommendations are certain to be subject to very careful scrutiny both by the employer and by the Department. Officers employed on this work should not only be able to obtain the confidence of the employer and be fully cognisant of all aspects of Trade Board Inspection but should also be possessed of considerable knowledge of the organisation of the trades concerned.

(3) *Classification of Work of Inspection.*

(a) *Complaints.*—Complaints as to non-compliance under the Trade Boards Acts, are referred to the Trade Boards Inspection Section at the Ministry of Labour. These may be received from the Office of Trade Boards, from other Government Departments, by letter or by personal visit.

Complaints are graded on the following lines:—

Grade (a).—Specific complaints from Employers' and Workers' Associations in respect either of the whole of a firm's employees or of special groups of workers.

Grade (b).—Specific complaints from any source relating to the wages paid to individuals.

Grade (c).—Non-specific complaints, anonymous complaints and re-visits (carried out only where circumstances of exceptional gravity have arisen on previous inspection).

(b) *Routine Inspections.*—During the period October to December, 1921, a number of Boards have written to the Ministry of Labour requesting urgent routine inspection of firms in their respective trades. So far it has only been found possible to accede to these requests in the case of the Chain and Fur trades. Any diversion of staff on to routine inspections is necessarily at the expense of the investigation of specific complaints which may either have to be scrapped or investigated after an unduly long delay.

(4) *Output of Inspectors.*

Comparable statistics do not exist to show the average number of inspections carried out by an Inspector during the early years after 1909 and during the years since 1918. It is clear, however, that the Inspectors' output in terms of Firms inspected has decreased substantially, probably by as much as 50 per cent.

The decrease is held to be due to the following reasons:—

- (i) The necessity for mastering the technicalities of a number of new trades;
- (ii) the increasing complication of the determinations involving a considerable additional expenditure of time on each inspection. (See Section A.)
- (iii) the larger proportion of firms found to be avoiding their obligations, owing, among others reasons, to:—
 - (a) trade depression;

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(b) failure of a large number of the smaller employers in the trades now coming under the Trade Boards Acts to receive Notices, e.g., in the Dressmaking and Millinery trades, resulting in a big percentage of cases of infraction due to *bona-fide* ignorance. Similar cases arose in the earlier trades scheduled, ignorance of rates at one time being very prevalent among tailoring sub-contractors; but such cases were proportionately much more numerous in the trades scheduled since 1918.

(c) The large percentage of small country employers covered by new trades who entirely failed to realise the meaning of compulsory regulation of wages.

(iv) The necessity for preparing almost every case of infraction, other than trivial, with a view to the consideration of proceedings;

(v) The fact that a considerable proportion of the staff is as yet not fully trained.

(N.B.—Both (ii) and (iv) above impose upon the officer a very large amount of clerical work which now absorbs a serious proportion of his time.)

(5) *Proportion of Time Allotted to Different Types of Inspections.*

(i) *Complaints.*—At present any allocation of officers to routine work entails either the deliberate scrapping of a certain number of complaints or so serious a delay that the position may have altered materially by the time the inspection is made. In practice this results in a policy of giving preferential treatment to complaints.

(ii) *Routine Inspections.*—It is frequently the case that on presentation of the annual report on inspection to any Trade Board a reply is received complaining of inadequacy of inspection and demanding prompt and general routine inspection. Such complaints are no new thing as the Trade Board staff has never been adequate to perform the duties required of it, but as is natural the disparity between the size of staff and the amount of work required to enforce the determinations of the existing number of Trade Boards has become much greater.

As already stated it was previously the general, although not the universal custom of the Department to make a general routine inspection in a trade newly brought under the Trade Boards Acts. During the past two years this has been found impracticable as a general policy, although experience has shown that when such a routine inspection has been undertaken (e.g., Sugar Confectionery, Tobacco, Laundry, Coffin Furniture and Hair, Bass and Fibre trades), a very salutary effect has been produced on the trade as a whole.

In certain trades investigation of wide general complaints (e.g., that the rates fixed by a certain Trade Board are being evaded in a specified town or area) have brought about inspection approximating to routine, although not as widespread as would be the case in a general routine inspection in which a number of inspectors in different areas participated.

It is also a very frequent source of complaint by employers that one firm in a town may be visited on a complaint but that no inspections are made of competing firms in the same trade. This may place a single firm at a very serious disadvantage. It is often known that non-compliance in a certain area is more or less general, but owing to the urgent nature of specific complaints, the inspector is unable

to make the routine investigations which are necessary both in justice to the workers and to those employers who have either been singled out for inspection or have complied voluntarily with Trade Board requirements.

(iii) *Permit Investigations.*—During the earlier period the inspectorate investigated all permit cases. Later, owing to the inadequacy of the Trade Board inspectorate, a certain proportion of cases have been investigated by members of the Administrative Committee of the Trade Board concerned, the remainder being dealt with by the inspectorate.

The Trade Boards are now being informed that only cases of special difficulty should be submitted to the inspection section, and that unless visits could be guaranteed in such cases within a period of two months they would be returned at once to the Trade Boards for action by the Administrative Committee of the Board. This policy was adopted owing to the fact that visits on permit cases were considered uneconomical with the small staff available when, as was often the case, long journeys were made and considerable time expended in order to investigate the economic value of a single worker.

(6) *Specialisation of Officers according to Trades and Localities.*

During the earlier period officers were all working from headquarters, and might be called upon to make inspections in any trade to which the Trade Boards Acts applied, with the exception of the Chain, Lace Finishing and Irish Embroidery trades. These latter were regarded as technical trades, and certain officers were trained to conduct all the inspections connected with them. Moreover, these trades were localised so that the officers in question were able to work for considerable periods from local centres.

At the present time, with the exception of eight employment department officers, with their headquarters at Edinburgh, Glasgow, Manchester, Newcastle, Leeds, Doncaster, Cardiff and Plymouth, the whole of the Trade Board inspection staff is stationed at headquarters. It has up to the present been found impossible to achieve further decentralisation owing to the lack of sufficient responsible trained officers to take charge of decentralised staff. It is necessary to maintain at headquarters a nucleus of experienced officers to undertake specially difficult work and to train new officers. It is felt, however, that in the near future a greater measure of decentralisation may be possible, and also that it may be advisable to allocate certain officers to definite groups of trades in which they have been given the opportunity to acquire expert knowledge. This is considered as specially necessary in view of the increasing number of trades concerned. It is felt to be unreasonable to expect any officer to have a thorough knowledge of all the scheduled trades. Officers might receive training in one of a series of groups of trades, e.g., clothing trades, textile trades, metal trades, distributive trades, &c., so that at a future date each local area might have the services of a number of industrial experts. It is felt, however, that the present staff is too small to allow both of decentralisation and of specialisation.

(7) *The Possibility of Pooling Government Inspectorates.*

It is understood that a number of witnesses in giving evidence before the Committee have suggested that, in the interests of economy and efficiency, there should be a pooling of the services of the different inspectorates, e.g., the combination with Trade Board inspection of one or more of the following:—

Factory inspection.

Health inspection.

National Health Insurance inspection.

Unemployment Insurance inspection.

There are three main reasons why it is felt that this is not a practical solution of the difficulties arising

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from the present inadequacy of Trade Board inspection:—

(1) *The difficult and technical nature of Trade Board work.*

It has been found in practice that an officer cannot be considered fully competent until he has had several years on Trade Boards work. It is understood that the same applies to factory inspection, which also admittedly requires a high degree of specialised training, and considerable experience. The chief matters in which not merely training but experience are necessary are:—

- (a) Ability to advise on questions of interpretation and knowledge of opinions expressed on scope. (N.B.—There is a large and steadily increasing number of these.)
- (b) Technical knowledge of trades necessary to the enforcement of general minimum piece-rates.
- (c) Ability to conduct tests and in other ways to examine the adequacy of piece-rates in trades where no general minimum piece-rates have been fixed. It should be noted in this respect that length of experience is particularly valuable to an officer, as he can collect comparative information to be used in difficult cases.

It is felt that Trade Board work is sufficiently complicated to require further specialisation rather than the reverse. Even if the Trade Boards so simplified their determinations that inspection more nearly approached the work as carried out during the earlier period, this would still be the case.

(2) *The differing organisation of the several Inspectorates.*

Certain Inspectorates work mainly by areas and not by trades (e.g., Factory Inspectors), and this system, which is economical from the point of view of one Department, is uneconomical from the point of view of another. It would, for instance, be very difficult to combine rapid and widespread inspection, such as National Health Insurance, with the much more detailed Trade Board Inspection affecting certain trades only. Both would probably suffer by the combination.

It is moreover understood that Factory Inspection involves a high degree of technical knowledge on questions such as sanitation, machinery, conditions in dangerous trades, &c., which entail training for a considerable period.

National Health and Unemployment Insurance Inspection, moreover, cannot be efficiently carried out without a knowledge of several thousand Empire's decisions in the light of which particular cases must be decided.

It is felt that in order to make an officer proficient in more than one of the branches of inspection here discussed, the training required would be so long as to render the scheme impracticable with any persons not possessed of outstanding qualifications.

(3) *The difficulties of joint control of an Inspectorate.*

Officers would presumably be under the control of a number of Departments, which divided control does not tend to promote efficiency. This was found to be the case when Employment Department Officers still under the control of their Divisional Controllers were engaged partly on Unemployment Insurance and Appeals work and partly on Trade Board work. It is realised, however, that reorganisation might take place under such conditions that this difficulty did not arise.

(4) *Different methods of recruitment.*

Methods of recruitment differ very materially in the case of the Inspectorates referred to, and this may produce serious differences in the grade and qualifications of the Inspectors recruited. In the one instance where an experiment has been made in combining Trade Board work with another branch of inspection (i.e., Unemployment Insurance Inspection), officers have found the efficiency on Trade Board work could only be maintained if they were kept for the whole of their time on that work.

(5) *Length of visits of inspection.*

A Trade Board Inspection almost invariably occupies a considerable time, and may take several days. If one Inspector is expected to carry out two or three different kinds of inspection at the same firm, the visit would, it is felt, be unduly prolonged and the demands made upon the time both of employers and workers might be considered unreasonable.

(8) *The Necessity for the Continuation of Inspection.*

The question may arise whether, in view of the fact that so small a proportion of the firms covered by the Trade Boards Acts can be inspected by a staff of the size of the present Trade Board Inspectorate, it is worth while maintaining any official Inspectorate.

For the following reasons, it is felt that the existence of an inspecting staff, even though inadequate, is essential:—

- (a) It is often the case that the very fact of an Inspector's visit to one employer may lead other employers in the district to put their houses in order. This is particularly the case where the Department institute proceedings against a firm in respect of flagrant breaches of the Act. It is also certainly true that so long as an Inspectorate exists at all, the possibility of inspection leads to a considerable measure of compliance, e.g.
 - (i) The visit of an officer to one member of an Employers' Federation is generally communicated to other local members, with the result that they are led to expect inspection and prepare for it.
 - (ii) In provincial towns the knowledge that a Trade Board Inspector is abroad spreads very rapidly, and on a return visit to a district an officer often finds that a revision of wages in firms not previously visited dates from his first appearance in the town.
 - (iii) Workers often inform their trade union officials that an inspection of their firms has been made, with the result that these persons ask for interviews with the Inspector, in the course of which they not only obtain assistance and information about questions of interpretation, &c., but often lodge a number of complaints.

(b) Trade Boards apply to trades which are not efficiently organised and in which a large number of workers are without the protection of any union. Such workers are individually not in a strong enough position to make terms with their employer and to compel his compliance with the Trade Boards Acts.

(c) The trades concerned are largely those in which there is a preponderance of female workers and in which out-workers are employed to a substantial extent. There is in the case of these latter a special danger of exploitation.

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- (d) It is the experience of Inspectors that workers in many cases are either unable to understand the notices, even where they are displayed, or, although they may realise that they are being underpaid, they are afraid to make any complaint to the employer for fear of dismissal. This is particularly the case in times of trade depression when the fear of unemployment is general.

Sufficient reasons have already been given to support the contention that not only the maintenance of the Inspectorate, but also an increase in its numbers is desirable. It is felt that the 4 per cent. inspection hitherto possible with the existing staff, and still more the 2 per cent. inspection which is all that could be maintained under the same conditions, if rates came into force for the Boards which as yet have no operative rates, is quite insufficient to secure general compliance.

It should, however, be borne in mind that the longer a trade remains under a Trade Board, the more familiar do employers become with their statutory obligations under the Act and the less need is there for inspection, although trade depression is always liable to produce non-compliance in the lower end of the trade. The percentage of infractions in the trades in which Trade Board rates have been operative over some years is noticeably less than that in the trades recently scheduled. This is attributed partly to the more general knowledge and familiarity with the rates in operation and partly to the better organisation on the part of workers and employers which is calculated to ensure a higher standard of compliance.

(9) *Attitude of Employers and Workers Towards Trade Boards.*

a. *Under the Act of 1909.*—Generally speaking, there was no feeling of hostility towards the 1909 Act either among employers or workers. The employer welcomed the Act as supplying him with a fair basis for competition by eliminating the "sweater." The worker welcomed the Act as securing to him a basis rate below which he knew his earnings could not fall. Where hostility was found it was generally in the case of small employers such as tailoring sub-contractors who, through failure to understand Trade Board notices, had unwittingly incurred liabilities in respect of arrears of wages.

b. *Under the Act of 1918.*—It is felt that hostility towards the 1918 Act is chiefly confined to the owners of medium and small sized retail businesses.

The chief grounds of complaint as frequently expressed to the officers of the Department are:—

- (1) *That failure to receive Trade Boards notices has left the employer in bona fide ignorance of the existence of any minimum wage affecting his industry.*

The employer may not take in a trade paper, may fail to have seen any notice in the general Press, and may not have been on the Trade Board list for despatch of notices. The visit of an Inspector, therefore, may involve the employer in serious economic consequences.

- (2) *Inadequacy of Inspection.*

One employer may be inspected on complaint and as a result compelled to adjust his wages. Other competitive businesses against which no complaints happen to have been received are consequently not visited by the Inspector. The employer who has thus been compelled to put his house in order is left with a legitimate grievance which he often voices by protesting against the Act itself rather than more logically against its administration.

- (3) *Delay in reducing rates to correspond with the decrease in the cost of living.*

This is a fairly frequent source of complaint, but it should be borne in mind that the worker

had a corresponding grievance in the slowness of machinery for increasing rates at a time when the cost of living was steadily rising.

- (4) *Number, size and complication of Trade Board Notices.*

Some small employers find genuine difficulty in grasping the contents of many of the Notices applying to their businesses.

- (5) *Difficulty in deciding under which Trade Board a worker should be placed and of fixing the wages of a "border line" worker who may come under two or more Boards*

e.g., the case of a worker engaged in the workshop of a drapery establishment on making a woman's costume or coat-frock. The question arises as to whether the garment is "tailored" or "dress-made" and whether the worker should be paid retail bespoke tailoring or dress-making rates. What, in fact, constitutes a "tailored" garment?

- (6) *The variety of specialised rates and the difficulty of interpreting definitions.*

The terms used to define a special class of worker are often open to a variety of interpretations, e.g. (1) in the Perambulator trade, what constitutes "finishing," employment on which entitles the workers to a special rate. (2) In the Dressmaking trade, what constituted a "fully qualified bodice, skirt, gown or blouse hand" and enabled a worker to claim the special high rates set out for this class?

- (7) *The position of slow or incompetent workers.*

It is a fact that under the Act of 1918 certain retail clothing and distributive trades have been scheduled in which there is very little possibility of putting workers on piecework (e.g., Retail Bespoke Dressmaking, Retail Bespoke Millinery and Milk Distributive trades). This raises in a very much more acute form the difficulty of the slow or incompetent worker who is not a case for a permit of exemption. This difficulty can be met to a large extent in the wholesale trades by putting the worker on piece-rates. It is felt, however, that in the retail and distributive trades this class of worker may, to some extent, suffer. In many cases such a worker is in receipt of a rate of wages which admittedly represents his value to the employer, and he resents the enforcement of a rate which may result in his dismissal. This difficulty would be, to some extent, lessened if the ground for granting a permit, as set out in the Acts, were widened.

- (8) *The case of the sub-contractor.*

The difficulty of the employer who falls under the category of sub-contractor is a real one. It is felt that this type of employer has a genuine grievance in that, although compelled as an employer to pay his workers at not less than the Trade Board minimum rates, he himself, being a sub-contractor and not an employee, is left without any similar wage protection. The warehouse or firm for which he contracts is not compelled by law to remunerate him according to any minimum scale. In consequence, he may find his contract price cut to so fine a figure that, in order to make a reasonable profit, he is driven to run the risk of paying his workers at rates lower than those fixed by the Trade Board. Additionally, the principal employer, if so minded, may reduce his contract price in advance of any decrease in the Trade Board rates (i.e., on the issue of the Notice of Proposal) without the sub-contractor having any power to prevent him, although the reduction may eat up all, or the greater part, of his remuneration.

This difficulty is particularly felt in the case of the Lace and Tailoring Trades. Moreover the difficulty is accentuated when it is realised that the principal employer can only be forced indirectly to pay higher prices to the sub-contractor if it can be proved that the prices paid

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were such as to make the firm liable to legal proceedings for "aiding and abetting" the sub-contractor to commit a breach of the law. In practice this is not easy of achievement, although it has been done in the Lace trade where general minimum piece-rates are involved, in the case of Power v. Field.

This matter has been raised in evidence given by representatives of the Lace trade in the form of a request that Boards should have power to fix legal commission for middle workers. It might be noted that the problem is a much simpler one in trades where general minimum piece-rates exist, such as the Lace trade, than in others where only piecework basis time-rates exist, such as in the Retail Bespoke Tailoring trade.

For the most part complaints against the actual rates fixed are thought to be due, with certain marked exceptions, to general causes such as the universal trade slump and the condition of foreign exchanges, making competition from abroad in certain trades very keen, rather than to any belief that the Trade Board rates in themselves are too high.

The exceptions, however, to this are:—

- (a) Small employers very commonly complain that only the big firms are adequately represented on the Trade Board, and that those pursue a definite policy of squeezing out of the small man, e.g., Laundry, Dress-making, and Sugar Confectionery trades.
- (b) The very general protests in the retail sections of the Dressmaking and Millinery trades at the learners' rates as originally fixed. These were held to be such as to preclude the possibility of adequate training in a valuable handicraft trade.
- (c) Employers in rural districts often complain that a flat rate for the whole country acts inequitably; that rates which are both equitable and necessary in large towns hit the country districts very hard and cannot in fact be paid there, e.g., the Retail Bespoke Tailoring rates as applied to the small country tailor employing a few hands working on old-fashioned non-subdivisional methods and making garments for working-class customers.

In the two latter cases the force of these criticisms has been realised by the Trade Boards in question, who have taken steps to meet them.

STATEMENT handed in by MR. W. E. COUNSELL
(Officer appointed under the Trade Boards Acts in charge of Special Inquiries Section).

MEMORANDUM ON SPECIAL INQUIRY WORK.

(1) *Origin of Special Inquiries.*

In order that a Trade Board may carry out its functions with the greatest benefit to the trade concerned it is necessary that it should be able to command a considerable amount of information both as to the actual conditions prevailing in the trade and as to the probable or actual effects of any enactments which it may make.

It will be borne in mind that the trades scheduled under the Acts are generally those in which organisation is poor both among employers and workers, and consequently it may be difficult for either of these bodies to obtain information through their own Associations. It, therefore, becomes necessary that there should be at the disposal of the various Trade Boards persons who can obtain on their behalf all information necessary to them for the performance of their duties.

(2) *Organisation of Special Inquiry Work.*

Prior to the 27th July, 1921, this work was carried on by the senior members of the Inspectorate in conjunction with the general work of enforcement. From the above date, however, a separate staff consisting of three officers, drawn from the Inspectorate, has been appointed to carry out these inquiries and also undertake certain of the more technical cases of enforcement. Before 1919 it was the usual practice of Trade Boards before altering their determinations in any material particular, to ask that an inquiry be made into the effects which would be produced by such an alteration. Of late there appears to have been a revival of this practice.

(3) *Types of Special Inquiries.*

The majority of the Special Inquiries fall under the following headings:—

- I. Inquiries carried out with a view to the fixation of general Minimum Piece Rates either for indoor or outdoor workers.
- II. Inquiries carried out with a view to the fixation of Special Minimum Piece Rates for individual employers who have made application under Section 4 (5) of the Act of 1909.
- III. Inquiry carried out with a view to determining the hourly yield of rates (Category I or II) which have already been fixed but about which a conflict has arisen on the Trade Board as to their hourly yield to an ordinary worker. In such cases it is customary for the Board to postpone variation or other action on the rates until the Ministry has investigated the position and furnished a report.
- IV. The Ministry of Labour or a Trade Board may receive complaints that the operation of certain rates bears harshly on a particular class, either of employer or worker, e.g.:—
 - (a) Absence of rate differentiation between Retail Tailors' rates in respect of—
 - (i) good class Bespoke garments, and
 - (ii) low class garments worn by agricultural labourers.
 - (b) the high rates originally fixed for learners in the Dressmaking Trade, or that the rates fixed are bringing about a substitution of one class of labour for another, e.g.:
 - (a) female for male
 - (b) juvenile for adult, and
 - (c) outwork for indoor (factory) work.

or that an increase of wage rates beyond a certain point has an adverse effect on output.

(4) *Nature of information sought in Special Inquiry Cases.*

I. *General Minimum Piece Rates.*—These are often fixed after numerous tests have been made with a view to securing a uniform yield.

For the purpose of conducting these tests it is necessary in each case to:—

- (a) determine the output of "the ordinary worker"
- (b) weigh carefully all the "circumstances of the case" such as methods of work, materials used, tools, &c., as between one factory or workshop and another, to see that conditions are sufficiently alike to make comparisons possible.

(N.B.—The meaning of the phrases "ordinary worker" and "circumstances of the case" is more fully dealt with in the evidence on methods of inspection.)

II. *Special Minimum Piece Rates.*—The action to be taken in this type of case is that set out above for General Minimum Piece Rates, except that it is narrower in scope as only one establishment is involved. It is, however, very necessary to see that

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rates are not fixed which will either penalise the employer in question with his competitors or give him an unfair advantage.

111. *Inquiry into yield of General Minimum Piece Rates already fixed.*—Similar points to those set out in (I) are involved.

IV. *Inquiry into effects of Rates already fixed.*—(a) *Upon special classes of employers.*—In these cases it has been necessary to inquire into such factors as:—

Transport;
Fuel;
Competition, etc.

and to distinguish very carefully between effects produced by Trade Board rates and those due to other causes, such as trade depression, or some tendency already at work in a trade, such as a decline of Retail Bospoke Dressmaking in favour of the Ready-Made trade.

(b) *Upon special classes of Workers.*—An allegation may be made to the Ministry of Labour or a Trade Board that a rate is causing unemployment amongst a certain class of worker, e.g., the instance quoted above that learners' rates in the Dressmaking trade were affecting adversely the employment of young persons in that trade. An inquiry into a matter of this kind would entail the collection of statistics as to the employment of the class of worker in question at various dates, and an analysis of the causes leading to dismissals.

(c) *On other matters, such as output.*—An enquiry into output involves much more than the mere collection of statistics. Output may depend upon a very large number of factors in organisation, all of which would have to be explored before the true effects of any influence exercised by Trade Board rates on output could be ascertained.

It is pointed out that a special inquiry is not a collection of statistics but it is an inquiry into many very vital and difficult industrial questions. It is felt that the information supplied by the Ministry of Labour to the Boards as a result of these inquiries may have a very material effect in assisting them towards a policy whereby changes productive of hardship to the worker and sometimes disastrous to an employer, faced not only by home but foreign competition, may be avoided. The rates fixed in such a way tend to give the maximum benefit to the worker without injuring trade.

OTHER CLASSES OF WORK DEALT WITH BY THIS SECTION.

In addition to the above inquiries, the officers of this section conduct investigations (a) dealing with scope, and (b) into cases of non-compliance which frequently involve technical or other difficulties. These cases principally arise from

(a) Difficulties in interpretation of Trade Board orders.

(b) Enforcement by inspection and through agency of Federations.

(a) i. *Definition of Terms.*—It is sometimes necessary to supply Trade Boards with information which will enable them to give in their Determinations an exact meaning to terms commonly used in the Trade. The members of the Boards of course possess a wide and accurate technical knowledge of the trade phrases and customs, but in these cases it is necessary by a careful examination of typical establishments to ascertain the precise practical effect of the adoption of the particular definitions of trade terms.

ii. *Determination of scope.*—Complaints may be received which relate to firms whose trade is not clearly included within the scope of a Trade Board or General Minimum Piece Rates having been fixed, the Trade Board definition does not describe the character of the work sufficiently clearly to enable the rates laid down to be enforced. Cases sometimes arise in which it is not easy to determine the Trade Board within whose scope a particular group of workers fall, e.g., workers making men's cotton clothing (dungarees, etc.), which may be considered to come within the scope either of the Tailoring or Shirt Making Trade Board. As these cases may involve making recommendations for the revision of the Trade Board Notices

or definitions of scope they need careful investigation. Consideration of the definitions of some of the trades will show how closely dovetailed many of them are.

iii. *Investigation of Contract.*—It may be necessary to determine whether certain workers can lay claim as employees to Trade Board rates, or whether they are employed not by way of trade or for purposes of gain (e.g., workers mending foot-gear for boys in a training ship), or are not under a contract of employment (e.g., the inmates of an institution who execute laundry work either for the institution or for the public). Such matters as the distinction between employees and pupils, between family and ordinary contracts, between the position of journeyman, sub-contractor, and outworker, may come under review in this connection.

It will be observed that the above mentioned work bears materially upon compliance and is of considerable assistance in furthering the general work of inspection.

(b) In addition to special enquiry work the experience of officers in this section is utilised to deal with certain inspection cases involving technical difficulties.

It is interesting also to note the action of some Employers' Federations in associating themselves with the inspectorate in the work of enforcement. The action taken by these bodies has largely been confined to that of complaining about non-federated firms. Latterly, however, we have received complaints in respect of their own members, and in one case a Federation furnished us with particulars showing that the whole of its members in certain areas had refused compliance. This Federation afterwards assisted the Ministry in securing the payment of wages arrears to the workers affected.

EFFECT OF TRADE BOARD LEGISLATION ON INDUSTRIAL EFFICIENCY.

Many employers frankly welcome the fixing and enforcing of minimum rates because they provide a basis for equitable competition by materially reducing, if not eliminating, that element of the trade which previously "cut" market prices by "trimming" the wages of its workers.

That the enforcement of these minimum rates has resulted in most employers acquiring a greater knowledge of the details of their businesses is beyond question, and may properly be attributed to one or more of the following factors:—

- (a) Realisation of the possibilities of increasing industrial efficiency by improved methods of working, thus maintaining rates of wages while reducing costs of production.
- (b) Sympathy with the Acts and anxiety to carry out their provisions.
- (c) Knowledge that non-compliance might incur liability for proceedings.

While it is true to say that each advance in the minimum rates causes a large number of employers to look around with a view to improving the organisation and equipment of their establishments, it is equally true that it has been a constant source of surprise to officers in the past to find how high a proportion of businesses are run on a "rule of thumb" principle. It is in respect of this class of case that the greatest difficulty is experienced in enforcing the rates laid down. If, for example, inspection in such an establishment discloses piece rates yielding, say, 20 per cent. below the minimum, the employer when informed of the deficiency would probably declare—

- (a) that his rates were as high or higher than those paid by his competitors on the class of work in question, and that the low output of his workers was due entirely to slacking on their part, and
- (b) that to be compelled to increase his rates would result in closing down his business.

In such a case it would be the duty of the officer to explain—

- (a) that piece rates must be valued according to the conditions existing in each establishment, and

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- (b) that it is not always necessary to increase rates in order to increase their value, i.e., that workers' earnings depend almost as much on factory organisation and equipment as upon the rates themselves.

It not infrequently happens, however, in cases where the employer appears to lack the initiative or ability to determine for himself the defects in his factory organisation that it is possible for the officer to do this for him. In one case of this kind the officer found the rates in different departments were inadequate by from 9 per cent. to 26 per cent. The firm declared its inability to increase its piece rates and blamed the workers for slacking. Investigation into the cause of the low earnings showed that—

- (a) the factory engine was overloaded and consequently working badly and driving the machinery irregularly and at low speed;
(b) apart from (a) the machines, in many instances, were found to be in bad condition, i.e., belts on wrong pulleys and slack, etc.

After the inspection the firm called in competent engineers who remedied the defects complained of, with the result that in a few weeks' time the output of the respective departments had been increased to a point which enabled the workers to earn the minimum without practically any increase in rates taking place. The firm's directors personally thanked the officer for putting the factory on a more economical basis than was previously the case, and paid without protest the large arrears due to the workers as a result of the previous mismanagement.

Another type of case is that of a firm asking for inspection in order to have its organisation tested. In one case of this type suggestions, other than mechanical, were made which materially increased the factory output, with the result that piece-rates which at first appeared grossly inadequate proved adequate to yield the basis rate.

Some of the effects of Trade Boards legislation on industrial efficiency may be summarised as follows:—

1. Hours.

The provision that all time spent by a worker at an employer's premises for purpose of employment shall be paid for, whether the worker is actually working or not, has resulted in a more economical method of working through the elimination of waiting and other forms of non-productive time.

2. Departmental organisation.

The above provision has also resulted in improved organisation between department and department and has generally tended to speedier methods of manufacture, usually on sub-divisional lines. The obligation on employers to keep proper wages and time records and to fix their piece-rates on a definite and known basis has led many firms to make effective use of these figures in another direction, i.e., to use wages analyses as a measure of output variation either among individuals or groups of workers.

3. Training of learners.

The fact that many Trade Boards have provided in their determinations for the proper training of juveniles, together with the fixing of wages on a basis of age and experience, has undoubtedly resulted in a more careful and intensified method of training these workers than hitherto existed. When discussing the question of learners with employers it is common to be told "I have had to put the girls on more important work because they will be entitled to more money next month and I want them to be worth it." If it had not been for some such provision as the one in question it is possible that many of these workers might have been kept for years on some "blind alley" occupation.

4. Equipment.

There has undoubtedly been a big improvement in mechanical efficiency in those trades where

Trade Boards have been longest in operation, and it is safe to say that partly as a result of Trade Board legislation speedier and better types of machines are now generally in use as compared with those which obtained some few years ago.

12,607. *Chairman*: Miss Power, you are the officer in charge of the staff engaged on Non-Compliance Inspection under the Trade Boards Acts?—Yes.

12,608. Mr. Counsell, you are in charge of the Special Inquiry Section?—Yes.

12,609. We had better take Miss Power first. You first give us, Miss Power, information about the method of inspection?—Yes.

12,610. I gather that the work has considerably increased since the passing of the Act of 1918?—Yes, that is so.

12,611. That is partly due to the fact that Trade Boards now fix rates for overtime?—Yes, for overtime, and a guaranteed time rate for piece workers, and also have power to fix a piece-work basis time rate. Of course, the guaranteed time rate for piece workers exists only in a limited number of trades.

12,612. Very few, I think?—Yes. There is the laundry trade, the linen and cotton handkerchief trade and the brush and broom trade.

12,613. *Dame Adelaide Anderson*: Three trades?—No, I think there is one other. There are four trades. They are the laundry trade, the linen and cotton handkerchief trade, the brush and broom trade, and tobacco.

12,614. *Sir Arthur Pease*: Are there any powers with the Trade Boards, where a man or woman is not trying, that they should still get the guaranteed rate. If it can be shown that a man or woman is not doing his or her reasonable best, would they not still have to be paid their guaranteed rate?—It depends whether they are on time or piece work.

12,615. If it is a guaranteed time rate for piece workers, and if the employer says that the man or woman is slack, would the Trade Board say that he would not have to pay that rate?—(*Mr. Counsell*): He would be entitled to rates based on the piece-work basis rate, and also to the guaranteed time rate, but it would not be necessary for the employer to pay him a rate which would yield him at least the basis rate. He would suffer to the extent of his slacking. (*Miss Power*): He would get the guaranteed time rate, but he would probably fail to earn the piece-work basis rate.

12,616. *Chairman*: He would have to get the guaranteed time rate?—(*Miss Power*): Yes. Of course, the guaranteed time rate is lower than the general minimum time rate, and that is lower than the piece-work basis time rate, so that he would suffer on account of his slacking.

12,617. I am told that there is only one guaranteed time rate for adults. The others are for young people?—Yes.

12,618. Inspectors are required to report first on the posting of notices. They have become very much more numerous?—Yes, they are very numerous now compared with what they used to be. We used to have one, or at the most two, but now we may have a very large number. In the boot and shoe trade at the moment we have six current notices.

12,619. I suppose in some of the big shops where they carry on a number of trades they have a very large number?—If they came under a number of Boards they might have.

12,620. Then you inspect the wages and time records?—Yes.

12,621. Those have to be kept now, do they not?—Yes, they do. Employers have to keep such records of wages as are necessary to show that the conditions of the Act are being complied with in respect of the persons employed.

12,622. I suppose where a worker is employed in more than one trade, in occupations coming under more than one Trade Board, that is rather a complicated record?—Yes, unless his rate were the same under both Boards, or unless the employer paid the highest rate to which he was entitled for the full period of employment.

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12,623. *Dame Adelaide Anderson*: Do they not usually resort to the plan of paying the highest rate throughout?—Yes.

12,624. Because it saves time and trouble?—It saves keeping two sets of records.

12,625. *Chairman*: And of course, overtime has also to be recorded?—Yes.

12,626. Then you have to investigate the rates of wages paid, and first the general minimum time rates. I suppose that is a fairly simple matter?—Well, I do not think I should be prepared to say it is always a very simple matter. It is not as difficult a matter as investigating piece rates, but there are a very great many time rates in operation, as you know, now, and they vary according to a great many factors.

12,627. But there is only one minimum time rate for each trade?—Yes, but there are different occupational rates.

12,628. By occupational rates you mean rates fixed for special classes of workers?—Yes, rates fixed for special classes of workers, that is, workers who would not be affected by the ordinary general minimum time rate. You can get these occupational rates based on age, as in tailoring, dressmaking, and the fur trade, or you can get them based on the length and nature of experience, as in the clothing trades, or the perambulator trade, or the coffin furniture trade; they may be based on the exact type of work which the worker performs where the work is under special definition, such as a measure cutter, where it is defined exactly what is meant by a measure cutter; or a rate may be fixed according to the organisation of the workroom, for instance, in the flax and hemp trade. Then there are certain rates in operation in the dressmaking trade; if there is a fitter who does no making up, there are certain different occupational rates in force.

12,629. You find out what a particular worker is?—You have to question the worker and the forewoman.

12,630. Does that mean you see every worker in the trade?—If it is a trade in which there are a number of occupational rates, you have to do so.

12,631. *Dame Adelaide Anderson*: You go right through the processes on the spot?—Yes. For instance, in a large dressmaking room you would have to find out primarily whether the fitter who is employed did, in fact, do any making up.

12,632. Really, it would be quicker to do it that way than to go through a number of records?—The records would not give you the information. The wages books would only give you the name of the worker.

12,633. The more you can see them at work the quicker you can grasp the duties they have to perform?—Yes, where there are occupational rates in force you have to interview the individual worker, and find out the exact conditions under which that work is done.

12,634. *Mrs. Lyttelton*: You have to know the exact limits of each?—Yes.

12,635. *Dame Adelaide Anderson*: You also in that way give the workers an easier opportunity for adding statements and making communications as to what they are actually receiving?—Yes.

12,636. *Chairman*: Do you get a statement from the employer also?—Yes. You ask the worker primarily, and the forewoman, and if there is any question of dispute you would ask the employer as well. It depends on the size of the firm. You would not ask the employer in a large wholesale works as to the individual occupation of one worker, because he probably would not know.

12,637. *Mrs. Lyttelton*: Your would ask the forewoman?—We would ask the forewoman or the foreman in that particular department.

12,638. *Chairman*: You do not get a record of the wages paid?—You take an extract from the wages book, but that does not give occupations. In large firms you find machinists and finishers divided; but that is only in very large firms.

12,639. I suppose you ascertain sometimes that the worker is underpaid?—Yes.

12,640. Then you take a written statement from the worker?—Yes, as to age and length of experience, and exact occupation, exact hours worked, and wages paid, and time off.

12,641. *Dame Adelaide Anderson*: There are samples of that shown in your Statement?—Yes, you will find samples of it in the Appendix. It is particularly necessary to get a signed statement of that sort if the records are inadequate, and there is any dispute as to what exactly are the hours worked and the wages paid for any specific period.

12,642. *Chairman*: You sometimes get a question as to who is the employer of a particular worker?—Yes, that may happen. It generally happens in wholesale firms, where one of the assistants will bring in with him subsidiary workers whom he pays, and whom he employs. He brings them into the firm on his own responsibility. You get that in the East End clothing firms.

12,643. Supposing you find that a worker is underpaid, what do you do?—Do you mean a worker who is brought in by another worker?

12,644. No—a worker of any kind. Do you speak to the employer or report it to the Ministry?—You report it to the Ministry, but you inform the employer. You do not call for the arrears of wages due.

12,645. You do not do that?—No. In the old days, that is to say, prior to 1918, a very great deal of enforcement was done on the spot by the inspectors, but that has not been done since 1918. Now the inspector reports in detail all cases of underpayment. He informs the employer, and the Ministry takes enforcement steps to procure payment of the arrears due.

12,646. Is the employer ever told what the arrears are?—Yes, he is told them where it is easy to make the calculations on the spot, but it is not always easy to do so. They are very often elaborate calculations.

12,647. *Mrs. Lyttelton*: Was that what caused the powers to be transferred to the Ministry?—One of the reasons was that we had a large number of inspectors working for us who did not receive any training, and we found in certain cases they were not sufficiently clear, and inaccurate information was given which might have serious consequences. That is particularly so in the case of occupational rates. It might be possible for a mistake to be made as to which rate a worker was entitled to, and any calculations of arrears might be wrong.

12,648. *Dame Adelaide Anderson*: That means a greater delay, not promptly dealing with them in a sort of summary method on the spot?—It means a certain amount of delay.

12,649. *Mrs. Lyttelton*: Does that apply also to the intermediate employer? Do the arrears that are necessary to be paid in his case have to be referred to the Ministry too?—Yes, all questions are referred. The inspector makes the report and refers to the Enforcement Section.

12,650. *Chairman*: Is the employer told: "You are in arrears with that worker"?—He would be told the actual sum due if the calculation could be made, but sometimes it cannot be made.

12,651. The complaint would be made that the employer sometimes does not know how much he is alleged to have underpaid, and may not know that for months after the visit of the inspector?—I do not think months after; it might be one month after. In most cases the delay is not as great as that. In some cases there are very big calculations of arrears to make, and you have to make allowances for lost time on account of the worker coming in after a mealtime a quarter of an hour late, or losing time for sickness or holidays. All that has to be calculated back over the complete period of underpayment. That period may extend to a year.

12,652. *Mrs. Lyttelton*: Is there any limit at all?—May it extend 20 years?—No, because no rate has been in force for 20 years.

12,653. It is only since the Trade Boards came into existence?—You would not go back beyond that.

Mrs. Lyttelton: No, you would not.

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12,654. *Dame Adelaide Anderson*: The inspector must take the particulars necessary for basing his calculations?—Certainly he must.

12,655. It is quite possible to let the employer see the particulars?—You always give the employer the basis.

12,656. In that case he is just as able as, perhaps better able, to arrive at the truth than the inspector?—He will make his own calculation, and if that disagrees with the amount claimed by letter he would probably say so with some force.

12,657. It would probably be adjusted by some fresh visit?—Either by correspondence or a fresh visit.

12,658. *Mr. Poulton*: But suppose he refused to accept your decision? Suppose he said you were wrong, and you were quite satisfied that you were right? Who would you go to then?—If you claimed the wrong rate for a worker, do you mean?

12,659. Yes?—If we were of opinion—

12,660. If you were of opinion that you were right and he was just as strongly of opinion that he was right, who would you appeal to then?—We could not go anywhere except to the Court.

12,661. That is to say, you could not appeal to the Department?—You would have the Department's opinion in any case if there is a dispute.

Chairman: It would go to the Court, I suppose.

12,662. *Mr. Poulton*: Both might be *bona fide* wrong?—That is the only resort at the moment.

12,663. Then you would depend upon a question of law?—Yes.

Mr. Poulton: It might not be a question of equity at all.

Dame Adelaide Anderson: Surely two people, both anxious to get at the facts and come to a right conclusion going through the matter point by point, could adjust it?

Mr. Poulton: I could conceive a case of the kind I suggest because I have had such cases.

Dame Adelaide Anderson: Where you had a decision?

Mr. Poulton: Yes, where it was not a question of attempting to evade on the one hand or trying to take advantage on the other hand.

12,664. *Chairman*: Do you deal with permit cases at all?—With very few. We used to deal with all, but now the Administrative Committees deal with the majority of them, and they refer to us only special cases. We have an agreement with the Boards that I shall look at the cases, and if I cannot guarantee an investigation of them within two months I return them to the Boards. We have not a sufficient staff to make investigation in all permit cases, because you will understand they are only in respect of one deficient worker, and it may entail a lot of time in travelling in order to investigate the case of one worker.

12,665. I think the Boards look into the cases themselves?—The Administrative Committees of the Boards.

12,666. Some member of the Committee goes down and sees them?—Yes. Where there are permit cases is very isolated places it has increased our difficulties. We have had certain milk distributive cases which have involved the time of an inspector for two days.

12,667. It is no longer your business to do that?—I am supposed to get the more difficult ones that are referred to me done if I can.

12,668. *Mr. Poulton*: It makes it very expensive in the working out of the Act if you have to spend two days in travelling?—That is an exceptional case that we might get.

12,669. *Sir Arthur Pease*: Would they be exceptional? You might easily get cases in the North of Scotland and have to send an inspector from London?—For the most part they are done by Administrative Committees.

12,670. If there were a difficult case you would have to send someone?—Not necessarily. It is left to me to say whether I can guarantee an investigation within two months.

12,671. What happens if you cannot?—It is left to the Administrative Committees of the various Trade Boards.

12,672. *Mrs. Lyttelton*: Is it apt to put more and more on the Administrative Committees of the Boards?—Yes.

12,673. *Sir Arthur Pease*: It does seem to me very expensive to have to send an inspector hundreds of miles to look into one case?—That does not often happen.

12,674. *Dame Adelaide Anderson*: Have you no localised staff?—Yes, I have eight inspectors localised, one at Edinburgh, one at Glasgow, one at Newcastle, one at Leeds, one at Manchester, one at Doncaster, one at Plymouth, and one at Cardiff.

12,675. And they have others working under or with them?—No, they are working quite alone. We have not a sufficient trained staff at the moment to make any big measure of decentralisation possible.

12,676. But you are always training people, I suppose?—We are training them, but we do not necessarily retain them.

12,677. *Chairman*: So far, we have been asking you about time-rates. You also have to check piece-rates, of course?—Yes.

12,678. I suppose where the piece-rate is fixed by the Board as a piece-rate the difficulty is not so great as in other cases?—You mean the general minimum piece-rates?—Yes.

12,679. They are not so difficult as piecework basis rates, but there are difficulties even in those, because there are a very great number of piece-rates. For instance, the brush and broom trade has, I think, 1,200, and the boot and shoe trade 500; and the officer has to be sure that the piece-rate is actually as scheduled. I think I can give you an example which explains that. I had a very insistent complaint some time ago from a fur trade union that a certain fleshing rate which was being paid to workers at a big firm was inadequate. It was found on investigation that the workers were being paid 2d. a dozen less than that rate as scheduled under the Act. They were actually only fleshing the backs and sides, and were not fleshing the necks. The result was that the 2d. deduction was made for the other worker who fleshed the necks, but the piece-rate did not apply, because the operation was not as scheduled. You would have to make a careful investigation to find out why the particular piece-rate as scheduled did not apply.

12,680. *Mr. Poulton*: In that case was the complaint made by the Trade Union itself?—The complaint was made by the Trade Union itself. They maintained that the piece-rate as scheduled applied.

12,681. *Mrs. Lyttelton*: Were they convinced?—They were not convinced when we wrote to them, but they had a deputation afterwards at which one Union member managed to convince the other that it was so.

12,682. *Chairman*: How do you get the particulars as to what the worker has done on what piece-rates?—You would have to enquire from the workers and the forewoman and the employer.

12,683. Do you see every worker?—The majority of workers. In a case of that sort the pieceworker's book would not reveal the fact that the operation was not as scheduled. It would be booked up according to price, and the inspector would have to make inquiries.

12,684. It would take one of your inspectors some time, I suppose, to inspect a whole factory?—Yes, very often.

12,685. *Sir Arthur Pease*: Two or three days, do you mean?—Very big firms sometimes take as long as that if there are infractions.

12,686. Do you have many complaints in which there is nothing when you come to determine them?—We send a questionnaire out now to everybody who sends in a complaint asking them to fill up certain questions. The result is that the complaints we

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investigate now are certainly all *bonâ fide*, because we have obtained this form from the worker first giving particulars. We do not investigate until on the face of it there appears to be a case.

12,687. Until there is a *prima facie* case?—Yes.

12,688. *Chairman*: In some cases there is no piecework rate but a piecework basis time-rate?—Yes.

12,689. In those cases how do you ascertain whether the piece-rates are fit and proper?—I think I have given that at some length in my printed evidence. You first of all separate out your workers according to groups. For instance, in large clothing firms you would have to sort out your pieceworkers into vest room, coat room, and trouser room, and again into occupations, machinists, finishers, etc., and into the various sub-divisions of these groups. Then you question each of your workers, and you rule out those who are obviously sub-ordinary, either on account of inexperience, or ill-health, or old age, or anything of that sort. You grade your workers according to their earnings over a period, generally of four weeks, taking a representative period; then the lowest worker who is not sub-ordinary is taken as the ordinary worker in normal circumstances.

12,690. The lowest?—Yes.

12,691. Why is the lowest the ordinary worker? Why not the average?—Do you mean the average other than the sub-ordinary workers?

12,692. Yes?—If you were to take the average worker it would vary from factory to factory; also you would have a very strong inclination on the part of the employer to sack the slower workers and take on as quick workers as he could, because that would put up his average.

12,693. *Mr. Poulton*: Supposing in a room of 20 there were 16 able to earn the rate, and 4 were not. Would you still say the rate was wrong, or would you say that the 4 were wrong?—It would depend on those four. You would not necessarily rule them out as sub-ordinary unless they were sub-ordinary for a specific reason.

12,694. You would not say because 16 out of 20 could earn the rate that necessarily the rate was correct?—Not necessarily.

12,695. *Chairman*: Or even 19 out of 20? The presumption would be, in a case of that sort, that the 20th was sub-ordinary—was a slow worker.

12,696. We are assuming you have ruled out all those who are sub-ordinary and have only left those who are not subject to that particular reproach. You take the worst of all the rest as the ordinary worker?—The others would be better than ordinary under the conditions prevailing.

12,697. *Mrs. Lyttelton*: The endeavour is to save as far as ever you can the least good of the workers from being sub-ordinary and being paid a sub-ordinary rate? You want to get the level as low as you can with justice?—The piece-rate has to be such as will yield the worker in the ordinary circumstances of the case the piecework basis time-rate. If you rule out all workers who are not ordinary on account of inexperience, or ill-health, or any obvious reason, then in the circumstances of the case the first worker above that should be the ordinary worker.

12,698. *Mr. Poulton*: But supposing you went to a number of factories and found that they could earn the rate on the scheduled rate, and then you found a factory such as I mentioned where 16 out of 20 could not earn it; would you still say the rate was wrong?—That is where the circumstances of the case come in. You do not necessarily, in fact you very seldom, have the same circumstances prevailing in different factories.

12,699. *Dame Adelaide Anderson*: There are different methods, different machinery and implements, and different material?—You might find two workers similar in training, health, and experience in two neighbouring factories both paid the same rate and yet one would fail to earn the minimum and one would achieve it on account of the differing circumstances of the case, namely, the machinery, or lighting, or the method of dividing the work.

12,700. *Mr. Poulton*: But where you have 20 people in the same room that would not apply, because they would all be subject to the same conditions?—(*Mr. Counsell*): It would all depend on whether the four were ordinary workers or sub-ordinary. If it could be shown that the four workers were not sub-normal at all but were ordinary workers, then the rates for the whole group would depend on them.

12,701. But the rate for the whole of the industry would have to be altered if it was a scheduled rate?—By "scheduled rate" you mean a general minimum piece-rate?

12,702. Yes.—I thought you were referring to the piecework basis rate. (*Miss Power*): We were referring to the piecework basis rate. (*Mr. Counsell*): It would not matter at all what the earnings of the workers were if they were paid a general minimum piece-rate. It would not matter whether two only earned the minimum and 18 of the 20 fell below, so long as they were getting the piece-rate prescribed.

12,703. *Chairman*: Oh, yes, we are dealing with the point as to how you find out whether the piece-rate is adequate to enable an ordinary worker to earn the piecework basis time-rate?—I think *Mr. Poulton* was referring to the general minimum piece-rate, and you were referring to the piecework basis time-rate. I think that is the position. I think there has been some confusion.

12,704. I think *Miss Power* understood what I was referring to?—(*Miss Power*): You were talking about the piecework basis time-rate, but *Mr. Poulton* was talking about the general minimum piece-rate.

12,705. I was trying to find out how you ascertain whether the piece-rate, in fact, paid by an employer was sufficient to enable the ordinary worker to earn the piecework basis time-rate. You appreciate that?—Yes.

12,706. Do these people know that they are being tested?—You mean when actual time tests are made?

12,707. Yes?—It is possible in a factory to make tests without the worker being aware of it.

12,708. Is a worker generally unaware of it?—Not necessarily.

12,709. You do not think he is, sometimes?—Sometimes the tests are made by the inspector, and then, of course, the worker is aware of it.

12,710. When the workers know it, what is to prevent them from seeing that one or two of the workers, who cannot be, of course, sub-normal, do not work too hard?—The inspector's experience comes in. He has a good deal of comparative evidence of similar work in other factories, and he has a knowledge of the speed at which workers can work. Both those factors come into it. I have done a great many tests on home workers, for instance, and it is perfectly impossible to test a home worker without their being aware that they are being tested.

12,711. In the case put by *Mr. Poulton* you have an answer, because the four might be slacking, so to speak?—You would rule out their test.

12,712. You think you would detect that?—Yes, with the aid of comparative evidence. You would not make only the one test; you would make a number of tests; and you would not necessarily test workers on the same work at the same time. You would make a variety of tests; you would split the workers up and put them in different parts of the room and test them on different things.

12,713. *Mrs. Lyttelton*: You are satisfied that it works out pretty fairly?—Yes, when you get an experienced inspector engaged on the work of testing. (*Mr. Counsell*): Might I give an illustration of that—a fairly recent one? A complaint was made that the piece-rates in a certain factory were not yielding the piecework basis rate. Inspection showed that a large majority of those pieceworkers were, in fact, earning much less than the minimum, and, on the face of it, the piece-rates were unsatisfactory. Questioning the employer, however,

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he stated that he could not understand why the earnings of the workers were not higher than they actually were, because some 12 months ago, on similar work, the output of the workers had been very much greater than over the period tested. The inspector turned up the records and showed that during the period in question—that is the period 12 months before the actual inspection was made—the very same workers had given an output which was, I think, something like 15 to 20 per cent higher than that over the period under immediate review. The workers were challenged, and they admitted that it was true, and there was no change in circumstances for which the employer was responsible, and that the apparent under-payment was due to lower output on their part. They were told that the piece-rates appeared to be adequate in spite of the fact that a very large percentage of them were not earning the minimum. Soon afterwards another inspection was made, and it was found that the output had swung back to what it was pretty well 12 months before.

12,714. *Sir Arthur Pease*: It was what you call a "try on"?—It was.

12,715. *Mr. Poulton*: Do you find any objection amongst the workers when they know that tests are being applied?—Sometimes they welcome them in the hopes of getting higher rates. Other workers will jump the other way, and try to curry favour with the employer by working as hard as they can. One has to be very careful in making the tests.

12,716. *Chairman*: Altogether the checking of piece-rates seems a very complicated matter, Miss Power?—(*Miss Power*): Yes, it is not a simple matter at all.

12,717. Suppose you find an employer wrong, I suppose he gets warning and he alters his rates?—Yes, or he alters the circumstances of the case sometimes, so as to prevent the necessity of having to alter his piece-rates, if he is able to alter his organisation in such a way that the workers' output is improved.

12,718. It means that he gets better machinery or makes a better sub-division of the work?—Yes.

12,719. *Dame Adelaide Anderson*: Or that he arranges for a quicker supply of work, so that there is less waiting?—You might have the finishers held up periodically waiting for the work to come from the machinists; but you should ensure a better balance.

12,720. *Mrs. Lyttelton*: And the inspector is able to suggest methods?—The more skilled of the inspectors may do, but that is a matter of considerable length of experience. Our junior inspectors would not necessarily be able to do that in all circumstances.

12,721. *Sir Arthur Pease*: Of course, balance of work is one of the most difficult things to do, even in well-organised businesses, because the work done in one shop may be much more rapid at one time than at another. It is not always the fault of the employer, I suppose?—That is so.

12,722. *Chairman*: Sometimes you get what you call "dead horse." I gather?—Yes, we have had cases, for instance, where workers appeared to earn the minimum, but it was found that they would be some-time one or even two weeks in arrear in working off work for which they had previously been paid.

12,723. *Mr. Poulton*: Do you find much of that obtaining now?—No, I think the Trade Boards Acts have done away with a great deal of "dead horse." It is the exception now instead of the rule.

12,724. *Sir Arthur Pease*: A very great exception, do you not think?—No, I should not think a very great exception. It is nothing like as common as when the Trade Boards Act first came into operation.

12,725. *Dame Adelaide Anderson*: Did you come up against deductions for damage in the earlier stages of applying the minimum rates?—I came across it considerably in the lace trade.

12,726. And in the pen trade?—We do not cover the pen trade.

12,727. *Sir Arthur Pease*: Have you come across any cases where the people slackened on one week so

as to be on the minimum, and then worked very hard the following week to get well over it?—No, that is not my personal experience. I do not think that is common.

12,728. *Chairman*: You give us an example, I think, of a Statement as to piece rates?—Yes, in Appendix I. (B). It is a specimen of a laundry inspection.

12,729. It is in very elaborate detail. It is followed by some comments apparently?—Yes.

12,730. Home workers, of course, are always paid by piece?—Yes.

12,731. Does your inspector go and see the home workers?—If there is any question as to the adequacy of the piece-work rates paid.

12,732. You get a list of them?—From the out-worker list which the employer should have. The employers have to notify to the local authority the out-workers whom they employ, and they have a list hanging up in the office.

12,733. Then the inspector goes to see the home worker; does he get from the home worker particulars of the work done and the prices paid, if there is any question as to the adequacy of the piece rates paid. Sometimes different work is given out to the home worker from the work which is done in the factory. For instance, in the box trade it is customary to do the bigger boxes inside, and to give the smaller boxes out to the out-workers. Then you may not be able to get comparative evidence from the earnings of the indoor workers, and you may have to go to the out-workers personally.

12,734. You conduct a test in the case of home workers?—You have to see a number of home workers in order to make sure that the workers you test are ordinary workers, because a very great number of out-workers are elderly people, or people who for one reason or another do not want to work indoors. You make tests of as long duration as you can, not allowing interruptions in the way of getting up to look after the baby, or to put the kettle on, or to get a meal ready, or anything of that sort; and you compare those tests. You have to be particularly careful in testing the out-worker to see that the test is a fair one, and that the worker is not working slowly on account of the fact that she knows that she is being tested. You may have to discard a certain number of tests.

12,735. It is difficult, of course?—It is difficult, but a very great deal of work has been done on it. I have myself made nearly 500 tests on out-workers in the lace trade, and I found I had to discard about 15 per cent. to 20 per cent. of the tests I made. The general minimum piece rates were very largely fixed on the results of those tests.

12,736. *Sir Arthur Pease*: In comparing the piece work rate in a factory and the piece work rate of a home worker, would one be higher than the other as a rule for the same operation?—You mean if the workers were doing the same thing indoors and outdoors?

12,737. Would it be either way?—It might have to be a higher rate outdoors because you may have to have a worker working on a treadle machine at home, whereas there is a power machine in the factory. In the circumstances prevailing a higher rate might be necessary outside.

12,738. Supposing it was simply a case of sewing with the hands—leaving out machinery—would there be any difference?—Only if the home worker had to supply her own thread. In the case of an indoor worker, it would probably be supplied by the factory. For instance, in the box trade the out-worker has to supply her own string and glue—which is supplied indoors. She might obtain it at retail price, or she might obtain it at wholesale price from the employer.

12,739. *Dame Adelaide Anderson*: Because you cannot calculate exactly the amount necessary for the particular job?—You cannot, certainly, in the case of glue. The worker would only be given the right amount of material cut up for making the boxes,

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but you could not give out precisely the amount of glue for so many gross of boxes.

12,740. And she has to find the glue?—Yes, and she has to be paid the piece rate which would yield her the piece work basis rate clear of all deductions other than the National Health Insurance.

12,741. *Chairman*: Even then you may have to test piece rates to see whether they come up to the general minimum?—Yes, if no general minimum piece rate is in operation.

12,742. *Sir Arthur Pease*: You would not allow the home worker anything for having to provide a place to work in as against the factory?—We have not done so. (*Mr. Counsell*): Not as yet.

12,743. *Dame Adelaide Anderson*: And light and heat?—(*Miss Power*): No.

12,744. She balances all that against the convenience of being able to work at home?—Yes. (*Mr. Counsell*): There is one item, I think, where allowance has been made, and that is for gas in the heating of a glue pot.

12,745. That is for using gas directly in the production?—That is right.

12,746. Does it take a great deal more time to arrive at these conclusions from the investigation of home workers than it does in the case of workers in the factory?—(*Miss Power*): Yes, on the whole.

12,747. But it can be done?—Yes, but you may have to visit a very great number of out-workers before you get together a sufficient selection of ordinary workers upon which to make your test, because so many home workers are sub-ordinary workers.

12,748. It may take from a week to two or three weeks to arrive at a conclusion?—Yes.

12,749. But once done you have the material?—You have the material, yes. Of course, the longer a trade stays under a Board, the bigger amount of comparative evidence you collect, and the sooner you may be able to test whether an out-worker's piece-rate is adequate. We have, of course, now a considerable amount of comparative evidence in the older trades.

12,750. *Chairman*: Do you deal with waiting time at all?—Yes.

12,751. How do you get particulars as to that—from the worker, I suppose?—From the worker or from the forewoman. It is a matter of very close questioning where complaints are made about waiting time.

12,752. I think the worker is now entitled to be paid?—On a time-rate basis.

12,753. On a time-rate basis if he waits with the consent of the employer?—Yes.

12,754. It has been suggested to us that that provision might be altered, so that he would only be entitled to be paid if he waits at the request of the employer. Can you throw any light upon that point?—We do get cases that are difficult to investigate.

During trade slackness an employer may tell his workers that he is not expecting any more work to come through until the afternoon, and the workers are free to go home. But the workers may say that they prefer to stay on the premises on the chance of work coming in. Waiting time would not be claimed for those workers in respect of that time.

12,755. Why not, if the employer says: "Very well, you may wait if you like," because then he would have consented?—They have been free to go home; they have been told that no work is likely to come until the afternoon.

12,756. Still, on the terms of the Act they would be entitled to be paid because they had waited with the consent of the employer. Is not that so; that is my recollection of it?—Yes.

12,757. Do you think any real harm would be done if that were amended so that they were only entitled to be paid if they waited at the request of the employer?—No, I do not think so. It is not a thing that we have pressed very much of late during the slump, because a number of workers have wanted to wait on the firm's premises in order to share in any work that was likely to come through. If the employer had to pay for such waiting time, he might dismiss practically all his workers and just

keep on one or two whom he could employ for the full time.

12,758. *Sir Arthur Pease*: We have also had evidence to show that employers have provided a room, warmed and lighted and heated, for the workers to wait in, when they have had nowhere else to go?—We have had cases of employees sitting there and doing their own work. We could not claim waiting time in respect of that.

12,759. *Chairman*: I gather you also get questions of interpretation—that is on demarcation?—Yes.

12,760. You give some examples of that where a workshop is covered by more than one Board, and there is some doubt as to which work the worker is doing. One example you give is, where a worker employed by a drapery firm on alterations to ready-made tailored and non-tailored garments for female persons will come under rates fixed by the Wholesale Mantle and Costume and Dressmaking and Women's Light Clothing Trade Boards?—Yes.

12,761. I see you give a special case of a textile firm, who may weave on the same loom webbing made from flax with hemp, jute with hemp, wool with hemp, jute with cotton, and pure cotton?—Yes, that is a more exceptional instance. The greatest difficulties arise in the clothing trades. One of the chief difficulties is whether garments are tailored or are not tailored. You may get a firm who advertise that they supply tailored costumes. When they come to be inspected they say they come under the Dressmaking Board, because the garments are not in fact tailored. We have had a considerable amount of difficulty in determining exactly what constitutes tailored garments.

12,762. *Sir Arthur Pease*: What is the difference?—*Mr. Counsell* is an expert on that; I think he will tell you. (*Mr. Counsell*): I think I would rather be excused. I am afraid it is too technical for me. We have, with a number of the employers, drawn up the schedule, and there is general agreement that if the garment is made up by certain of those processes it can fairly definitely be termed to be tailored. I can think there are about eight operations: (1) If the garment is not by an experienced cutter; (2) if the garment is basted in the way that a tailored garment is commonly basted; dressmaker-made garments are not basted as a rule; (3) if the garment has stays, is padded, and has canvas, hair cloth, and all that sort of thing, which is common to men's tailored garments, but not common to the dressmaking trade. There are a number of other factors like that. If there are two or three of those items included in the garment which the employer calls "dressmaker made," we should think it was not dressmaker made; that it was more closely allied to tailoring than dressmaking; and we might attempt to enforce the tailoring rates.

12,763. *Dame Adelaide Anderson*: Are they higher?—They are higher.

12,764. *Chairman*: I suppose there is something of a case for combining all these clothing trades under one Board?—It would be very helpful for administration.

12,765. May you not also get the case of a porter in a house which does two trades?—Yes.

12,766. I suppose it is very difficult to say which trade he is portering for?—(*Miss Power*): Yes, I think we have given an example of that.

12,767. You also deal, you say, with other infractions of the Acts, such as the production of false records and receipts, and the concealment of workers. Has that ever happened?—Yes, sometimes. I have seized a worker by the hair through a trap door.

12,768. *Mr. Poulton*: Have you any cases of the production of false wages sheets?—They are not common, but we have had a number of cases of false records, and we have taken proceedings.

12,769. *Dame Adelaide Anderson*: Have you had exemplary penalties enforced in those cases?—(*Mr. Counsell*): Yes, we had one employer sent down for three months' hard labour, and we have had three

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other employers in London given six weeks' imprisonment without hard labour.

12,770. It is really the most serious thing that can happen, the deliberate falsifying of records?—Yes. I might say that where the employer got three mouths' hard labour it was a case not only of furnishing false records, but the employer actually forged the workman's signature to a receipt for arrears.

12,771. The concealment of workers may be, unless it is a deliberate act, a sudden impulse?—(Miss Power): Of course, it is easier to get concealment of workers in trades carried on in, for instance, an employer's own house. In the case of small dress-makers, it is very easy to put a girl into a bedroom while the inspector is in the little workroom. We had an instance of that the other day, when five girls were bundled into the employer's bedroom when the inspector came. As the employer kept no records, the inspector might have been unaware of the existence of those workers.

12,772. *Chairman*: I think you mention cases of collusion between employers and workers. Does that mean that the worker is willing to take a lower wage?—We have had cases of that recently within the last year, during the trade slump. We have had workers who have agreed with an employer to accept less than the Trade Board rate, and afterwards they have come and complained to the Ministry that they have not received the Trade Board rate.

12,773. *Mrs. Lyttelton*: They have done that through the threat of dismissal. It has happened like that?—Yes, but it is only lately during the trade slump that we have had this difficulty of workers who have actually agreed and then have lodged a complaint.

12,774. *Chairman*: They have agreed to that rather than lose their work altogether?—Yes, because they have no alternative. The employee takes that or nothing.

12,775. *Mr. Poulton*: Have you any cases of the proper rate being paid and a portion of the wage being handed back?—Yes, we have had instances of that in the chain trade, where trade has been terribly slack for the last two or three years. (*Mr. Counsell*): We have taken proceedings in cases of that kind.

12,776. *Dame Adelaide Anderson*: There has been real collusion there?—There has been real collusion.

12,777. The worker has induced the employer to take it back?—No, the employer has more or less asked for it. (*Miss Power*): There is very little work going on, and the employer will give work to the worker if he is ready to give back a percentage of his wages. At a place where we sent two inspectors to make investigations we found the workers were terrified that the unions would get to know that they were giving a percentage back. But there was very little work for a large number of workers.

12,778. *Sir Arthur Pease*: What would happen where it is proved that they are giving any of it

back?—If the employer is only paying the bare minimum rate and the employee is giving back a certain percentage, the employer is contravening the Act, if we can prove that the employer is in collusion with the worker, which would be the case if the employer accepted the money.

12,779. Supposing a man is entitled to £3 and he voluntarily pays back 10s., he can be prosecuted?—(*Mr. Counsell*): He has been prosecuted and convicted.

12,780. *Chairman*: There has been an agreement beforehand?—(*Miss Power*): It is not a voluntary repayment. A worker would not voluntarily give money back.

12,781. *Dame Adelaide Anderson*: The wage is free of all deductions?—Except the National Health Insurance, yes.

12,782. What is your course if you do find deductions for damage? Do you inform the factory inspector?—I have done so in Nottingham, which is the only case in my own experience.

12,783. *Chairman*: Then with regard to proceedings, the inspectors prepare the cases for proceedings, and lay informations, and at one time conducted the cases?—Yes.

12,784. I gather that since 1920 the inspectors have not done that work, except the drawing up of the summonses and laying informations?—Yes. They are generally the chief witnesses. The cases have been rather more elaborate lately and rather more bitterly contested than in the old days.

12,785. *Dame Adelaide Anderson*: Can you compare the success in practice between those periods of the two methods, where the inspector is conducting his or her own case, and where there is expert legal assistance in conducting the case, as has been the custom since 1920?—The inspector has the pull on a solicitor or counsel in the matter of technical knowledge, but the solicitor or counsel has the pull on the inspector in the matter of legal knowledge.

12,786. He has the pull in the matter of procedure, and what is the law of evidence?—Yes. We have had cases lately which have largely depended on legal knowledge rather than upon technical knowledge.

12,787. So that you cannot really compare them from the point of view of success in results; the circumstances are so changed?—That is so. The political atmosphere is different.

12,788. But in simple cases do inspectors still conduct them themselves?—In the last year they have all been conducted by the solicitors of the department, but then only very large cases have been taken. (*Mr. Counsell*): The two periods are not strictly comparable. At one time, no matter how badly an officer conducted his case, the employer had something to answer before the case was opened. He was charged more or less with sweating, and in the handling of the case the magistrate was anxious to get out the facts. The magistrate helped you. But to-day he does not.

12,789. The whole atmosphere is changed?—Yes.

(*The Witnesses withdrew.*)

Sir ARTHUR PEASE took the Chair.

Mr. HENDERSON NEAL, called and examined.

12,790. *Sir Arthur Pease*: You have asked us to hear you because you have some different points of view you wish to put forward as compared with Mr. Crabb. Would you just tell us what the points are you wish to draw to our notice?—You will find them stated in the memorandum which I have handed in.

12,791. You say, first of all, that the statement that the Trade Board is primarily responsible for raising the status of the boot repairing industry is founded on a false premise. Would you develop that?—The wages in the boot repairing industry had reached not quite the stage at which they were taken by the Trade Board scale. I am speaking generally, of course. They had reached a very much higher scale than was ruling prior to the war, before the

Trade Board Act became operative. The whole contention, I think, has been hitherto that the Trade Board is responsible for the present rate of wages paid, and has raised the trade from a sweated industry. I suggest that it has been raised by the operations consequent upon the war and the shortage of labour. The law of supply and demand had rather more to do with it.

12,792. Shortly, you say that it was a natural rise, and not due to Trade Boards?—That is so, in the main.

12,793. *Mr. Poulton*: What part of the country would you say that applied to particularly?—I think one must say that it applied more in the small towns in the rural areas rather than in the biggest cities, because the rate of wages in the large cities

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was, on the whole, rather higher than in the rural districts.

12,794. Would you agree that the raising of the wage was more particularly in the big industrial centres North and North-West?—You are speaking of England?

12,795. Yes.—I do not know that I would like to agree with that without more investigation. It is rather a difficult question for me to answer without investigation.

12,796. Would you say that the rate had gone up in the South and South-West to any extent?—Certainly, the rate has gone up in the South of England.

12,797. I am now talking about the time before the Trade Boards?—Certainly, before the Trade Boards.

12,798. To any extent?—Yes, to a very appreciable extent.

12,799. That is not my view?—I can only give you this example.

12,800. I am talking generally. I am not talking of an odd case or two.—I know what the experience has been in my own repairing factory. Of course, repairing is not the primary interest I have, although we have a large repairing factory. I think it fairly represents London for its class, and our experience has been that the alteration which had to be made in the rate of wages when the Trade Boards became operative was trivial in the extreme.

12,801. *Sir Arthur Pease*: I think we understand your view on that point. The next point which you raise is with regard to the delays. We have had so much evidence on that, that I think we need not follow it any more?—Quite.

12,802. In your point No. 3 you draw attention to the necessity for a differentiation between the country and London and similar cities. What do you wish to say on that?—I think it is obvious that the cost of everything in a large city is quite different to the cost of the necessities of life in the small towns, and still more so as compared with rural districts. At present we have a fixed rate all over. Quite apart from the merit of the rate at all, it seems absurd to pay a man in London the same rate as a man in a rural district, where his expenses are so much smaller.

12,803. *Mr. Poulton*: But that is the minimum rate, is it not?—If you wish to term it so.

12,804. There is nothing to prevent an employer paying above that rate?—I agree. That rather opens up an avenue of discussion as to whether the minimum rate is correct for the towns and too high for the country.

12,805. I know, but it is a minimum rate?—If you so term it. It is the lowest rate that can be paid anywhere, and I say it must be wrong either in one case or the other, because I think it is usually contended when you fix a rate of that sort it becomes the rate applicable to a very large percentage of labour. I think that is the usual contention.

12,806. It is a minimum rate?—If you fix a rate of, say, 60s. a week that becomes a sort of standard.

12,807. You know that the rate was fixed largely following the productive side of the trade. You know they have had a minimum rate for many, many years for the whole of the country?—Yes, but I would urge that an attempt to compare the retail industry with manufacturing is hardly reasonable.

12,808. The same people may have followed the same procedure that they have been accustomed to on the productive side, because they were the same people largely?—I think I am correct. Is not there a different rate for London and Northampton, for instance?

12,809. No, not on the productive side.

12,810. *Sir Arthur Pease*: You must not ask questions. You are here to answer them.—I am sorry. I was just asking a question which might help to elucidate the point. I was under the impression that there was a different rate for London and Northampton, and Northampton County.

12,811. *Mr. Poulton*: No, not on the productive side. We are on the productive side.—That is manufacturing. But excuse me, you do not pay the same rate of wages in Northampton County as in Northampton Town.

12,812. Yes.—Your knowledge is much greater than mine.

12,813. I am only just trying to show that they followed the rate of the trade itself, which is a national rate.

12,814. *Sir Arthur Pease*: Then your point No. 4 I do not understand. You say: "That Trade Board rates should be made applicable to the straightforward, every day operations connected with this or any other trade and no attempt made to price the variety of small repairs"?—There are certain operations which everybody in this room will appreciate in connection with repairs which are perfectly straightforward. Soleing and healing is a perfectly straightforward operation, but there are many other jobs which come into the every day work for which it is very difficult to put down a price which is fair and reasonable. I say that the operations of the Act are cumbered by these numerous small jobs unnecessarily. If we could have a scale which was fixed on the, so to speak, every day requirements, it would be far more simple. For instance, it is perfectly necessary in the case of children's boots to toe-cap and lengthen them. That is an operation which is by no means easy if properly done, and to fix a fair price for that job without seeing the work in front of you is very difficult. I think, to be fair, you have either to put the price too high so that the man doing the more difficult job is not underpaid, or you have to put it too low, and he is underpaid.

12,815. Is that provided for in the rates now?—At present a very large number of rates provide for things which are outside what might be termed every day requirements.

12,816. How would you deal with them? You could not employ them on piecework at all?—I think you could do it in this way. You might have a piecework rate for your straightforward operations; we will say there are a dozen operations which could be very easily named. Outside that I think you will find that it would be fairer to the worker and fairer all round if the job was performed by day workers who were a little more skilful than the man who had to do the ordinary straightforward job.

12,817. *Mr. McCallum Scott*: Is there not a time-rate fixed?—There is both a time and day-rate in this industry.

12,818. *Sir Arthur Pease*: Then in your point No. 5 you say: "that the rate of wage in any trade should be based on the reasonable earnings of a workman." Is that not what is done?—I am inclined to think that the tendency in the repairing trade is to fix the rate of wage on the possible earnings of a man of medium calibre in a badly organised shop. That I contend is wrong. I think the basis of wage should be arrived at by the amount of work an average man can do in a well organised shop.

12,819. You are speaking of piece-rates?—I am speaking of piece-rates. I do not think you have a right to penalise the public as you would be doing if you based your rates on lack of organisation.

12,820. *Mr. Poulton*: Is that not a question for the Board itself, because you are really challenging the basis upon which they settle the rates, are you not?—I agree that is so to some extent.

12,821. *Mr. McCallum Scott*: That is just what I was going to ask?—I think it does enunciate a general principle rather than one applicable to this particular trade. As a general principle I suggest the Trade Board Act has tended to put a price on work which is not the right price, because it has been based on a false premise.

12,822. I understand the criticism, but I do not understand what it is directed to. Do you want to impose some limit on the Trade Boards?—I think the suggestion is that this Inquiry is into the working and operations of the Trade Board Act, and I am

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trying to show that in this particular instance the Trade Board Act has, in my opinion, mitigated against the best interests of the public.

12,823. What would you suggest to cure that? Would you suggest some regulation imposed upon the Trade Boards?—I did not know I was going to be asked to suggest remedies, or else perhaps I should have considered one.

12,824. It seems to me that your criticism, which I appreciate, is one that should be put forward in the Trade Board for the purpose of arriving at the rate of pay fixed?—Quite so.

12,825. When you bring forward the criticism here I presume you have in mind the imposing of some restriction on the Trade Board?—I think it very difficult to impose any restriction of that sort.

12,826. I think so, too.—But, in considering the operations of the Act, you want to consider whether its operations have tended in the wrong direction, and that is why I bring it forward.

12,827. *Dame Adelaide Anderson*: You want to direct the Trade Board to a particular point round which its determination should gather?—My point is rather this: that the Trade Board Act has tended to impose a higher price on the cost of an article, an artificial price, because of its operations, and that if you had a free market in this particular instance you would secure, I believe, a better result. I am speaking of results in view of the public.

12,828. That is, that the worker should get the minimum rate, or anything that the employer chooses to give above it, where the organisation of the work is good, where you have good light and good conditions in the working places. Is that your point?—Yes, I think that is the proper basis upon which you should secure a price.

12,829. Do not the Trade Boards take that point into consideration to some extent?—I hardly think so in this particular business.

12,830. *Mrs. Lyttelton*: You think that the minimum is placed too low, that is to say, that the worker gets a wage which you consider he does not really earn. You think that the Act is apt to tend that way?—Yes, that is so.

12,831. *Dame Adelaide Anderson*: You think that it is fixed where the worker is really handicapped by handicaps that he need not have?—I think so.

12,832. *Mr. Poulton*: But that is not the workman's fault?—Personally, I do not think we are concerned with whose fault it is.

12,833. Oh, yes, because you have come here to criticise and show to us a better method, I take it, because you say that the rate is based upon rather the badly organised factory?—That is my opinion. I quite agree.

12,834. Therefore, by your argument, to follow it up, you would penalise the workman because of the badly organised factory?—I agree that is so, to some extent. But what is the logical conclusion? If you fix a rate which is perfectly fair to the worker on a proper organisation, does not that tend to compel other people to organise their factories so that they may earn their living? Otherwise, if you are going to have a rate which gives you only a certain return if the place is properly organised, the employer with a disorganised factory must either go out of business or put his house in order.

12,835. *Sir Arthur Pease*: Then you say in your point No. 6: "That representatives on the Trade Board Committee should be permitted to ascertain the opinions of the trade generally, so that they may not merely express a personal and possibly a strongly biased opinion." What is to prevent them doing that now?—I am not on the Trade Board Committee, so I am only speaking from what knowledge I have. I believe at present the majority of the discussion which takes place there is strictly private and confidential, and that imposes restrictions on the representatives in that they are not able to discuss things of real interest with the trade and so secure a general opinion. I believe I am right.

12,836. *Mr. Poulton*: I do not think it hinders them consulting fully their colleagues if they think fit to do so?—I understand that that is a complaint that has been made very frequently in the trade, namely, that they feel they are restricted from taking the opinions which would be so helpful to them.

Sir Arthur Pease: You are the first witness who has mentioned this in any way at all.

12,837. *Mr. Poulton*: I was just going to say that I do not remember anyone else making such a statement in the whole course of the inquiry?—This is not a criticism at all.

12,838. *Sir Arthur Pease*: There may be in a close negotiation offers and counter offers, and both sides may say: "This is without prejudice, and we do not settle this afternoon." You do not mean that. You mean something much more general?—I am speaking rather generally.

12,839. That is what might happen, of course, in close negotiation. There might be a general discussion as to what was to be done in the Trade Board, and what you mean to say is that those representing your colleagues would not be permitted to go back and take advice from members of the trade?—I think, generally, that is so.

12,840. We must make a note of that. This is the first we have heard of it.—You will find that very many of the documents are marked "Private and Confidential" which, I think, without injuring anybody, might be discussed openly.

12,841. We will make a note of that. Then your next point is "Adult learners." Have you anything special to say about that?—Only on this point. Frequently a man of 20 or 21 years of age desires to enter the trade. At the present time it is practically impossible for him to do so. There ought to be some machinery which enables him to start, very much the same as an apprentice starts in his youth. The difficulty has been cropping up a good deal lately.

12,842. *Mr. MacCallum Scott*: The Board has power to do that, has it not?—I looked fairly closely into it and I could not find that that is the power.

12,843. *Sir Arthur Pease*: The Board have full powers to provide for that.—If that is so, I am sorry that I misread it.

12,844. Your next point is: "Apprentices' wages to rise and fall on a *pro rata* principle"?—At present you have a fixed rate for an apprentice year by year, and I suggest that if there is going to be a consistent fall in the cost of living the rates which are paid under the Trade Boards Acts, and which have been fixed on the maximum cost of living, ought to fall *pro rata*.

12,845. Apprentice rates are fixed for five years?—In some cases, yes, and they were fixed at a time when prices were at their maximum.

12,846. *Mr. Poulton*: You only mean that they are fixed for five years of the youth's age, but not for a five-year period of time?—Oh, no. That I agree.

12,847. That is again, I submit, a matter for the Board?—Supposing a boy was apprenticed last year, his rate has to go on for five years, and the Board would have no power to vary that condition unless legislation was imposed.

12,848. *Sir Arthur Pease*: I see, your point is that though the minimum rates, and so on, can be varied by the Board at the end of six months, if a boy or girl were apprenticed those actual rates stand for five years and cannot be varied up or down?—That is as I read it.

12,849. *Mr. MacCallum Scott*: Would you be in favour of the Board under other circumstances increasing the wages of apprentices?—I said "up or down." I should intend it to apply either to a rise or fall. It seems logical to take it both ways.

12,850. *Sir Arthur Pease*: The next point is "Wages paid should be in a correct ratio to service rendered"?—I think I have fairly well covered that.

12,851. The next point is that it is not, in the main, a skilled trade?—There was a suggestion made in a good many quarters that the boot repairing trade is paid the highest rate under any Trade

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[Continued.]

Board, and it is so paid because it is essentially a skilled trade. I think that it can be very quickly disproved that it is essentially a skilled trade. There are a certain percentage of employees in it who are very highly skilled, and they in the main receive far more than the minimum. But I would almost say that the boot and shoe repairing industry is the cockpit into which is cast every man who fails to succeed in anything else, and to view the wage which is taken as the minimum from the angle that it is a highly skilled trade I think is wrong. That point will come out very clearly in connection with the suggestion of the hardship imposed on the organised employers who come under the Trade Board Act when they suffer the competition of men who do not employ any other labour. If this was a highly skilled trade you would not have all sorts of men turning to it in their spare hours to earn odd money.

12,852. Your point No. 11 is the position of the employer subject to Trade Board orders when in competition with single-handed repairers. We have had a very great deal of evidence on that.—I only want to make that point in connection with the skilled trade. That is one of the things which I think disproves the contention that repairing in the main is a highly skilled trade. All those straightforward jobs I am speaking of can be very quickly learned and performed in a satisfactory way.

12,853. We have had a great deal of evidence on that matter.—I only want to say that that matter is endorsed very strongly. It is the most difficult thing they have to contend with.

12,854. Your point No. 12 is: "The statement that the text of recommendation *re* Trade Board reform was concurred in by both sides of the Board concerned is inaccurate, as the first intimation that the majority of the Board received was the publication in the Press." What do you mean by that?—Published in the Trade Press there was this paragraph: "Following the statement which Mr. Crabb was authorised to present to Lord Cave's Committee by the Boot and Shoe Repairing Trade Board, as one of the employers' representatives on that Board, the following recommendations, in which both sides of the Board concurred, were presented." Neither side of the Board was consulted at all. I do not say there was no individual consulted, but in view of this statement in the Press I thought it right to draw your attention to it.

12,855. Do you mean it had never been before the Board?—It had never been before the Board, so I am informed by one of the members of the Board personally.

12,856. *Mr. MacCallum Scott*: Had it been before him?—No. He knew nothing until he saw it in the Press. I have the cutting here if you would like to see it. I am not suggesting that they would not concur in it; I think they would in the main.

12,857. *Mr. Poulton*: I am not on the Board, as you know, but do you think it arose from the fact that the Administrative Committee authorised the two representatives to come here and speak for their respective sides, because there is no doubt they were sent here by them?—I quite agree there, but this is quite another point. If you were to read it you would appreciate it.

12,858. *Sir Arthur Pease*: The Board applied officially to this Committee to give evidence through their Secretary?—I understood that, but this is rather a different statement, I think. It is not a question of evidence. This is supposed to be a considered statement agreed to by both sides, which is not according to fact.

12,859. Some of us have experience of these things in other ways. After a question has been considered generally, you usually leave it to two or three on each side to gather together the opinions and put them forward?—I am informed they had no power at all to make that statement.

12,860. We will make a note of that. The last point you put forward is about a Delegates' Conference?—Yes. The suggestion is that there has been no demand, and apparently it is suggested that there is no desire throughout the shoe repairing industry for a revision of wages. I only make this last point in order to point out that delegates representing 8,000 employers passed, with one exception, a unanimous resolution calling very strongly for a reduction; and that resolution in the main, slightly different in wording, was confirmed also at a meeting in London this week representing the London repairers.

12,861. One dissentient in 8,000?—One dissentient in both cases. I only point that out because it is suggested there is no demand.

12,862. That finishes this paper you have put forward. Have you anything to add?—I have nothing to add, unless you wish to ask me further questions.

(The Witness withdrew.)

(Adjourned till the following day at 2.45 p.m.)

TWENTY-SIXTH DAY.

Thursday, February 16th, 1922.

PRESENT:

SIR ARTHUR F. PEASE, BART. (*In the Chair*).

DAME ADELAIDE M. ANDERSON, D.B.E.
THE HON. MRS. ALFRED LYTTELTON, D.B.E.
MR. F. L. POULTON, O.B.E., J.P.

Mr. A. MacCALLUM SCOTT, M.P.
MR. H. D. HANCOCK (*Secretary*).

MR. W. E. COUNSELL and Miss POWER, recalled and further examined.

12,863. *Sir Arthur Pease*: I think, Miss Power, we went as far as Section B of your statement yesterday afternoon?—(*Miss Power*): Yes.

12,864. There was just one question I would like to ask: In the case of a large inspection, does the inspector deal with it single-handed, or does he have assistance where there are thousands of cases?—They may have assistance lately if they happen to have taken an officer in training with them; but normally a Trade Board officer works quite alone, and would have to deal with things single-handed. If he were travelling in the provinces he would be the only Trade Board officer in the district, and it would be impossible for him to get anybody to assist him. He might do so. There might be a case where a senior officer had taken one of the junior officers in training who would be with that officer to assist him.

12,865. *Dame Adelaide Anderson*: He could act as a witness to a verbal statement?—Yes. Of course, if it is a case of obstruction, or if an employer is likely to give false information, then we sometimes send another officer as a witness of exactly what takes place.

12,866. If it was serious obstruction, would the officer go away and come back with a witness?—Yes.

12,867. *Sir Arthur Pease*: But do employers or firms give you assistance in copying out things and so on, or is it left to the inspectors to do?—It is, for the most part, left to the inspector, because if proceedings were to arise, and the employer destroyed his wages books, the copy that the officer took would have to be put in as a true copy, and he would have to swear that it was, in fact, a true copy. If it was copied out by the employer for him he would be unable to swear it was a true copy. It might not be a copy of the wages book if it was supplied by the firm. The inspector would be able to swear that it was a true copy if he had made it himself.

12,868. But is it not almost necessary, where you have an inspection of a big works, that the officer should have some clerical assistance in order not to take up so much of the time of a thoroughly trained inspector?—It would be extremely useful if he had, but so far it is not possible; we have far too small a staff. They never work in couples except where an officer is in training with another officer or except if a special arrangement is made.

12,869. I was thinking rather of the case of an accountant engaged in auditing books. The chief man always has an ordinary clerk with him to call over and do such work as that. That is really an economy, because you do the work with a much lower-paid man?—It would be a very great economy if in the larger firms inspectors were able to take clerks with them for copying wages. Of course, those clerks would have to have Trade Board authorities to give them permission to enter the firm's premises and to see the wages books.

12,870. I meant that the inspector would go with them?—Yes.

12,871. *Dame Adelaide Anderson*: But all those entries are made under the powers given by the Act, are they not?—Yes.

12,872. So that it would be necessary to give a clerk similar powers, would it not, and a warrant of appointment?—I presume so, otherwise he would have no legal right on the premises.

12,873. But it would mean a very great economy if you could have someone of a less expensive grade to do that purely mechanical work for the highly trained inspector?—Yes, I think it would.

12,874. *Sir Arthur Pease*: Then, turning to section B of your memorandum, this is historical. Are there any points to which you would like specially to draw attention?—I wonder if I may enlarge slightly on the first page. In July, 1915, we had 12 inspectors. That was really our high-water mark. When we had those 12 inspectors we covered six boards, and those six boards covered about 12,000 firms, and about half-a-million workers approximately. We have at present 36 inspectors—that is to say, we have got three times as many as we had in 1915—but we cover approximately three million workers, that is to say, six times as many workers as we did, and approximately about 179,000 firms, which is 14 times as many firms as we covered in 1915. Then there are certain boards that are set up that have proposed rates but have not yet fixed them—the Grocery Board, the Made-up Textile Board, and the Milk Distributive Board for Scotland. Should those rates become fixed, that would increase the number of firms covered by the Act by 164,000, and that would mean that the number of establishments for which we were responsible would be about 27 times the number it was in 1915, although the numbers of our inspectorate would only be trebled.

12,875. And the work is more complicated because so many more rates have been fixed?—Yes. In 1915, if we made an inspection it might be necessary actually to investigate the wages of 25 per cent. of the individuals employed by a firm. Now we should have to investigate about 90 per cent. of the wages, because of the occupational rate.

12,876. Is there much difficulty in judging in which occupation a man or a woman is? There may be a certain amount of difficulty.

12,877. In deciding in which grade they are?—Yes. 12,878. Is there much difficulty about it?—There are difficulties when it depends upon the skill of the worker and things of that sort. For instance, in the coffin furniture trade dressers are entitled to a certain rate if they are expert in all processes. You have to arrive at whether the person is an expert in all processes before you can decide whether he is entitled to that particular rate.

12,879. How would you do that?—By questioning the foreman and the worker and the employer.

12,880. Their views are very different at times, are they not?—Sometimes they might be. Then you

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have to arrive at a conclusion as far as you are able to do so.

12,881. *Mr. Poulton*: Suppose an employer refused to accept your finding, what would happen?—As I said yesterday, where there is a dispute as to the rate to which a worker is entitled, there is no final decision except in the courts.

12,882. Can you suggest any other way, because it seems to me that it is a very unsatisfactory way when an employer on the one hand, and yourself on the other, are at opposite views regarding someone's competency, that at present there is no machinery other than going to the courts, which in itself may be just as unsatisfactory in arriving at a decision, because there you may have to depend upon—and as a matter of fact you would have to depend largely upon the legal acumen of the gentleman presenting the case?—*(Mr. Counsell)*: Very often the employer is a member of the Federation, and he appeals to his Federation where there is a dispute of that kind. The Federation is in touch with the Trade Board so that the employer is very often able to put his case very strongly before the Ministry, and that is long before any legal action of the kind suggested is contemplated. The thing does actually get threshed out before it is considered with a view to proceedings.

12,883. *Sir Arthur Pease*: You mean it does not go back to the Trade Board?—No. If the employer and the Inspector are in disagreement as to the occupation of a certain worker, the employer, more often than not, appeals to his Federation for backing. He wants to be backed by them. The Federation, if it is not too sure about its ground, may appeal to the Trade Board. Even if it is sure about its ground, it may appeal to the Trade Board in order to throw light on the position from the Ministry's point of view, and have the position remedied.

12,884. *Mr. Poulton*: In what position is the workman in the meantime?—The position of the workman is, presumably, the same. He may appeal to his union, and the union may appeal to the workers' representatives on the Trade Board. The thing then is aired on the Trade Board.

12,885. Have you any suggestion which would make it more satisfactory? I should have thought they should have gone back to the Board and let the Board decide?—No.

12,886. But that is the machinery. Do you suggest anything more satisfactory and simpler, having regard to the experience you have accumulated?—I think there are very few cases where such disputes arise. It is actually a question of fact, and where there is a dispute of that kind, the officer would invariably seek information from other sources before he sends in a report. He may go back to the firm and say: "Look here, I think I have made a mistake, and it is more likely than not that you are right; but I will put your case and the workers' case to the Ministry, and I will put the case as it appears to me." The Ministry then may decide to refer the whole question to the Trade Board.

12,887. *Sir Arthur Pease*: It is really the difficulty of judging the capacity or the qualification of an individual worker, and that is very difficult to judge in some cases, I suppose?—It is.

12,888. *(To Miss Power)*: Would you go on with your point?—*(Miss Power)*: I think I was explaining that the number of firms liable to inspection has increased out of all proportion to the size of the inspectorate. We have at the moment 36 officers, but they are not entirely engaged on inspection, because that number includes Mr. Counsell and myself. Mr. Counsell has two of those officers engaged on special enquiries, and I have 32 engaged on Trade Board inspection. Of those 32, three senior officers are engaged for 75 per cent. of their time on indoor critical work on the reports of the junior inspectorate.

12,889. *Dame Adelaide Anderson*: Did you say you have 36 inspectors, or 32?—I have got 32, and three of those spend the majority of their time indoors,

12,890. *Sir Arthur Pease*: There is one point which has been raised by several witnesses, namely, that inspectors do not keep sufficiently in touch with the Trade Boards. That does not seem to be borne out at all from the records you have handed in of meetings with the Trade Boards, and I should be glad if you would explain exactly what the relationship between the inspectors and the Trade Boards is?—I think the feeling is that the Trade Boards are not sufficiently in touch with the inspectorate. That grew up after the removal of the inspectorate from the Office of Trade Boards to the headquarters of the Ministry of Labour. But I think it is more an arithmetical question than a geographical one. The Boards feel that they are not so much in touch with the inspectorate because they make application to get work done, which is not done. It is not for any reason that we are out of touch with them that it is not done, but we simply have not the staff to do the work. We send in an annual report to every Board, stating how much inspection has been done for that Board in the course of the year. We invariably receive a letter back from the Board complaining of the inadequacy of the inspection, and calling for a routine inspection in their trade. As a matter of fact, we cannot do it. We are already considerably in arrears in investigating complaints alone. The complaints with which we deal are kept so carefully sorted that every complaint is substantiated on investigation.

12,891. But do inspectors meet the Trade Boards and discuss matters with them verbally, or is it all done on paper?—It is usually done on paper. The senior inspectors do meet the Boards in connection with special investigations, but the junior inspectorate do not meet the Boards.

12,892. *Mrs. Lyttelton*: What do you mean by saying that all the cases are substantiated? Have you got some system of sifting them before they come up?—Yes. We have a questionnaire which we send out to every complainant—not, of course, to the anonymous ones—in which they are asked to set out certain particulars which enable us to judge whether the worker is claiming the right rate or not.

12,893. At first did you have to do a good many on chance?—Yes. The present system was adopted in order to prevent any time being wasted in the investigations of complaints which were not serious.

12,894. *Dame Adelaide Anderson*: It is the same with all organisation of inspection; you must get the particulars before you spend time in beginning to inspect?—Yes, quite.

12,895. *Mrs. Lyttelton*: The only reason I asked was because Miss Power implied a change?—We did not previously have the questionnaire, when things were not complicated. It may have been a question of one rate then; now it is a question of a number of occupational rates.

12,896. If there is a complaint now, it would go through a trade union official, would it not?—The trade unions now are, as far as possible, only sending specific complaints.

12,897. With particulars?—Yes. Occasionally they are not able to do that. Occasionally they send us a complaint in respect of a given area saying that they have reason to believe that there is general non-compliance in such and such a town, or such and such an area.

12,898. *Mr. Poulton*: In the case of the older Boards, do you find that now they have had experience since 1910, there is less necessity for inspection than in the case of the newer Boards?—Yes, there is certainly less, except that you are liable to get an old Trade, during a period of trade depression, rather slipping back in compliance in the low end of the trade. That has certainly happened in the cardboard box trade.

12,899. But still, there is less necessity for inspection, generally speaking, in their case?—Yes.

12,900. *Sir Arthur Pease*: In addition to these reports, would the inspectors ever help a Board with regard to questions of scope and so on, by giving advice?—Yes. If there is any difficult question of

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scope, the inspector is sometimes asked to make an investigation and to report very fully as to what the work is that is carried out by a certain firm.

12,901. I mean before there is a dispute. Would the inspector never assist the Board in regard to questions of scope and definition?—Before the Board comes into operation, do you mean?

12,902. No—before the Board send out their proposals?—(Mr. Counsell): Yes, they frequently do that. It is one class of work that is undertaken usually by my small section—a special enquiry carried out on behalf of the Board. It may want information relative to the working conditions obtaining in a certain trade or a certain rate which is already fixed and which it is suggested should be varied.

12,903. Mr. Poulton: And they are always available as far as it is possible?—They are always available. I do not think there is any case where they have been turned down.

12,904. Sir Arthur Pease: I have asked you rather in detail on this, because so many people have said you are out of touch with the Trade Boards?—(Miss Power): Yes.

12,905. Would you go on, Miss Power?—In the old days when there was only one Chairman—Mr. Ernest Aves—the inspectorate used to undertake a good deal of the enforcement work as well as inspection. They also undertook work which is not now done by the inspectors, because organisation is better, and it has ceased to be necessary—such work as holding meetings at factories to explain the meaning of Trade Boards and to get workers' representatives, or to interview workers selected by trade unions as to their suitability as workers' representatives on the Board. Of course, the worker's side of the Trade is so much better organised now that that sort of work is not necessary, and the inspectors are not called upon to do it any longer.

12,906. Is that so, even in the case of a new Board?—The inspectorate do not now do it. We have not got any statistics as to the number of complaints that were received during that period, but for the most part an officer would not spend more than, it is believed, from about 40 to 50 per cent. of his time on complaints. The rest of the time of the officers would be spent on routine inspection. They would take with them the complaints they had for a certain district, and would fill up their time in the district on routine inspection.

12,907. Dame Adelaide Anderson: That was under the old system?—Yes. That is quite impossible now. The number of complaints is so heavy, and the size of the inspectorate in proportion is so small that we are entirely occupied on complaints.

12,908. Sir Arthur Pease: If you are reporting by routine, you would really know a great deal more how the work was going on than by examining individual complaints?—If you were able to concentrate on one district you would find out more about the conditions in that particular district. Of course, if one employer in the district made a definite complaint about a specific firm, the Inspector would make every endeavour to investigate that firm while he was in the district. But if an employer said, "I know my competitors in general are not conforming," the Inspector would be unable to make an investigation.

12,909. My point is that an Inspector employed on a routine inspection for a day would find out a good deal more than he would by examining one particular complaint; would not that be so?—A routine investigation in a day? An Inspector is not likely to cover more than two firms at the most in a day.

12,910. In the case of a complaint he can only cover one or two individual cases?—Individual firms.

12,911. You mean if there was a complaint, he would go through the whole of the books of the firm and not examine the particular man who had complained?—He would not examine the particular man, because it would certainly give away the complainant if you enquired into the wages of only one man in a firm.

12,912. Dame Adelaide Anderson: By taking certain sample cases in a factory, could you not sufficiently test the observance of the Act without examining every record?—You could do that in the old days, but you cannot do it now, because of the occupational rate. None of the small retail firms keep their books so exquisitely that they would have down against the worker's name his age, experience, occupation, etc. You would have to question the individual worker; he would simply be down in the book as: John Smith, 48 hours, £2 10s.

12,913. Would it be too much to ask them to keep those records?—I think it would be a good deal to ask. Also, I do not know that they would be able to keep them adequately even then.

12,914. Sir Arthur Pease: Will you now take your next point?—I think the next point is the transfer of the inspectorate to the head quarters of the Ministry of Labour, and the experience of employing inspectors of another department on Trade Board work.

12,915. Which has been very unsatisfactory, I gather?—The employment of entirely untrained officers was very unsatisfactory. The employment of partially trained officers was satisfactory in the case of about 50 per cent. of those officers. We have obtained some very valuable officers from the Employment Department. But those who were entirely untrained were, in my personal opinion, actively dangerous: the work is too complicated.

12,916. Were those who were valuable, valuable almost immediately they were taken over?—Those that were trained took some time. Their value has begun to be felt in the last six or eight months.

12,917. Dame Adelaide Anderson: After how long?—After about a year.

12,918. Does it take a year to train a reasonably good candidate?—It takes about a year to make an inspector useful; it takes infinitely longer to make a thoroughly trained officer.

12,919. Mrs. Lyttelton: And that is starting with an officer already trained in another direction—not a perfectly raw article?—That is so. But it would take far longer than a year to train an officer who was capable, for instance, of assisting an employer to increase his output.

Sir Arthur Pease: I think we will take the point about increasing efficiency afterwards.

12,920. Mr. Poulton: What kind of person do you mean, when you say it takes them so long to be trained? I suppose, if you had someone in a big factory who was fully acquainted with Trade Boards and their working, it would not take a person of that description, who knew all about it, very long to become efficient?—The Trade Board inspectors are called upon to know the technical details of every trade—not only of one trade.

12,921. But there is a great deal of similarity once you have mastered the general position?—Yes, but there is a great deal of dissimilarity as well.

12,922. This question has been raised at the Boards, and I want to get at what is at the back of it.—Do you mean the suggestion that you should employ people in the trade?

12,923. Yes.—(Mr. Counsell): Is it not the question of specialisation which you have in mind rather than, for instance, taking all trades—people with trade knowledge?

12,924. That is what has been raised at the Boards, and now that you are here, I am taking advantage of your experience to hear what you think about it.—(Miss Power): I take it you mean certain officers allocated to certain Boards. I think there is much to be said for that. I am not sure whether it would not be extravagant from the point of view of administration. You would not be able to decentralise those officers unless you increased your inspectorate. You would have to keep officers at headquarters to travel to any place to investigate a trade.

12,925. Dame Adelaide Anderson: But if you group them in certain main centres of those industries under the Trade Boards, you could perhaps secure that each inspector would get experience in not only one Trade Board trade but perhaps in a group of

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two or three trades.—That is what we are ultimately aiming at—that you should not only decentralise, but that you should specialise in certain cognate trades such as the metal trades, the distributive trades and the textile trades.

12,926. Then you might move them round in order to acquire fresh experience?—Yes. You would get a group of experts in their respective trades in each division.

12,927. It is important not to have a large staff of inspectors travelling in the country, is it not?—Yes. It is not intended to continue that: it is merely a question of training at present. We have not the staff to take charge of decentralised groups. We hope to decentralise ultimately. I think that a measure of specialisation in groups of trades will ultimately be essential because I think it is more than can be expected that anyone should acquire the technical details of every trade which already comes under a Trade Board.

12,928. What they all must learn is the right handling of a case and the personal way of dealing with all kinds of people.—Yes. But certain trades are very technical; for instance, the lace trade. To send an inexperienced officer into the lace district would be quite futile; the officer could not even understand the terms of the trade.

12,929. *Sir Arthur Pease*: And even in the same trade, in different parts of the country, I suppose the names they call certain operations by are quite different?—Yes; and they have different methods of manufacture. At one time the shirt and collar trade, for instance, had different methods of manufacture, in different areas.

12,930. How is that got over when they fix a rate, if the terms are not the same? Does that come up?—(*Mr. Counsell*): We do not fix general minimum piece rates for cases of that kind where you have different terms and different conditions of work. Where you have general piece rates you must define the terms, and you have more or less to set out the conditions under which the work has to be performed. You have got to measure the work and more or less determine the conditions of the work before you can fix a price for that work, and where you get so many varying conditions in different parts of the country, it is impossible to fix general piece rates unless you do it on an area basis.

12,931. It would be absolutely necessary to have district rates?—It would be for general minimum piece rates; but where you have the ordinary piece-work basis time rate, then it is not necessary: the one rate will apply to all factories irrespective of the method of manufacture.

12,932. (*To Miss Power*): Is there any other point on the historical part of your statement that you would like to mention?—(*Miss Power*): I think, as I was mentioning about the failure of certain members of the Employment Department engaged on this work, that I should, in justice to those officers, say that they were only able to have a very short training at a time when the work was rapidly increasing in complication, owing to the inadequacy for training purposes of the existing Trade Boards staff. There were only six fully trained Trade Board officers of the old staff left to acquire all the technicalities of a new trade, to undertake all the investigations, and to train all the new officers.

12,933. I suppose the difficulty of inspection in the different trades varies very much?—Yes.

12,934. One trade is comparatively simple and another is not?—Yes. For instance, in the sugar, confectionery and food preserving trade, inspection may be comparatively straightforward normally. Of course there are still questions of testing piece-rates, such as those for onion peelers and jam packers, but the complications in that trade are not comparable with some others. The amount of comparative evidence that you would require to have stored in your mind is very much less.

12,935. I think now you have got as far as “permit investigations”?—I think I said a good deal about that yesterday. At the moment we are only able to investigate a very few permit applications.

12,936. And they are really dealt with by the Boards in another way, are they not?—Yes—by the Administrative Committees of the respective Boards.

12,937. Do you do nothing now at all in regard to them?—We do a certain number. If we are able to investigate them within a few months, we do those of them that they think necessary.

12,938. Then you deal with the pooling of Government inspectors and so on. I think you feel it is practically impossible to do much in that way?—I am personally of that opinion. I think that the work is too complicated.

12,939. And you set forth the various conditions there are?—Yes. I think it has been suggested that the police are capable of making investigations. I should like to suggest that I do not think even the cleverest Metropolitan policeman could undertake piecework investigations.

12,940. *Mr. Poulton*: It was said, I think, that the present inspectorate under the municipal councils might carry on the work?—I think it was Mr. Kay who spoke of the question of policemen coming in in connection with weights and measures.

12,941. The weights and measures are under the police department of the ordinary municipal council?—Of course there are certain aspects of our inspection which could be done by other inspectors: for instance, the posting of notices.

12,942. *Sir Arthur Pease*: But there are certain simple questions that people want answered. Could you not have some recognised authority to deal with a locality without having to send a man or a woman down in such a case?—Do you mean that you could have someone in the locality to whom people could go for information on Trade Board matters?

12,943. Yes—if some particular point was asked to which a clear answer was wanted by the employer or employee?—If we had decentralised inspectorates, which we are aiming at, we should have the local office at which information could be obtained. Previously we had one local office only, and that was in Nottingham. That was largely used, and employers and employed in the lace trade could obtain information when difficulty arose.

12,944. I mean if there was a specific question to which anyone wanted an answer, and as to which they could not get a definite answer, would not one of these other bodies, like the local authority or someone, be able to give them an answer?—It would depend on the nature of the question.

12,945. I mean a simple question?—If they were asked whether a worker should be paid a dressmaking or a tailoring rate, or as to whether they were engaged on tailored or non-tailored garments, presumably the question would not be answered, because the person would not be able to answer it: it would be too technical.

12,946. *Dame Adelaide Anderson*: Then there would arise the question of entry?—Yes. If it was merely a question of the posting of a notice they would be able to answer it. I think that was one of the difficulties which came up in using the untrained inspectorate. They were overwhelmed with such questions as scope, for instance, which they were unable to answer.

12,947. *Sir Arthur Pease*: Then you refer in your statement to the necessity for the continuation of inspection?—I think one of the points for continuance of a high grade of inspector is their educational use. Whenever it is known that there is a Trade Board inspector in the district, the knowledge flies round with extraordinary rapidity, and the inspector is invariably visited by the members of the employers' federation or the trade union secretary, who either want to lay complaints or to ask for information on a large number of points.

12,948. In what sense do you mean educational?—That they are able to explain on the spot.

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12,949. Do you mean to make people quicker to keep within the Act, or to enable them to run their factories better?—I mean if they ask what rate is applicable or what brings a worker under a certain category.

12,950. Then the question of notices seems a very difficult one?—There has been difficulty in the past in notifying employers in widely scattered trades, such as the clothing trades, of the rate applicable. For instance, in the dressmaking and millinery trades, a very large number of the employers inspected had never received notices, and were in *bona-fide* ignorance of the existence of a Trade Board. That was in the case of small employers.

12,951. Would it cost much to have notices printed in pamphlet form which they could buy at a small price?—I doubt if they would buy them. It is a question of notifying them of the very existence of a Trade Board very often.

12,952. It has been pointed out to us the difficulty there is in reading a notice stuck up on a wall, and whether it would not be possible to have notices put up in pamphlet form so that they could be purchased for 1d. or 2d.?—They do exist in pamphlet form.

12,953. All of them?—Yes. I do not think it would ever be possible to notify everybody unless you had some form of compulsory notification, because in so many trades these little employers are in and out of trade, and they are moving about from place to place. It would be impossible for us, for instance, to have a complete list of all the dressmakers. In the case of these little country dressmakers, it is very difficult to follow them from one place to another. Sometimes they are employers and sometimes they are employees; sometimes they are working alone and would not come under the heading of employers at all. It is according to the state of trade.

12,954. *Mr. Poulton*: Have you had many complaints under section D about the fear of dismissal preventing employees giving you information?—We have had cases of that lately.

12,955. You have no power to deal with them, have you?—No.

12,956. Do you suggest you should have any power, because there was a very bad case in this morning's papers?—You mean in connection with a perambulator firm, do you not?

12,957. Yes. The magistrate spoke very strongly, but he has no power. I can quite see the danger if people can be dismissed in a wholesale manner for claiming just their bare rights?—Of course that was an exceptional case.

12,958. I hope it is an exceptional case. It would be a very sad commentary on the position if it was not. There were 87 summonses taken out for one firm?—Of course it is very often the case that the worker is unaware of the rate to which he is entitled. There is a great deal of ignorance among workers.

12,959. *Dame Adelaide Anderson*: How can you bring the knowledge to those workers?—I think you cannot do it in any way except by ensuring that every employer has a notice of the wages affixed—not only that he gets the notice, but that it is affixed. Of course he is under a legal obligation to affix the notice. The difficulty is to make sure he gets the notice and is himself aware of the existence of a Trade Board. That applies more in the retail than in the wholesale trades. The wholesale firms of course are generally aware of the existence of a Trade Board.

12,960. *Sir Arthur Pease*: I should be very sorry to try to read some of those notices which are stuck up on the wall of a building. Where they are complicated, with a lot of piece rates, it would be almost an impossibility, would it not?—I admit some are very complicated; but where you have piece rates fixed, I think it is very difficult to simplify. If there are 1,200 separate processes in the brush and broom course are generally aware of the existence of a Trade Board.

12,961. *Mrs. Lyttelton*: And after all, the worker will only look for his special occupation?—Yes.

12,962. *Dame Adelaide Anderson*: Did these workers to whom reference has been made lose their

work?—In this particular firm they were dismissed, because they attended the Court in accordance with the summonses.

12,963. Do you know that sort of thing happened in connection with the Factory Acts?—Yes.

12,964. Did you ever hear of the fund which was set up to indemnify workers who were dismissed?—Yes.

Dame Adelaide Anderson: Do any of these workers under your care fall back upon the fund?

Mrs. Lyttelton: It is wound up.

12,965. *Dame Adelaide Anderson*: Is the fund itself wound up?—There is a new fund which applies not only to the Factory Acts but to the Trade Boards. I believe it is the same fund under a new organisation.

12,966. *Sir Arthur Pease*: Is that a voluntary fund?—Yes.

12,967. *Dame Adelaide Anderson*: The old fund was a voluntary fund?—I think so.

12,968. It also applied, did it not, to Trade Boards?—It applied to the Factory Acts. I do not know whether it applied to the Trade Boards.

Dame Adelaide Anderson: It did.

12,969. *Sir Arthur Pease*: In the case where these workers were actually dismissed, you say it was victimisation, and not where an employer says: "I cannot carry on my works because the wages are too high"?—This was victimisation. (*Mr. Counsell*): May I answer the question raised by *Mr. Poulton* as to what action should be taken in cases where workers are dismissed for attending Court to give evidence against an employer? I think the question of Contempt of Court might arise there, and that an employer who threatens his workers with dismissal for attending Court after being subpoenaed to attend the Court, might properly be committed by the Court for contempt.

12,970. You have no suggestion, have you, for simplifying Trade Board notices, or for putting up a summary of the notice?—(*Miss Power*): I think they have been made smaller lately, and I believe extracts from the Act have been omitted. I think possibly there might be a simplification of the matter, but that is often dangerous when you are dealing with legal notices.

12,971. *Mrs. Lyttelton*: Do you think if they were on sale at a cheap price at the Labour Exchanges, the workers would buy them?—I think the organised workers might, but I do not think the unorganised workers would. There is an extraordinary lethargy among unorganised workers as to their conditions of labour. It is possible to find a worker with a notice on the wall in front of her machine, who is not able to tell you to which rate she is entitled, even if it appears to be a perfectly simple rate.

12,972. *Sir Arthur Pease*: Then we come to the question of the position of slow or incompetent workers?—That is the difficulty of a permit only being given to a worker who is mentally or physically afflicted. It does not allow a worker to hold a permit because he is a slow worker. In a case where nearly all the workers are on time rates, a slow worker may be employed who cannot be put upon piece rates. He is not physically or mentally afflicted in any way, and therefore he is not a case for a permit under the Act as it at present stands; but at the same time he is a slow worker.

12,973. Do you think it is possible to differentiate?—Yes, I think it is possible, but I think it would be very liable to abuse, and you would want a very careful scrutiny of the claim that the worker was slow, because it is a question of fact which is very difficult to arrive at. Where piece rates are paid, you need not make the application; but at the same time you can find out the relative output of that worker as compared with other workers. Where the worker is on a time rate basis, you cannot find that out from the records, and you have to find it out by questioning fellow workers and the foreman, and the worker himself.

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12,974. If you do not have some method of doing that, will not these people become unemployable?—I think there is a risk that they may happen in certain cases.

12,975. *Dame Adelaide Anderson*: Does this kind of case arise in the laundry trade?—No, because there are piece rates there now.

12,976. Are there always piece rates there?—No, but generally; and there is a guaranteed time rate in the laundry trade.

12,977. *Sir Arthur Pease*: In the distributive trades especially there are odd jobs which a man or a woman who could not really do a day's work, could do?—Yes. Of course we have not practical experience of the distributive trades yet.

12,978. Do you wish to say anything about the case of the sub-contractor?—Yes, that is a difficulty that we come across chiefly in the lace trade and in the tailoring trade. I think you have had evidence from a lace employer in connection with the difficulty in the lace trade. That trade is entirely run by means of middle workers and out-workers. Where an employer employs out-workers without the intervention of a middle worker, he has to pay such workers the fixed piece-rate plus 15 per cent. commission if they fetch and carry their own work. If he gives out sufficient work to one worker—not to do it herself but to redistribute it among other workers—that woman is not an employee but a sub-contractor and an employer as well, and he is not legally obliged to pay her any commission. The Act says it is the custom of the trade to pay the sub-contractor 25 per cent., but the custom of the trade is not legally enforceable. The result is the better houses will pay that woman 25 per cent., and the other houses will only pay her 15 per cent. commission as if she were taking out work for herself. For instance, we have found firms employing women as middle workers who only pay the middle worker 10 per cent.—even less than the single worker's rate.

12,979. *Sir Arthur Pease*: Ten per cent. on the general minimum piece-rates?—Yes, although that middle worker has the responsibility for paying the National Health Insurance for her workers and for booking out their work under the Factory Act—in fact, has the complete responsibility as an employer.

12,980. Have you any suggestion for getting over it?—I think the Lace Board is unanimous in making the suggestion that an Act should be passed making it possible in the lace trade to fix a legal commission for middle workers. I think there is no other way of doing it but to compel the employer to pay a fixed commission of 25 per cent., or whatever is decided, to the middle worker.

12,981. *Mrs. Lyttelton*: It should be compulsory?—Yes.

12,982. *Dame Adelaide Anderson*: That would tend to alter the organisation, would it not?—No, I do not think so.

12,983. Is it done for the convenience of the employer?—Yes, because if the work is going out to a middle worker it relieves the employer of responsibility under the Particulars Clauses and under the National Health Insurance Act.

12,984. *Mr. Poulton*: Would it not have the effect of helping him very considerably in his expenses? If he could give out all his work in that kind of way he would not have the same kind of factory?—In the lace trade he gives out the finishing, either in small quantities to women who are his direct employees, or to a middle worker.

Mr. Poulton: I was thinking of other trades where they would have to have a big factory, and the expense would be considerable. They would avoid that altogether.

12,985. *Mrs. Lyttelton*: But you mean to limit it to lace?—Yes. It is a very much simpler problem where you have general minimum piece-rates. Where you have such rates, if the employer pays a low commission, it is obvious that the middle worker has to make a profit, and so she pays less than the fixed piece-rates to the workers.

12,986. *Mr. MacCallum Scott*: Are these very small people, as a rule?—In a time of trade slackness they are workers; in a time of trade prosperity they are middle workers.

12,987. *Sir Arthur Pease*: Your scheme for dealing with this would be that she got 10 per cent., 20 per cent. or 25 per cent. commission. She would not have guaranteed any rate. If she had very little work to take out one day she would only get the percentage on that, and if she had a great deal of work another day she might earn a good amount?—A worker is obviously a middle worker where she takes out more work than she can do herself.

12,988. *Mr. Poulton*: How do you get hold of her if she breaks the law, if to-day she is a worker because she has a small amount of work, and the next day she is an employer?—In practice it does not work out like that. When the trade is busy a woman remains a middle worker for a long period. When the trade falls slack, she may become a worker; but it does not go up and down in that way.

12,989. *Mrs. Lyttelton*: With reference to Mr. Poulton's point, I suppose really the lace trade will always be a home workers' trade?—The lace finishing. Of course, it has a warehouse section.

12,990. But I mean that particular class will probably always be home-workers?—I think so, because the amount of warehouse space required would be very considerable.

12,991. And also it is done at odd times, is it not?—Yes.

12,992. That is why I do not think any amount of legislation would drive them into factories?—Quite.

12,993. *Sir Arthur Pease*: Why is a woman a middle-worker if she can earn more by working herself?—She generally does a certain amount of the work she takes out, even if she is a middle-worker, and she pays herself the general minimum piece-rate. At the same time she gets the commission, whatever it is, on the bulk of the work which she gives to the other workers. Lace work comes from the dresser, and it has to be ready by a certain time—a very brief time. The work is hustled out to the middle-worker. She could not possibly do it herself. She would have to distribute it and get it back in a certain fixed period—very often 12 to 24 hours.

12,994. *Mr. Poulton*: It makes it difficult to find out whether the rate is being paid?—It is difficult in any case.

12,995. They might say: "I never had a notice," and how are you to know? You cannot supply them with a notice?—The employers are supposed to keep a list of their outworkers.

12,996. Yes, but they do not employ the third person; they employ the second person?—(*Mr. Counsell*): We have got over that in the chain trade. In the chain trade we have distributed notices among home-workers themselves. We have furnished each of the home-workers with the rates for the work they are employed on.

12,997. *Sir Arthur Pease*: Is there anything you wish to add on that point?—(*Miss Power*): I do not think so.

12,988. I see you say that small employers complain that only the big firms are adequately represented on the Trade Board?—Yes. For instance, you get a complaint from a small sugar confectionery man that a rate is fixed upon the capacity of a big combine like Cadbury's to pay, and not upon the small man's capacity. You get that kind of complaint.

12,999. Then there are complaints from rural districts?—Yes. We have had a good deal of that, but I think the Retail Bespoke Tailoring Board is taking steps now to consider that difficulty.

13,000. Have you anything further to say about that?—I do not think so.

13,001. I think, Mr. Counsell, you have some points to which you wish to draw our attention. I take it those reports on inspections are all confidential; that they refer to particular firms, and would be confidential?—(*Mr. Counsell*): Yes; I think

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that as far as the names of the firms are set out, if the reports are to be put in for publication, they should not be identified with any particular firm. I think the names might be deleted.

13,002. I hardly think it is necessary to print the whole of this?—I do not think it is.

13,003. But that will be for the Chairman to decide. But these show very clearly what the details of the work are which is carried out, do they not?—Yes.

13,004. *Dame Adelaide Anderson*: They are all actual reports, are they?—Yes.

13,005. *Sir Arthur Pease*: Your memorandum will be printed. Are there any special points you wish to draw our attention to?—I do not know that there are any to which I wish to draw special attention. The memorandum sets out, I think, fairly clearly the nature of the work undertaken by the small section of which I am in charge. With regard to the paragraph on types of special inquiries on page 1 of the memorandum, it might be well perhaps just to mention the nature of the work to which reference is made under Item 1—inquiries carried out with a view to the fixing of general minimum piece-rates either in the case of indoor or outdoor workers. At the moment there are inquiries being made for two Boards, one the Laundry Board and another the Tailoring Board. In both cases minimum piece-rates have been in operation for some considerable time, but the Boards complain that, owing to the difficulty of determining the ordinary worker, they feel it would be highly desirable from the point of view of administration and simplification to fix piece-rates giving the prices which must be paid for each article of work. Investigations have been made in the one trade, and are being made in the other, which I think will enable the Boards to fix those rates. When that is done it will materially reduce the amount of work of the inspectorate. The workers, by reference to the piece rates lists, will be able to determine themselves whether they are or not getting the piece rates to which they are entitled. The question of the ordinary workers would therefore fall to the ground in these trades.

13,006. But would it not be almost impossible to fix piece rates in the laundry trade?—I ought to have explained that in the laundry trade it is proposed to fix piece rates for ironing only. I do not know, but I think there will probably be something like 200 piece rates. They cover pretty well all the garments that go to the laundry.

13,007. I mean there is a very great difference in garments that are called by the same name. How would you deal with that?—I think there is a difference in size and a difference in the degree of fancy work that you find in them. You have first of all the plain, the medium and the fancy garment. You have the small, the medium and the large, and you split them up into some such order as that.

13,008. It seemed to me there would be a very great difficulty in fixing piece rates in the laundry trade?—No doubt there is a great difficulty in fixing them, but after they have been fixed, I think it would be extremely helpful, not only to the trade but to administration.

13,009. Do not their character and the way in which things are got up vary very much from one laundry and one district to another?—They do. You would have to make a differential rate presumably for the garments which are ironed by electric and gas-irons as compared with flat-irons.

13,010. *Dame Adelaide Anderson*: There would be no precise line which should be drawn anywhere; it would be a sort of rough specification?—I do not think it will be very rough; I think it will be fairly clear. It sounds very hazy and nebulous at the moment as I give it, but I think that the schedule will set out the position fairly clearly.

13,011. Take children's pinafores—large size, medium size, small size.—Yes.

13,012. *Sir Arthur Pease*: I am afraid I rather turned you from your point just now. Will you pro-

ceed, please?—In the retail bespoke tailoring trade the Board is trying to fix general minimum piece-rates for the making-up of men's garments. That is very much more complicated and very much more difficult, I think, than the fixing of piece-rates for the laundry trade. Here you have got to set out every operation of work connected with the manufacture of a garment from marking out to pressing off, including the number of buttons, the number of button-holes, the way the thing is pressed, the material and the work which is put inside the garment, and so on, according to whether the operations are done by hand or by machine. In that trade I think it is true to say that it has almost been impossible to enforce Trade Board rates—the piece-work basis rate, I mean—simply because the conditions of work have been so varied and the workers themselves are so independent that they will not subject themselves to workshop discipline. It has become necessary to fix general minimum piece-rates if enforcement is to be carried out. The Retail Bespoke Trade Board has now set up a committee which is drawing up a schedule of piece-rates for the trade.

13,013. And you think that job is one of extreme difficulty?—It is one of extreme difficulty. I think it is true to say that in the making of a coat there are probably as many as 100 different operations.

13,014. But when you have got to put those into the wages schedule—supposing the piece-rates are fixed—how would you do that?—You would have to fix them for coats, trousers and vests, made by hand, made by machine. You would set out every operation of work that can be put into a garment, and you would fix the value of each of those operations. If an employer decides to have his garments made with only half the operations of work, then he would only pay for that amount of work.

13,015. He would have a coat made unlined instead of lined, for instance?—Yes. He would not pay for the lining in that case. Then there would be the question whether it had two pockets or three or four pockets, and so on. The second clause—Item II.—relates to special minimum piece-rates. They are cases where an employer, for some reason or another, wishes to have special minimum piece-rates fixed for the workers in his own particular factory. He does not want to be bothered with the ordinary worker clause or with keeping records of hours, and so on; so what he does is to make an application to the Board that special minimum piece-rates be fixed for the work as carried on by him. I think three different Boards have fixed those rates.

13,016. Simply for the one factory?—Simply for the one factory.

13,017. But if that number were extended it would be quite impossible for the Board to deal with them all, would it not?—If they all came at once, yes.

13,018. If a great many came at once?—Yes. As a matter of fact, I do not think there is any likelihood of a large number of applications for special minimum piece rates coming in, especially in cases where employers are rapidly improving the conditions of employment—introducing new types of machinery and improving their organisation and so on. It would mean that every time they made such an improvement they would either have to lose the benefit from it or get the piece rate varied.

13,019. *Mr. Poulton*: Do they have to get the consent of the Board for this special method?—The Board fixes the rate.

13,020. *Sir Arthur Pease*: Then has that to go through all the procedure of proposal and that kind of thing?—No, not proposal. An application is made. I forget in which Appendix it is, but it is set out in one of the Appendices. The firm make application under Section 4 of the 1909 Act for special minimum piece rates to be fixed for certain kinds of work. The Board may have an investigation made, and on the report they fix piece rates for each of these operations of work, or for each garment. Those rates remain in force until they are varied.

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13,021. It is not necessary to put them all through the lengthy procedure of giving notices, because it only affects that particular firm?—That is so. The firm get a certificate of this kind (handing in form of certificate).

13,022. *Mrs. Lyttelton*: Is there any tendency for other firms to adopt them?—I think not. They are very few and they are usually cases where the employer is particularly anxious to employ workers who come in casually and whose time need not be specially recorded.

13,023. *Dame Adelaide Anderson*: If there was no power of this kind, it might have the effect of retarding new methods of manufacture?—Yes.

13,024. A new method is being tried and the ordinary general minimum piece rate will not apply?—Yes, the ordinary piece-rate will apply. The other case only applies where an employer makes application for particular rates to be fixed for his particular factory.

13,025. It would apply in his factory because he is using a new method?—Yes.

13,026. And therefore he wants something which will yield the same result to the worker as the general minimum piece rate?—Yes.

13,027. *Sir Arthur Pease*: There seems to be a good deal of latitude in these rates. I see there is no difference between trousers lined and unlined?—That is so, because in lined trousers there is a certain amount of work which is not performed in unlined trousers, and the one more or less compensates for the other. Item III. refers to cases where a board has fixed general minimum piece rates and desires to vary them. The Board meets. The employers put forward a proposal to reduce the rates. The workers say: "What basis do you want to bring them down to?" The employers say: "Bring the rate down to one shilling per hour." The workers then say: "The rates are not now yielding 1s. 10d." (The employers say they are.) There is a disagreement as to the value of the rates which are already fixed. Then before the Board can proceed to vary its rates, it may be necessary to ask the Ministry to make an inquiry into the actual value of the piece-rates which the Board has fixed in order that it may know what the basis is, so as to vary them accordingly.

13,028. But would not that be done at the time the first rate was fixed?—Not necessarily. In some cases the Board, at the outset, agree what rates shall be paid for a certain operation of work without having perhaps clearly in mind the hourly value of the rate they are fixing.

13,029. *Mr. Poulton*: That is, they go largely at the start by rule of thumb?—Quite. They may say, as they have said in some of the trades, that one rate may yield 1s. an hour and another may yield 1s. 3d.; so we make it 1s. 2d. or something like that. When the employers are pressing for a reduction the workers may say the rates do not produce anything like the employers say they do; or if there is a proposal to increase the rates, the employers may say they yield more than the workers say they do.

13,030. *Sir Arthur Pease*: As a matter of fact, it would appear that the less people did the higher the rate might be, and that therefore the piece rate should be put down?—That is a matter for investigation. If one found the workers deliberately slackening in order to place a higher value on the work, I think it would be deplorable. But as a matter of fact what one finds is that if slackening does take place, it is over a very limited period, and if the inspector goes sufficiently far back in his investigations he is more or less able to eliminate it.

13,031. You do not want to discourage people from doing their best?—That is so.

13,032. Then we come to No. IV?—The cases referred to in No. IV are those where complaint is made to the Ministry that the rates fixed for certain classes of workers bear harshly on them and tend to drive them out of the trade. I mean rates may be

fixed for work which is simple in character—fairly high rates for adult workers. Later complaint may be made that juveniles or young persons on much lower rates are being brought into the trade because the rates fixed for adults are so high and the work is so simple. Later enquiry may show that, and the facts when placed before the Board, enable it to determine what action should be taken in regard to the matter.

13,033. Do you want to say anything about the nature of information sought in special inquiry cases?—I think that has been pretty well covered by Miss Power.

13,034. I think you can give us some information as to the effect of the Trade Boards in improving the organisation in factories, cannot you?—Yes. I think that the first point bears on the obligation on an employer to keep wages and time records. These can be a very big help to him in determining the value of his workers' output. By analysing his wages records he is able to see how much more or how much less a worker earns in different weeks. If he finds, for example, that a worker's earnings have dropped materially, he makes inquiry and finds perhaps that it is due to bad organisation or is due to slowness on the part of the worker.

13,035. You mean it results in speeding up?—It results very often in improving the organisation.

13,036. *Dame Adelaide Anderson*: Does it also result in labour-saving methods—increasing production without increased fatigue?—Yes, I think it does. It generally tends to a better balancing of groups of workers. Not only that, but you have a better arrangement for distribution of work, and so on. You also get from the keeping of these time records elimination of waste time.

13,037. And do the employers studying motion study at all for fatigue prevention?—A number do, but I do not think a very large proportion are doing so.

13,038. Does the work of the Industrial Fatigue Research Board throw any light on these problems?—Yes. In so far as the hours of work are concerned I have not seen its effect very much from the point of view of motion study, but I have in so far as its research shows that fewer hours may result in production equal to that of a large number of hours.

13,039. I was thinking rather of the method of manipulation and so on to reduce waste time?—It has certainly reduced waste time, but I do not know that it is very closely followed.

13,040. It has not gone very far?—It has not gone very far.

13,041. *Sir Arthur Pease*: But in many cases you say where the piece-rate being paid was too low, it has been made adequate on inquiry?—Yes, it has. That, I think, is a fairly common experience of the more experienced Inspectors. Frequently an Inspector will make an investigation and find that the piece-rates themselves appear to be perhaps grossly inadequate. The employer may complain that it is not the fault of the rate, but the fault of the worker. He may say he is paying rates which are as high or higher than those paid by his competitors for exactly the same kind of work, and if you are going to call upon him to increase his rates you are going to put him out of business. In a case of that kind the Inspector usually looks into the conditions of work. He may find that there is considerable waiting time, or he may find that the machinery is not as efficiently run as it might be.

13,042. I see you give an instance in your memorandum of an overloaded engine?—Yes, there are cases of that kind where bad factory equipment has materially lowered the value of rates, which otherwise would have been satisfactory.

13,043. Do you find that a rate which is adequate in one district for the workers to earn a reasonable wage is too low in another district to enable them to earn a reasonable wage on account of the skill they have?—No, I do not think you find that. You often find that you have different methods of manufacture and

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[Continued.]

different types of machinery, and that what may be a fair rate in one district is not a fair rate in the other.

13,044. And that is not due to the worker?—That is not due to the worker.

13,045. I have a case in mind where I was told that the rates paid in a mill before the war were lower than they were in the factory; but they said, as a matter of fact, the value of the work done was practically the same?—The output was greater in the factory where the lower rates were paid, I suppose?

13,046. No—where the higher rates were paid. And that therefore it paid to pay them?—That may possibly be due to the fact that they attract not the ordinary workers, but a group of the best workers in the trade, by paying them higher rates, and therefore getting a proportionately higher output from each worker than they otherwise might.

13,047. Have you any other point you would like to mention?—I think that the only other point is the question of training which you raised. I think that the provision of learners' facilities in the determinations has resulted in the juveniles in many of the trades receiving much more efficient training than they otherwise might have done. The fact that in the clothing trade an employer has got to raise his rates in the case of juvenile workers is an incentive to him to make that worker worth her money each time he has got to raise her rate, so that he is continually pushing her along—giving her better or more highly skilled work.

13,048. *Mrs. Lyttelton*: Of course, you only refer to the rate which applies to the time the girl has been at work, and not to her age?—The clothing trade rates are governed by both age and experience.

13,049. I should have thought it would have been better if they were paid according to the length of time they had already been learning?—Yes.

13,050. *Sir Arthur Pease*: In other words, what you got for nothing you value at little?—Quite. It was common in 1912, 1913 and 1914, in some of those trades in which the rates had not been long

in operation, to find juveniles who had been perhaps for two or three years at one little job. They were taught nothing of the trade. Enquiry would show that a girl had been paid perhaps the one rate for two or three years—probably a few shillings a week.

13,051. *Mr. Poulton*: I suppose they become very expert by being kept at that one job?—They did not attempt to train them at all. They just kept them on at some blind alley job in the factory for an improper length of time.

13,052. *Sir Arthur Pease*: That must, of course, depend to some extent on how the people above them move, must it not?—It must; but at the same time the groupings in the factories and workshops were not as well balanced as they might have been. Firms may have had an undue proportion of juveniles in the factory, and they were more or less uncommitted to the training of a large proportion of the people that they took in. But under the present regulations an employer has got to give each of those youngsters proper facilities for learning the trade, and he takes care, as he has got to increase her rate each six months, to push her on. When a Trade Board has been in operation for a number of years there is generally, I think, a wider field of skilled labour for the trade than existed before.

13,053. In going to these factories, have you much difficulty in dealing with employers as a rule? Is it the rule or the exception where you have difficulties?—I think, generally speaking, one finds employers very reasonable. Where difficulties arise, they do so very frequently because employers have not got detailed knowledge of the conditions obtaining in their own factory. They are dependent on managers and foremen for their information, and they are often very much surprised at the information we pass on to them.

13,054. Is there any other point you would like to draw attention to?—I think not.

Sir Arthur Pease: We are much obliged to you and to Miss Power for all the interesting information you have given us.

(The Witnesses withdrew.)

(Adjourned till Wednesday next at 11 a.m.)

TWENTY-SEVENTH DAY.

Wednesday, February 22nd, 1922.

PRESENT :

THE RIGHT HON. THE VISCOUNT CAVE,
G.C.M.G. (Chairman).

DAME ADELAIDE M. ANDERSON, D.B.E.

THE HON. MRS. ALFRED LYTTELTON, D.B.E.

MR. JAMES BELL, M.P.

MR. W. T. LAYTON, C.H., C.B.E.

SIR ARTHUR F. PEASE, Bart.

MR. E. L. POULTON, O.B.E., J.P.

MR. A. PUGH.

MR. A. MACCALLUM SCOTT, M.P.

MR. H. D. HANCOCK (Secretary).

Mr. HUMBERT WOLFE, C.B.E.,

The Witness handed in the following Memorandum:—

CONFIRMATION OF RATES FIXED BY TRADE BOARDS.

1. There are three methods of confirming the rates which are fixed by Trade Boards. The first would be to permit the Trade Boards themselves to confirm their own rates; the second is that contained in the Acts under which confirmation and reference back rest with a Minister responsible to Parliament, and the third would be to substitute for Parliamentary

recalled and further examined.

and Ministerial responsibility an independent judicial tribunal. The first proposal has not in fact been put forward by any witness in evidence before the Committee and it would seem, therefore, that it is not contended that the Boards themselves should have the final decision. There remain, therefore, for consideration the two rival theories of control by Parliament and control by a judicial body. Before briefly touching on the arguments adduced in favour of the rival theories, it is desirable to suggest for the consideration of the Committee that the two theories are

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mutually exclusive. Either Parliament and the Minister must have the final voice or that voice must be vested in some body independent of both. It is suggested that any attempt to combine the two methods, so far from providing a solution, will produce the faults in respect of which both are liable to criticism.

2. The ground advanced for criticising the first method of confirmation by a Minister responsible to Parliament is generally that questions affecting wages should not be settled by a Minister susceptible to political pressure. It is suggested that the questions for determination are of a purely industrial character and should be decided solely on their industrial merits. It is agreed that the introduction of ministerial responsibility seriously disturbs the position because other factors are brought into play. In favour of a judicial body possessing the requisite authority, it is held that the findings of such a body would be generally acceptable and would not be open to the charge to which ministerial decisions are, or may be, subject. On the other hand, the following points are worthy of consideration with regard to the suggestion that an authority not responsible to Parliament should be substituted for a Minister.

In the first place it is a broad constitutional question whether powers of the kind given by the Trade Boards Acts could or should be exercised except under Parliamentary control. Nor is this point met by suggesting technical or nominal responsibility of a Minister. It is clear that a Minister can only be answerable to Parliament for matters over which he has genuine control.

In the second place, if the judicial tribunal is final, its findings cannot be challenged in Parliament as is possible under the other method. Moreover, it is vital to the preservation of the principle of arbitration, which would be necessarily involved in this scheme, that decisions once reached by the final court, should be final. But in the extraordinary difficulties which beset industrial decisions it is certain that at some time or other a tribunal, however constituted, will in fact give cause for complaint. In that event, either the grievance must go unremedied or the principle of judicial finality must be severely impaired.

In the third place, it must be remembered that the real body which fixes these rates is, and should be, the body in the trade which has the full knowledge of the facts. That power of fixing the rates by the Board should only, it is suggested, be limited by general public considerations. These considerations cannot be purely judicial in character but must constantly have a political bearing in the true sense of the word. That being so, if an independent tribunal is entrusted with the functions of confirmation and rejection, it may have two effects:—

- (a) The Boards themselves must cease to be bodies, as they are at present, for settling the rates and become bodies for presenting the employers' and workers' sides respectively to a final tribunal; and
- (b) The tribunal itself in determining the rates may have to take into account matters which are questions of public policy and which will have to be determined without reference to Parliament, which alone is generally responsible for public policy.

3. It will be for the Committee to recommend which of these principles should govern confirmation or rejection. It is here suggested that both cannot. In support of this contention it might be worth while to examine very briefly a proposal which has been made to the Committee that the Minister should retain the right to confirm where he agrees with the Board, but that in all other cases he should refer the point at issue to an appellate tribunal whose decision he would in fact be bound to accept. It would appear that such a course would be open to all the objections which have been stated as applying to an appeal to a completely independent tribunal. The Minister would in fact be required to accept the findings, and criticism would, therefore, be not of his action but

of the tribunal. Moreover, it is likely that the existence of the right of appeal would tend to provoke and thus substantially reduce the autonomy of the Boards. But in addition the political difficulties felt by those who advocate this scheme would not be cured but intensified. On the one hand the Minister would in fact have no real responsibility: on the other he would still be open to challenge as long as he possessed nominal responsibility. He would, therefore, either always have to support the findings of the tribunal, with which he might not always agree, or, alternatively, he might have to express disagreement which would seriously impair the authority of the tribunal. Moreover, the fact that the Minister still had responsibility could not but tend to further delays, since it is inevitable that parties dissatisfied with the decisions of the appeal tribunal would appeal further to the Minister.

4. It is suggested for consideration that the abnormal conditions under which the Boards are at present working has caused undue prominence to be given to this particular aspect of the case. In normal times the number of questions arising upon rates fixed by the Boards is far less and tends to present less difficulty. In ordinary circumstances a Minister responsible to Parliament should be able to deal effectively and rapidly with the rates as they are submitted to him. It is not disputed, however, that circumstances, even in normal times, may arise in which the questions submitted to the Minister may require detailed investigation. In that event there seems no reason why the Minister should not have an enquiry made by such a tribunal or by such persons as he may think fit. The essential point, however, is that the Minister should have complete discretion to decide whether he would order an investigation, what form the investigation should take, and what decision he would reach upon the investigation thus made.

13,055. *Chairman:* You have come to give us some final observations before we conclude the evidence before the Committee, and you refer, in the memorandum you have submitted, to the methods of confirmation of rates fixed by Trade Boards.—Yes. I have circulated a note on that to the Committee.

13,056. Yes, we have that. You divide the methods of confirming the rates into three categories. The first would be to permit the Trade Boards to fix their own rates without outside confirmation?—Yes.

13,057. That, I think, has never been suggested?—That is so.

13,058. The second method would be that which is in the Act, namely, confirmation by a Minister responsible to Parliament?—Yes.

13,059. The third would be to substitute for the Minister an independent tribunal?—Yes. As you say, the first method has not been advocated, as I understand it, to your Committee. Therefore, I do not think it is necessary for me to deal with it. The second is the existing method, and I would rather deal with that last. The third is the new proposal. The point I wanted to make, through the Committee, with as much force as I could is that I do not think any compromise between the second and third methods is possible. I think it leads to confusion, and would in the working lead to grave administrative difficulties. But I would like to put this point first: I think that a good deal of the importance which has been attached to this proposal has been due to the very exceptional circumstances in which Boards have been placed. There has been criticism of the action taken by the various Boards, and criticism of the action taken by the Minister; but I think that that has been due, to a great extent, to the very abnormal way in which wages have been moving up and down. I suggest that in normal times the amount of work to be done in confirming and reference back is far less and of less importance—though still extremely important—than it has been lately. I say that, because I wanted to put it to the Committee that the body which must remain really responsible for the rates is the Trade Board itself, and that any alteration which tended to

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weaken the authority of the Trade Board itself, would be, in my view, a step in the wrong direction. It is, I know, suggested, or has been, that the Trade Board were not always quite conscious of the grounds upon which they fixed their rates, and it is possible that their explanations of the grounds on which they fixed their rates, have not always been as articulate as they might have been. But when you look at those graphs which have been handed in to you by my Department, you will see, when you look through their rates, that they get very near to the line which has been suggested as the line below which rates should not go, by a very competent authority, namely, Mr. Rowntree. I suggest that if they have actually in practice fixed a reasonable rate throughout in that way, that must prove that however little they may have explained the grounds on which they proceeded, the grounds have in fact been based on good sense and knowledge. I suggest, therefore, it is undesirable to do anything which would make the authority of the Boards less, and I do feel very strongly that the creation of an independent tribunal would inevitably have that result if the independent tribunal was to be final. The first reason which I give for that is that the tendency would inevitably be to treat the final tribunal as the real wage-fixing authority—as a real re-hearing authority; that is, if there was complete power to appeal to it. Instead of the Trade Board being the body for fixing the rates as it is now, it would be a body upon which both sides—employers and employees—would tend to prepare their case for presentation to a later tribunal, and that would necessarily, in my view, lead to delay, and possibly to friction. Further, from the point of view of the tribunal, I can see considerable difficulties. A decision upon industrial matters is not like a decision upon ordinary judicial matters. There is always an element of doubt, and always an element of opinion. It is inevitable, however you constitute your tribunal, as I say in my note, that some day it will give a decision which is wrong, or which is considered to be wrong. Then either, if it is a final tribunal, there is no remedy for the mistake; or, if you do alter it, you impair the principle of judicial finality or challenge the principle of compulsory arbitration. For those two reasons, among others, I do not think that a judicial tribunal is satisfactory.

The third reason, which I think is perhaps equally important, is that it must not be supposed in deciding in matters of this kind that the considerations are purely or only industrial. There are considerations which have a political bearing. In using the word "political" I do not mean politics at all; I mean the general interests of the consumer and the general interests of the State at the moment. It is not to that sort of question that you can properly ask a judicial tribunal to direct its attention. I suggest that that at least is as important a factor in the decision as the other two.

13,060. I am not putting forward this as my own view—I wish to ascertain yours—but it has been suggested that it is desirable to have some body which will be in a position to co-ordinate the decisions of Trade Boards and bring them into line, and that with either a Court or a central body of some kind, you would be able to do that?—On that I suggest there is a good deal of danger in indiscriminate co-ordination. The essence of the Trade Boards Acts is that each trade should fix the rate which that trade can bear; of course they must have regard to what is happening elsewhere, but an attempt to impose uniform rates upon all Trade Boards may have dangers of its own. I think it is quite important that there should be some authority which is able to look generally at the rates coming up, and decide whether in fact they are going too high or too low, or are outside the mark. But that, I suggest, can be, and is, quite properly done by a Minister. I suggest if you make it the business of a judicial authority to attempt to impose rates, you may run a risk of improper uniformity, and you certainly will get the position that each trade thinks—and I think thinks rightly—that it alone is capable of legislating for itself. It would be very indisposed to accept the *ipse dixit* of an outside body, however distinguished. It would be extremely difficult to compose any final

tribunal which would really carry weight, or would have the confidence of the Boards.

13,061. Mr. Layton: May I ask how you would reconcile that with the point you made just now? I did not take down your actual words, but I think what you said was that the charts showed that wages had tended to come very close to the line indicated by Mr. Rowntree, and that that indicated that the Boards had made, I think you said, sensible decisions?—Yes.

13,062. Or you used some such phrase as that?—Yes, perfectly.

13,063. Now you are saying that you want to leave room for differentiation?—I do not think it is quite inconsistent, because some of the Boards actually reached what Mr. Rowntree calls the poverty line—I do not accept his language—while others are slightly above it. My argument was that if you compared all the rates with that line, you would see that in general they are not extravagant or unthought out rates. They are not identical.

13,064. Do you mean that practically none of them are below that line?—I do not mean that. I do not think many of them are actually below it. I mean that they bore a sensible relation to that line, and were not experimental. I do not suggest they are identical, because they are not.

13,065. Chairman: Then what do you say as to the position of the Minister?—There was only one other point I wanted to mention before going to that, and that was the composition of this tribunal. If you compose it of the Trade Boards themselves and make a super Trade Board, I suggest that that is not a feasible thing to contemplate; it could not be done. It would either be of so gigantic a character that it would not be a Court, but would be a public meeting, or it would have to draw members from panels, and I do not think that you could expect one Trade Board to be prepared to accept the views of any other Trade Board, or any other Trade Board members, as to what was the right rate. If it was the Industrial Court, which has been suggested, there is no better tribunal in existence in our view. It has done its work admirably, and I believe it has the general confidence of the country. But there again, of course, it is perfectly true that the Industrial Court has not got the same expert knowledge as the Trade Board itself in any individual trade. Therefore, it would simply be a case of re-hearing, and in my view you do not want to create that atmosphere.

So far as the Minister is concerned, his position is not that of a re-hearing authority, nor is it strictly that of a co-ordinating authority, as we consider it. His view is that primarily it is the business of the Boards themselves to settle their rates. In normal times when things are not disturbed, what the Boards do require is very little interference by the Minister. But he is always there with general knowledge of wages conditions in the country; with general knowledge of the position as regards unemployment; with general knowledge of the position of the country's trade, and it is possible for him when he thinks that a Board, for one reason or another, is not having regard to the general conditions in a proper way, to call their attention to it. But, as you understand, he does not initiate new rates; he simply refers them back.

The only point upon which it may be suggested, in my view, that the Minister requires further assistance, is in certain cases by the provision of an enquiry, possibly of a public character, where the issue is really a very doubtful one. It has been suggested by one of the witnesses that the Minister should have the power to confirm where he agrees with a Board, but he should always refer to an independent tribunal where he does not agree. That seems to me to have the worst faults of both systems. The Minister still has the responsibility to Parliament, but it is a purely nominal responsibility. He has got to accept apparently what the final tribunal says. If he does not agree with it, he still has got to defend it in Parliament, and if he insists on

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overriding it, as he may, he reduces the authority of the tribunal. But it is quite a different proposition, and one which I suggest to the Committee is possibly worth considering, where the Minister is in genuine doubt as to whether a particular rate has been properly fixed, and where he is in doubt as to whether there are circumstances requiring further enquiry, that he should have power to appoint either an individual or any body like the Industrial Court to help him in the special circumstances of the case. I should not think that would be a power he would need to exercise often, but in very difficult cases it would make certain that you could have further public light let in on a difficult point.

13,066. It might be either the Industrial Court or some person appointed by himself?—Yes.

13,067. Just as the Inspectors of different Government Departments hold enquiries?—Precisely; for instance, like the Local Government Board Inspectors.

13,068. *Sir Arthur Pease*: I am not quite clear what you mean. That would be entirely voluntary on his part, I take it?—Entirely.

13,069. He would not be compelled to refer to this body if he was not going to sanction a rate?—He would not.

13,070. He could refuse the rate, or agree to it, and only if he wished would he refer it to this Court or whatever you like to call it?—That is so. My point is that as long as either party can insist on an appeal, they are very likely wherever they disagree, to demand it, and that in the long run you would get nothing but appeals. But if only the Minister can use this outside body, you have the possibility of further light and you keep the power still where it ought to be, in my view, that is in the Board.

13,071. How would it be if you limited it by saying that the Minister could sanction rates, but before refusing to sanction a rate he must have an enquiry?

—That would really in my view involve the same difficulty, because if it were clear to either side on the Board that you would have to enquire before refusing, they would press very hard for the enquiry. But the more important point is, if I may ask a question: Would you suggest in that case that he would have to accept the result of the enquiry, or would it be open to him to accept or refuse it? I know I ought not to ask the question, but it is vital to my answer, because if the Minister cannot refuse, then I suggest he is in an impossible position, because he is responsible to Parliament for a decision which he has not himself made.

13,072. If he had the right technically to refuse, it would be very difficult for him to do so?—That is the point. In the long run I suggest the result of that power would be to increase enormously the number of enquiries, and to reduce considerably the independence of the Board.

13,073. *Chairman*: What you mean is, if he thinks the rate is right, he will confirm it?—Yes.

13,074. But if he is clear it is wrong, he should refer it back?—Quite.

13,075. If he feels doubt or requires confirmation, he should order an enquiry?—Precisely.

13,076. *Mr. Poulton*: Suppose he could deal with it right over the head of a Trade Board, would not that amount practically to ignoring the Board, and so create additional friction?—I do not think so. I do not inevitably suggest an individual; it might be the Industrial Court. It would, however, be some independent authority, just as in the case of the setting up or dissolution of a Trade Board you can appoint an individual to hold an enquiry.

13,077. But they have a right to put their case?—The parties, of course, will put their case to the individual. I presume that the two sides of the Board would, in the ordinary way, appear before him and put their case. It is only a question of the tribunal. It is a question whether you use the Industrial Court or another agency. I am not wedded to the individual.

13,078. *Dame Adelaide Anderson*: It is like the sort of appointment that is made when an appeal is made against a special order made by the Home Secretary?—Yes.

13,079. When an experienced lawyer or judge is generally appointed?—That is so; I have in mind a person of that kind. The sort of person we have on our panel of arbitrators for ordinary disputes might be chosen.

13,080. *Sir Arthur Pease*: The point has been urged here that when a Minister holds up or refuses a decision, no one knows on what grounds he is refusing that decision. The point, I think, has been pressed by both sides that there ought to be some open, public way of knowing the grounds on which the Minister decides that he cannot accept the decision of a Trade Board. I take it the reason for this reference or enquiry, or whatever you like to call it, is that those reasons should be publicly stated to the parties objecting?—In every case the Minister gives his reasons for referring back. He never refers back without stating in precise terms why he refers back. I think the real trouble is that it is felt sometimes that the objectors, for example, have not had their case fully heard on the Trade Board, and that there has not been an adequate hearing. But I suggest that the right remedy is to see that the Trade Board do give the full hearing. If you start the practice of hearing outside, I think that will mean that the Trade Boards will lose their authority. But there is no mistake about what the Minister does; he clearly tells the Board why he has referred back in every case.

13,081. *Mr. Poulton*: Do you mean by that that he suggests a reason, or does he simply ask the Board to reconsider it, saying that in his view a certain point has not been adequately discussed?—It varies according to the case. In some cases he draws attention to some particular fault in the rate. He may say that the time rates are too high, or do not bear a proper proportion to the other rates; or he may say he has received very strong objections, which seem to him to require further consideration. But he always gives the main points upon which he reaches his decision.

13,082. In the case you have just mentioned, where he has received a number of strong objections, it may be that the Board itself have never had those objections before them. Should they not have an opportunity of having the objections before them, so that they can analyse them?—Certainly. In most cases, as a matter of fact, what happens is that a large number of objections are received by the Board in a disputed case. Then it comes to the Minister, and some of those objections are repeated. They are not very often quite new in character, but perhaps they are urged more strongly. The Minister then indicates to the Board that he has received objections and tells them, if they desire to know, where the objections have come from, and it is open to the Board then, if they so desire, to hear the people who have put their objections to the Minister.

13,083. *Mr. Bell*: Have there not been complaints that the Minister has not referred back but has simply held up a decision?—I admit there have been complaints lately, but there have been very special circumstances, one of which is due to this Committee. If you will remember, you asked the Minister, as a Committee, not to proceed with first rates until they had been referred to you.

13,084. *Mr. Poulton*: In what case was that?—We had that in the case of the Grocery rates.

13,085. I do not think so. We must be quite clear as to this, because there is a good deal of misunderstanding about it. I do not remember anything of that kind. What we did was to say that we did not express an opinion upon the matter?—*Mr. Bell* asked me if some had been held up. I said that one or two had been held up, and in the case of the grocery rates we definitely informed the Grocery Boards—the Scottish and English Boards—in referring the rates back, that this Committee was sitting; that it was conceivable—although of course

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we could not possibly express any view—that what they recommended might have some bearing on the future of those Boards, and in the circumstances we invited them to reconsider their rates when this Committee had reported.

13,086. That is an entirely different matter?—I think I ought to say, Mr. Chairman, that it is the fact that we did have a request from you to defer proceeding with the grocery rates.

13,087. *Chairman*: For a short time, until we had seen the Minister. Having seen the Minister, we passed a resolution that we did not desire to make any representation at all?—That is right.

13,088. The Committee over which you presided, Mr. Wolfe, recommended an Advisory Committee. Would that have any functions connected with the confirmation of rates?—I do not think it was contemplated by my Committee that it would have. It was to take general questions of policy as they arose, and to advise the Minister.

13,089. *Sir Arthur Pease*: Was it to deal with questions of scope?—No, certainly not. It was really, I think, largely to have reported to it the sort of way the work was progressing generally, and to give advice if there were difficulties, but not on specific points affecting individual Boards.

13,090. *Mr. Layton*: Do you think that some further body should be set up which might advise the Minister on questions of scope?—I was going to deal with scope, if I might.

13,091. *Mr. Poulton*: You referred a few moments ago to the fixing of a rate which a trade could bear?—Yes.

13,092. Do you mean by that, that if in a very badly organised trade the employers could bring their books to prove that they could not pay a certain rate, the employees should be prepared to accept an excessively low rate; or do you mean that there should be, at any rate, a rate fixed, and that the obligation should be put upon the employers of making better arrangements? You know that in the early stages one of the things that was said was: You will drive this industry out of existence?—There are two considerations which I think the Acts contemplate in regard to fixing rates. One, of course, is the protection of the workpeople, which means giving them a wage of a reasonable character. The second is—and this, I think, is the reason why it is done by trades and not by a minimum wage—to see what the trades can pay. In practice, I think, it tends to operate a little in the opposite direction to your suggestion to me. It is not that some trades are below what is a possible margin, but in some cases the rates are a little higher than that, because the trades are better organised and a little better able to pay a slightly higher rate. I do not think you will find in practice that any Trade Board has fixed a rate which is open to the general criticism of being unduly low.

13,093. I am only thinking of the earlier days when it was said we were driving the trades out of existence. We were then told they were parasitic trades?—Yes.

13,094. You know the matter was actually raised in the House and that there was a full dress debate upon it as to whether we were justified in keeping a parasitic trade going with people at starvation level. But that trade might so improve its machinery as to put it in a better position financially?—Of course it is a very big economic question whether you should attempt to settle a wages position by losing a trade. I would rather not, if I need not, go into the economic argument underlying it. I simply point to the fact that even in a trade like the toy trade, which has had very great difficulties to meet, the rate is not one which can be distinguished as an unfair rate to pay; so that in practice I think the Boards have seen to it that if a trade is very poor, at any rate the rate fixed is not unreasonably low.

13,095. Would you agree that although a rate may be fixed which some employers may think is an impossible rate, nevertheless, by experience and

advice from your inspectorate the employers have been able so to improve their machinery that they could adequately meet the rate?—There have been cases where employers were unduly apprehensive, I think, before the rate came into operation, and have found later that they could bear it better than they expected. After all, the whole basis of objections generally has been that it would be impossible to carry on business if the rate was imposed, and it is very often found in practice that it is not so.

13,096. *Mr. Layton*: Arising out of that, have the evidence which has been given here and your own enquiries, modified in any way the view you put before us originally as to the effect of present rates upon employment?—No, I think substantially not, because I have read the evidence very carefully to discover definite proof of increased unemployment due directly to the Trade Board rates, and I am bound to say—though perhaps I have not given sufficient weight to certain things—that as far as I can see it has not been proved by the evidence, and perhaps for the reason that I gave before, namely, that there are so many causes contributing to unemployment that it is extremely difficult to isolate the immediate one. But I think I ought to say that, as I told you, there has been unemployment in some of the sewing trades caused directly, in our view, because some of the rates had been fixed too high. Those rates have been reduced since, and I do not believe that any unemployment in those trades is any longer due to the rates. I imagine that if we enquired very closely into what was happening in Cornwall at the present moment, and if we imposed on every establishment in Cornwall the national rates, we might cause considerable unemployment. I do not believe that Cornwall at the present moment is generally able to bear some of the rates put on it.

13,097. *Chairman*: Do you mean that they are not paying the wages fixed by the Trade Boards?—I will not go so far as to say that. We do not know that they are not.

13,098. *Mr. Poulton*: At any rate, would not that be due to the special economic conditions in which they find themselves at the present time?—Certainly, and I would say in any case that in Cornwall we are, in a flagrant case, which is not a case of people who cannot pay, but, in our view, of people who will not pay, taking proceedings at the moment. But Cornwall is very special indeed.

13,099. *Mr. Layton*: Is it really remarkably abnormal? Is the volume of unemployment generally in Cornwall much greater than it is in other districts?—The actual volume may not be higher, but the general standard of living is lower. The main point which distinguishes Cornwall from other places, in our view, is that whereas unemployment in the rest of the country ought to be much less with the improvement in trade, there are those who fear that the main Cornish industries will never revive.

13,100. Does not your argument amount to this, that under the general economic conditions which are obtaining, you might have a bad state of trade; but if you have rates which are too high that might be a temporary cause of unemployment?—I have never concealed from the Committee that a Trade Board might fix a rate which would largely increase unemployment; but I said in my evidence that they do not in fact fix such rates. Since I gave my evidence, the majority of the Boards have been steadily reducing wages, and there is nothing to indicate to me that there is more unemployment in Trade Board trades than in other trades.

13,101. That would not be quite the criterion, would it?—I accept that. Unemployment might have been less, you mean, in Trade Board trades if there had not been the Trade Board rates.

13,102. Certainly, inasmuch as the Trade Board trades are likely to be those in which there is a low rate of unemployment.—Not necessarily.

13,103. Put it the other way—that the trades in which there is expected to be a very high figure of unemployment are not Trade Board trades?—That may be so. But, on the other hand, as I believe I

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said last time, I think there are half-a-dozen reasons contributing to unemployment, and when I gave evidence last, I had not, and have not since, found it established that the Trade Board rates themselves directly cause, or can be alleged to cause, unemployment, except, as may happen, in a case where an inefficient employer is unable to organise his business adequately. That is inevitable when you start a new system.

13,104. I did not want to raise a general discussion; I wanted to know what impression the evidence had made on the Department?—On the evidence I do not think the case has been established. I have not seen any special instances where it has been driven home.

13,105. *Sir Arthur Pease*: I understand that there are no general figures as to the rates ruling for ordinary labour except those obtained by an enquiry which was conducted by the Board of Trade a good many years ago?—We have not got our wages up to this year, but the standard wages book was issued for 1920.

13,106. I mean outside of the Trade Boards?—The general wages book was issued, I think, for 1920. We have no record of earnings—no complete figures—for more than 10 years before the war.

13,107. You referred to Mr. Rowntree's poverty line. I suppose you are aware that in all the organised trades of the country they never have paid wages equal to that poverty line for ordinary labour?—That is so, but I was looking at the poverty line in that chart and comparing a certain number of Trade Board trades with a certain number of outside trades, and I thought on balance, except for the exceptional cases of coal and steel at the moment—for instance, engineering was well above the line, and so on—there was not a very great discrepancy between the two.

13,108. I was not referring to the present moment; but taking the years before the war when things were normal, the organised trades in this country had never paid a wage equal to what Mr. Rowntree puts as the poverty line for ordinary labour. Do you think it is possible for them to pay that in the future? Where is the money to come from?—I would rather not argue on that. I think you are perfectly entitled to make the point on what I said before. All that I maintained was that there was a figure which had been accepted as not a very extravagant one, and that the Trade Board rates had in fact, by accident of course, come very near it. I am not prepared to say that wages can stay at a given point, nor am I prepared to say they can go below it. I say it is a Trade Board's business to see what its trade can bear, bearing in mind what labour requires to live on.

13,109. The difficulty is that a great many of the rates covered by the Trade Boards in distributive trades are fixed at this poverty line, or above, and they can keep them there. They will make those trades permanently pay rates above the organised trade rates in competitive industries?—I do not know why they should continue to keep rates at a figure which does not compare with rates paid generally in the country. That would be a matter for the trade themselves to settle, looking at the movement of wages.

13,110. There is, of course, the case you know of which has been quoted. An agricultural labourer cannot get more than 30s. or 40s. and the man who goes round with the milk is getting 57s.?—It may well be that some adjustment of the wage may be desirable. It is of course a fact that the agricultural wage has come down rather rapidly, and it is conceivable that some of those other border-line wages as between agriculture and the milk distributive trade may be reconsidered by the Board. But I should have thought it was unlikely, if the work is really comparable, and if the traditions are really comparable—and both those things are important—that that considerable discrepancy would remain. Before I should accept that as a fatal indictment of

a Trade Board rate, I should want to know how the agricultural rate compared with the roundsman's rate before there was a Trade Board, and I should not be surprised if there was a considerable discrepancy before.

13,111. *Mr. Layton*: You said just now that coal and steel were exceptional, and that on the whole the engineering rates did not look so bad; but have you considered the point that whereas in those trades—particularly in the coal trade where there has been a heavy reduction of rates—the unemployment figure has fallen very much, the figure in the engineering trade, where the reduction has been slow, is now almost the highest there is—certainly if you take the engineering and ship-building trades combined?—To answer that by another question, one would have expected that if the reduction in wages directly decreased unemployment, you would find in the Trade Board trades as wages were reduced, an immediate reduction in unemployment, which I do not think you find.

13,112. *Mr. Pugh*: Are we not rather taking up a line of argument which would lead to conclusions based upon an altogether abnormal condition of things? If that is so, can you take present conditions as any criterion for comparison between Trade Board trade arrangements, and the arrangements in other trades?—Only to the extent that if the Trade Boards had not reduced their wages at all and had remained completely static while all the other trades were coming down, it would be an indication that the Trade Boards had not been functioning properly.

13,113. Why should there be any distinction or any difference in procedure, or in the method of arranging their affairs, as between trades which are covered by Trade Boards—which are similar machinery to that possessed by outside trades—and other trades?—None that I can see. But the critics of Trade Boards have said that Trade Boards were so constituted that they prevented the natural movement of wages. My reply is that the facts do not seem to substantiate that.

13,114. Do you not find the same distinction in the rates in the case of trades operating outside Trade Boards and those inside?—In what way?

13,115. Differences in rates?—Yes, between one trade and another; of course we do.

13,116. *Chairman*: I am afraid we have led you rather far afield. We will now pass to the other general question of the powers of Trade Boards to fix rates?—I would like to make a preliminary point on that. It has been suggested fairly widely that the 1918 Act has gone much further than the 1909 Act, and that the Boards under the 1918 Act have gone much further than Boards did under the 1909 Act. I am not prepared to admit that at all. The only additional powers which the 1918 Act gave were a power to fix a guaranteed time-rate, a "fall back" rate, a power to fix a piece-work basis time-rate, and a power to fix an overtime rate. The powers against which criticism has been directed, have been the power to fix scales of wages for classes, and the power to fix elaborate scales of piece-rates. Both those powers existed under the 1909 Act.

13,117. That is quite true; but it has been suggested to us that Trade Boards can be set up under the 1918 Act, not because the wages paid in a trade are exceptionally low, but because the trade is unorganised, and that has led Trade Boards to modify their outlook under the Act?—I said last time, and I am prepared to adhere to it, that I do not think there is any trade which we brought in under the Act of 1918 which we could not have brought in under the 1909 Act.

13,118. A good many of the trades disputed that?—They are perfectly entitled to say that their wages at the time we brought them in were not wages of a type that were regarded under the 1909 Act as exceptionally low wages; but you have got to bear in mind the artificial inflation of wages which has been caused by war conditions. However, I do not press that point too hard. The point I do make is that

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the condition as to organisation is not really intended to increase the powers—though it looks as though it were—it is really to restrict the powers of the Minister. It was put in really to prevent the imposition of a Board on a trade like the steel trade or the coal trade at a bad time. It might be urged that the figures reached in some parts of the steel trade are rather low now, and it might be suggested by people who perhaps did not understand industrial conditions, that there was a case there for a Trade Board. The answer would be in the Act; you cannot have a Trade Board, even if you want it, because the organisation is good in that trade.

13,119. There might be some change made in the Act where it refers to wages being exceptionally low. You might add some vague words like "having regard to"?—Yes; as everyone knows, the history is not relevant. It was so difficult to know what was exceptional. If dozens of trades are paying low wages, is it possible to describe anyone as paying exceptionally low wages?

13,120. *Dame Adelaide Anderson*: But a trade might not be brought under the first Act owing to opposition?—Yes; I do not deny that the Minister's power has been considerably strengthened in regard to bringing trades under the Acts. But what I suggest—though I do not want to press it too hard—is that the conditions which have been obtaining in the trades which have been brought under the Act of 1918 are conditions which might reasonably have been considered under the old Act; indeed in one or two cases the trades were scheduled for inclusion. If you look at cases like the jute and flax trades, which was brought in under the 1918 Act, and look at the figures which I gave you as to their wages, you will see that that is certainly a case which it would have been fair to consider under the 1909 Act.

13,121. The test of wages has not disappeared?—No, certainly not.

13,122. *Mr. Poulton*: But any wider powers that the Minister may now have were fully and adequately discussed in the passage of the Bill through the House and explained by the Minister in charge?—I think that is true. I do not want to run away from your point, Mr. Chairman. I think it would be true to say that, whether we are right in thinking that the trades could have been brought under the 1909 Act or not, they certainly did not think so.

13,123. *Chairman*: It is also true to say that the Boards have taken a somewhat wider view of their duties under the second Act than under the first?—I think it would be true to say that there are more Boards which have fixed scales of rates than under the old Act; but under the old Act the Chain Board fixed scales of rates from the beginning. They have had general minimum piece-rates from the beginning. But it is perfectly true also to say that there are trades now under the Trade Boards Acts which were not brought in under the old powers. But then again you have to look at the general trend of wages in the country. Suppose it is admitted that there has been a development, the question is what should be done; is it desirable to do anything, and if so, what? Various suggestions have been made to the Committee. The first, as I understand it, is that there should be a bottom rate which should be a flat absolute minimum. As to that, I assume that it means four bottom rates. If it meant one bottom rate you would have to take the rate of the youngest girl entering any industry and fix it by that, which I do not suppose was intended by anybody.

13,124. It should always mean four rates?—Yes; there should be two rates for men and women, and two rates for boys and girls. As to that, I suggest for consideration that to fix a single bottom rate would have considerable disadvantages. In the first place I think, if it is a bottom rate at all, it is liable to be based on people who are not really part of the trade. You may take a warehouseman in a distributive trade as your unit; you may take a cleaner in another trade, and you may take a handyman in another trade—they would be the bottom people—and fix the rate on those.

13,125. The auxiliary people?—Yes, the auxiliary and ancillary classes. You might fix the rate on them. That would be no protection to the main body of the trade. What I mean is there is no absolutely sweated rate, if I may use a word which I have been criticised for using before this Committee. A rate which is sweated for a shop assistant who has to wear middle-class clothes and live in a middle-class district may be a reasonable or possible rate for a warehouseman who has not to wear clothes of that kind, and who can live in an artisan district. You cannot say there is an absolute sweated level. I suggest, therefore, if you take the rate of the man who has not got the same obligations on him and fix that as the rate, you are really not helping the people above him. I suggest, on the contrary, that you may run the risk of depressing the people above him by fixing an unduly low rate as the minimum and bringing down to that the rates throughout which may bear some proportion to it.

13,126. You want to establish varying minima according to varying standards of living in different groups of the community?—I would not go as far as that. I am simply saying that you may go too low in the scale—unduly low.

13,127. Is not that what you mean by protection? You are trying to protect the different standards in different groups?—Yes, up to a point, but I am not suggesting I can carry that to too fine a point. I am simply saying broadly that when you are looking at it from the very bottom you are entitled to look at that point. I suggest further that if you did stick to your bottom rate of all, there is the opposite risk. Either you get it too low, or the opposite risk is that you get it too high. It might well be that if you fixed one rate only, the labour view would be: If we can only get one rate, let us get a decent rate. That might result in fixing an uneconomic bottom rate on which labour might say: We are quite ready if we have got several rates, to fix the right rate for each class. If we have only got one, we will fix a reasonably high one. That is a possibility.

13,128. *Dame Adelaide Anderson*: And would not the old evil tend to come back, of the worker in the upper grade, on this uneconomic wage being fixed for the lower, having to revert to the old plan of supplementary work to get a wage suitable for his needs?—Quite conceivably.

13,129. Does not the use of the word "sweating" rather tend to obscure the meaning there? Did not "sweating" also mean long hours?—Certainly.

13,130. And insanitary conditions?—Certainly.

13,131. The word covered more things than just the wage?—Perfectly.

13,132. *Mr. Pugh*: Would you say there is also this possibility; either you would not fix rates at all, because you would never get agreement as to the particular class of worker for which the rate was to be fixed; or if you succeeded in fixing your absolute minimum rate—even if there were four rates—you would exclude from the operation of the Board all the other classes of workers?—You might.

13,133. Unless you had a strong organisation, which is not the case with trades which come under the Boards?—That is so. It is assumed, with some justice, that when you get to the crafts you generally get a sufficient organisation to protect the workers without intervention. But I am suggesting for that reason, Mr. Chairman, for the consideration of the Committee, that there are considerable grounds for going slow before adopting an absolute minimum.

13,134. *Mrs. Lyttelton*: Is it not also your point that the percentage of people in any trade for whom the basic rate would be fixed, is very small compared with the general body of workers in the trade?—That is perfectly true—if you choose the lowest. Then I suggest if there is any disposition in the Committee to doubt the wisdom of the absolute bottom, that the next possibility would be—and I am putting these various alternatives for the consideration of the Committee

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and not venturing to express a view really; I want to put the difficulties for your consideration—to say that in many trades there are ancillary and auxiliary classes. You do not want to legislate for those classes as being the trade proper; you want to get at what is the trade.

13,135. *Chairman*: The general body of the trade?—The general body of the trade; and you ought to fix your rates, if you are going to have bottom rates, at where the general body of a trade begins, and not at somebody else. Therefore you may contemplate the possibility of having two rates—for men and women—which would be fixed above the rates for the auxiliary and ancillary classes, who would be exempted from those rates.

13,136. You mean they might have special rates?—They might have rates below. It does not always follow that they would necessarily be below, but I think they generally are. That is a possible proposal; but I am bound to put to the Committee that even that proposal has its difficulties, and its dangers. Of course, it is open, I think in much less degree, to the same criticism as the previous one, namely, that it may tend, if the rate is fixed too low, to draw down the higher rates to its level. A more serious difficulty which is urged in many quarters is to state the classes in the trade to which you are going to apply this. For example, if I may take the jute trade, I believe there are 140 time-rates in the case of the spinners alone, starting, I think, at 30s. 6d., and working up to 49s. 10d. at the top. If you fixed it at 30s. 6d.—which I believe is a rate which is hardly ever paid; it is for a very small number of bobbins—you would find you would be covering practically nobody; that is to say, it would apply to a very small class indeed. That is one type of difficulty you may get there. The other type of difficulty is that it was put to you in evidence that certain trades covered by one Board were divided into sections, as, for instance, in the case of the waste materials trade, where you have three sections. It was suggested to you in cases like that, even if you had one rate you ought to have different rates for the different sections of the trade. If it commended itself to the Committee, you would have to consider what effect that would have on definition. If you said there were not to be separate rates for separate sections, then there might be a tendency for a Board like the Waste Board to demand that it should be split up into three, so that there might be a possibility of having separate rates for the separate sections. They would be able to point to the curious case in Birmingham of the Stamped or Pressed Metal-ware Board, and the Coffin Furniture Board. They have separate Boards, but the classes of workers employed are the same; that is, the stamper and polishers.

13,137. That would seem to be an argument for grouping?—On the question of grouping, which was the point I was just moving to, if you group a sufficient number of trades which are distinct, under a Board, I think you exclude the possibility practically of a single rate, because if you get really varying sections of a trade under one Board, I think you will find it extremely difficult to provide one rate which will suit all the various types of trades which you are bringing under it. There is this further point, which I do not want to press, that if you recognise what you may have to recognise, namely, that there are differences between sections of a trade, you might find it difficult logically to refuse differences in process as apart from differences in skill. For example, in the tailoring trade you have got on the garment, at all events in the English trade, the finishers, the machinists and the pressers. They are all different groups and they are all differently paid. It is not really so much a difference of skill as a difference of process. It may be urged, if you distinguish between sections as you do in the case of the stamped or pressed metal-ware and the coffin furniture trades, when in fact the persons employed are the same—namely, the stamper and polishers—what grounds have you for insisting on one rate for people who

are, by virtue of their occupation, separable? I only put those difficulties to you because it would not be right to suggest to you without qualification, that to omit ancillary and auxiliary classes would necessarily be a solution of difficulties in regard to the time basis. That is all I have to say on the time basis so far as men are concerned. I have a point I would like to add about women.

13,138. *Mr. Layton*: You quoted the jute trade, and you said in answer to a question, that only a very small class might be affected. I have the impression that although there are these classes, as a rule there is one class which forms the bulk of the trade, and that in the majority of cases there is a large class below which there is no need for these special rates?—That is partly true. It depends on the character of the trade. For example, if you take the jute trade you have your weavers and spinners from the beginning divided into two broad classes. But I think in a number of cases it would be true to say that you can find a fairly representative class above the ancillary and auxiliary class.

13,139. And the great majority of the workers are probably covered by the Trade Board?—I would not be prepared to go as far as that.

13,140. *Chairman*: Excluding the pieceworkers?—I am leaving out pieceworkers all the time, because I wanted to put a separate point about them. I would like to add that if you limited yourself to the rate above the ancillary and the auxiliary, that would mean you would fix no rate for semi-skilled and skilled operations, either for males or females. Presumably those would be settled by agreement in the ordinary industrial way.

13,141. Or as an alternative they might be settled by agreed resolutions of the Board?—Without statutory force.

13,142. Without any vote by the Appointed Members?—Yes.

13,143. The point as to statutory force is another question?—If you withdraw the statutory force, it seems to me that the arrangements as to voting, and so on, are matters for the parties. It is only important as long as the statutory compulsion follows on what is decided on the Board. Suppose for a moment, in spite of the very considerable difficulties which I have suggested to you, that suggestion found favour with you. I want to put to you that the position of women has got to be regarded specially in any event in my view. You said to me earlier that the skilled man, by virtue of the demand, is able to establish an economic claim which is greater than that of the unskilled. I do not believe that can be said truly of the skilled woman; at least not to the same extent. The experience which I have usually had of the earlier Act was to show that in some of the trades, skilled women like embroideresses who have a very high degree of skill, could not command any higher rate than the less skilled women, and were in fact among the worst instances of under-payment. It is for consideration whether, in view of the fact that the bottom rate for women, even on this basis, would be low, and the highest rate would never be very high, women should not be treated specially, even if you decide not to protect the semi-skilled and skilled men.

13,144. *Mr. Poulton*: Would you not be defeating the object of Parliament itself if you only fixed a rate for the ancillary and auxiliary classes? Was not the object of the Acts to bring in all the people working in a trade?—Certainly.

13,145. And not a small portion of them?—Of course it might be argued that if you took a substantial class in a trade, above the auxiliary and ancillary class, and gave them a rate, the rest of the trade would be protected provided it was a real rate applying to the general body of workers in the trade.

13,146. Suppose the people above the general body were badly organised?—It is true that they would not be able to get the rate above that in the same way that it can be got in the highly organised

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trades; but at any rate there would be an underpinning minimum from which they could start.

13,147. Which they could appeal to?—Yes.

13,148. *Sir Arthur Pense*: But they did get those rates, as a rule, when there were no Trade Boards?—At any rate, the position would be that if you had that rate, nobody who was semi-skilled or skilled would get less than that.

13,149. The skilled man would say: "I want more than the unskilled man"?—He would ask for his proportion. That solution does not seem to me to be open to the very grave objection to which the absolute bottom rate is open.

13,150. As a matter of fact, trades outside Trade Boards did have a differentiation as a rule between skilled men and unskilled and slow men?—There are those trades. If you take the catering trade you find there are proportions. If I may repeat what I said about women, I suggest that if you leave the women completely unprotected—that is to say with only the bottom above the ancillary and auxiliary—you might find that it would be very difficult for the skilled women to get any rate above that.

13,151. Do you not think there is a general tendency for the rates fixed by Trade Boards to become not minimum rates but standard rates?—I think it is difficult to say that. If you look at trades like the jute trade, and take the 6½d. rate, that does not look to me very much like a standard rate, and there are a number of rates between 7d. and 8d. If you take 88 points off that for the cost of living, it is not a very handsome figure that remains.

13,152. I was not referring to that class of case. I think the brush trade adopted wholesale the rates that were arranged between the Trade Union and the employers, and put them into the schedule?—There are cases I admit where a Board has in fact endorsed an outside agreement, and in my view that is a very proper case in which to consider whether the Acts should any longer apply to that trade.

13,153. *Chairman*: I think there are several of those cases?—Our view on that is that if a trade is reaching the point when it can look after itself, it must look after itself. Of course the trouble very often is that when you examine it, you are told: "This is all very well. We can get this agreement because we have got the force of law behind us; but if we had not the force of law behind us we could not get the agreement," and of course there is a certain truth in that.

13,154. *Dame Adelaide Anderson*: There is nothing in the existing law to prevent the Ministry from leaving a trade out in that kind of case?—No; we can cancel. Of course, we have to have a statutory enquiry. I think I told you when I was here last that in the only case in which we suggested rather tentatively to abolish a Board, neither side liked the suggestion at all.

13,155. They are very pleased with their Board?—I do not know whether they are pleased with their Board, but they were not pleased with our suggestion.

13,156. *Mrs. Lyttelton*: You said both sides disliked the suggestion. Was that at all because it was thought that the effect of such a procedure would be that the employers might be broken up?—That is apparently the reason; but another reason is, I think, that in some of these trades the bigger employers still have reason to fear competition from the smaller employers who would not be bound.

13,157. *Chairman*: I think you have no power at present to suspend the operation of a Trade Board?—None.

13,158. You must either leave them at work or dissolve them?—Yes; and if we dissolve a Board we should have to give statutory notice and hold a statutory enquiry under that notice.

13,159. But if power were given to suspend a Trade Board in a fitting case, then if the rate did drop unduly you could revive it?—That might be an alternative suggestion. We have never liked the idea of suspending, because we think it is a Board's business, if the rates are not proper, to get them right.

13,160. But if you have a trade which is so well organised that it is practically able to get the Trade Board to adopt the union scale, then, as you suggest, that might be a case for no longer applying the Acts. But suppose they say: "Do not dissolve it, because the rate will drop," might not that be a reason for giving a special power of suspension?—It might. You cannot dismiss the argument that the agreement is only concluded because they have the force of law behind them.

13,161. But if you merely suspend, you keep that power in the background?—Yes; I have not thought of that suggestion. But there is the other point: if you get a considerable body of the trade agreeing in that way, there may be bad pockets which are not touched by the agreement, and the low wage is commenced at once. You can merely decide on the facts of the case as a whole.

13,162. *Mr. Poulton*: Do you think in that case you could bring into operation the suggestion made at the 1912 Industrial Enquiry, that although the Board might be suspended as a Board, nevertheless the rate should continue to operate for a period which the Minister thought should be obligatory. I am referring to the 1912 Enquiry under Sir George Askwith?—Do you mean the proposal to give statutory force to voluntary agreements?

13,163. Yes.—I would not like to commit myself on giving statutory force to voluntary agreements. You know, I think, better than I do what a long and troubled history that particular problem had.

13,164. But this has statutory force at present?—It has absolute statutory force.

13,165. I am now suggesting that possibly you should suspend the Board but you should not suspend the statutory obligation to pay?—I do not see what the object of suspending the Board would be in that case.

13,166. The expense, for one thing, would not fall upon the Government?—Honestly, I have not thought out this suggestion of suspension. It might be a possible thing to contemplate.

13,167. *Chairman*: It merely arises out of the obvious difficulty of dissolving the Board altogether, which has been so great that you never have dissolved a Board?—That is so. It is not merely because the difficulties are so great, but we have not thought that the case has been absolutely established for abolishing a Board up to the present.

13,168. If it was necessary to prevent the payment of unduly low wages, the mere fact that wages have risen would not be enough. If you stopped the Board the wages might fall again?—Yes, that is the danger. All that I said on the special rates related, of course, to the time-rates. Then there is the question of piece-rates, and as to that it was put to you very strongly, and, if I may say so, very well indeed, that one of the vital reasons for fixing piece-rates is the question of the home-worker. You cannot employ home-workers on time-work. I think a large proportion of the work in Trade Board trades is piecework, and therefore I think power should be kept to fix piecework bases. If you confined yourself to the auxiliary and ancillary workers, you could lay it down that the piecework basis should be the actual time-rate, or the piecework basis time-rate, which is generally 1d. above the actual time-rate. That would not be going as far as in the cases of the chain trade, where you have a rate of 1s. 1d. as the basis for certain of the work, but 1s. 7d. as the basis for the heaviest chain, which is the highest class of skilled work in the trade.

13,169. Would it not be far better to have a piece-rate and have done with it?—The piecework basis time-rate is the rate which is fixed generally for the trade, and is about what a worker ought to earn. To fix the actual piece-rate for each job is a long and difficult task.

13,170. At any rate, there always has to be a calculation to see whether the ordinary worker can earn the rate?—Yes. From the point of view of administration it is twenty times easier if you have got an

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actual piece-rate instead of a basis rate alone. But there are reasons why trades have adopted it slowly; for example, it is not always easy to decide what the price of a job should be. Should you base it on a very competent worker who is working very quickly, or on an incompetent worker?

13,171. For a home-worker a piecework basis time-rate has no value, because it is very difficult in the case of a home-worker to find out whether he is earning the piecework basis?—It is better for the home-worker to have a definite piece-rate for a job, and several Boards have fixed general minimum piece-rates. It is not a very easy thing to do, and very often employers are glad to have our inspectors in to help them out. They sometimes run to a very large number.

13,172. Mr. Pugh: You would fix your piece-rate on a time earnings' basis?—In any case you do. If you take your general minimum piece-rate you can either take the minimum time-rates and work to them, or you can do as you generally do take a piecework basis time-rate and work to that.

13,173. Sir Arthur Pease: But in some trades it would be absolutely impossible to fix piece-rates all through?—I should think it would be, and in those cases you would not attempt to do it.

13,174. And therefore you must have this other system for measuring the rates?—You must have the other system in operation.

13,175. Chairman: But you could measure the yield of piece-rates by the piecework basis time-rate?—Yes.

13,176. Sir Arthur Pease: And to have a sort of similar rate is quite usual in organised trades?—Yes. The only other point I wanted to make, if you decided to fix all the rates for the skilled and semi-skilled as well, is that there is no reason why you should not have power to keep your piece-rate up to the same point as at present. If you had no power to take the piece-rate up to the 1s. 7d. time basis in the chain trade, they might say: "It is not worth while having piece-rates, because we cannot cover half the trade." The only other point I wanted to make is that there has been a suggestion that the appointed members should not vote on the fixing of general minimum piece-rates, because they have not got the knowledge. On that it is no defence, I know, to say that they never have voted, because they could do so. But the fact that they can seems to me to be good rather than bad. It prevents a possible deadlock, and I think it is right that they should at any rate vote, as they do, on the piecework basis time-rate—the basis on which all these rates are fixed—and if there is a difference between the parties on any given rate which is capable of explanation to the Chairman, he is just as well able to give a vote or a decision on that as on any other thing. There is nothing which cannot be explained in such a way that an outsider can have a view.

13,177. Mr. Pugh: Would you think it a good alternative that in those cases, instead of the appointed members voting between the parties there should be reference to some suitable Court?—The only thing about that is you know what a long business fixing a piece list is. Here you have had two lots of people sitting for a long time together in arriving at this list. They have, say, three items in doubt and they cannot make up their mind. This man has been sitting with them, and he has heard all they have to say. They put it to him, and he arrives at a decision. In fact, they have always agreed without his intervention. I think if you elected to put piece-rates to an outside authority you might get the difficulty we had during the war, when the Ministry of Munitions tried to intervene on some question of payment by results, and found it was rather a hornets' nest.

13,178. Do you suggest that the very fact that the Appointed Member may be called upon to decide tends to make the parties settle among themselves?—I think so.

13,179. And would you say that as soon as you did away with that, and provided an outside Court to settle differences which the parties could not settle

among themselves, the tendency would be to refer to that Court unduly often?—I do not think it would have the same sort of tendency as I suggested in the case of the tribunal, but I think it would have a tendency to bring that about.

13,180. Sir Arthur Pease: Suppose the Trade Board came to a deadlock over rates, would they have power to refer to some outside expert?—They could consult an expert. Although an accountant is not an expert on piece-rates, they could appoint an accountant to go into the books; he could advise them.

13,181. Chairman: They could agree to consult an outside person?—Yes, if they were willing.

13,182. Sir Arthur Pease: If the employers said they could not accept the rates and the other side insisted on them, they might go to a third party?—That has not arisen in any of our cases. The Chairman ought to be able to give a sensible decision.

13,183. Mr. Bell: In the case of a Board which was fixing rates for piecework wanting expert advice, I was wondering where you would find your experts outside the particular trade for which the piece-rates were being fixed?—I do not know where you would find them. You must go to the trade itself.

13,184. Mr. Pugh: As a matter of fact, arbitrators are not experts?—If you want a man to settle a rate because he understands all about it and not because he has arguments put to him, the *ex hypothesi* expert, I should have thought you would want a person in the trade. If you want an arbitrator, anybody with a judicial mind ought to be able to do it.

13,185. As a matter of fact the experts in the trade who know all about it are on the Trade Board?—Yes, and then they are on the committee for fixing piece-rates.

13,186. Mr. Layton: Should you not draw a distinction between the functions of the State in relation to piece-rates and time-rates in view of the fact that a piece-rate is a highly technical thing which is constantly varying, whereas a time-rate is a standard of earnings? Does not the non-payment of piece-rates stand in rather a different category from the non-payment of certain standards of earnings?—I cannot follow that. The time-rate is a time-rate, and the piece-rate is based on a time-rate or a piecework basis time-rate.

13,187. You might bring into Court a whole series of rates which form the component parts of a man's income?—Yes, but those component parts form the basis, and if there is any change in economic conditions you can change your basis.

13,188. But it would be much more complex?—I agree, of course, that it is much more complex and it obviously is not so elastic, as when you have once fixed an enormous series of rates, it is a great inconvenience to alter it again.

13,189. But the point is that you make every item in that a legally enforceable thing?—Yes; but, after all, every individual item aims at producing a particular figure just as a time-rate aims at it.

13,190. But there is a great difference in giving legal sanction to the whole and giving legal sanction to the component parts, which may vary enormously?—Yes, but each of those parts has been fixed, just as the cotton list is fixed, by experts in the trade, and if there is anything wrong with it it can be changed. If there is any reason in having a piecework basis at all, there seems to be no reason why, if you elaborate it into the form of individual rates for individual jobs, you should not make people pay those rates by law just as much as you make them pay the basis.

13,191. Mr. Pugh: Is there any essential difference, as far as the relationship of the State is concerned, between enforcing an agreement which provides for 2½d. a ton and an agreement which provides for 6d. an hour?—I do not think there is, put in that way, any difference. Of course, Mr. Layton was thinking of a much more elaborate system of rates than 2½d. a ton.

Mr. Pugh: Each rate would be taken in the same sense,

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13,192. *Chairman*: Is there any difference between saying: "You must pay a subsistence wage, which we will fix, say, at 55s. a week, or you will be guilty of an offence against the law and may be punished," and saying to the same man: "You must pay this man a rate of 96s. a week, even although he is willing to work for 20s. less, or you will be guilty of an offence?—I do not quite understand. How would the 96s. arise? Would that be a piecework basis rate?"

13,193. I am speaking of the skilled rate?—I think it is open to argument that there is a difference in those two cases. The answer of those who defend the existing system would be: "Well, the number of people getting 96s. is very few. That is not the point over which there is a struggle on the Board." It is the minimum on which the struggle is always arising, and the existence of the 96s. is a help to the people throughout the trade to get good minima.

13,194. *Sir Arthur Pease*: That is not my experience on trade or other boards. I find it is the higher-paid man who fights for advances far more than the lower-paid man?—I am afraid I did not make myself clear. That is exactly what I intended to indicate. I was saying that the existence of the higher rate and of the 96s. men tend to help the others to get a better rate.

13,195. I do not say the highest rate of all, but the highest rate of the large body of people in the trade. It is those people who are most pressing generally with regard to wage matters?—Yes.

13,196. *Mrs. Lyttelton*: I suppose the arrangements made under a trade board are not more complicated than the arrangements made between a trade union and an employer?—Not at all.

13,197. The difference is the statutory enforcement?—Yes.

13,198. Is not the philosophy of the thing that the trade union has the weapon of the strike and the unorganised trade has the weapon of State enforcement?—That is the principal difference.

13,199. *Mr. Pugh*: Would you mind following up the point raised in Mr. Layton's question, because it is not quite clear to me what it was he wanted to bring out. Would not the point be met by saying that whether an agreement is an agreement for piecework rates or an agreement for dotal rates or hourly rates, the State only comes in as the enforcing authority on an agreement entered into between the parties in the trade who have made arrangements consistent with the trade?—In the case of a Trade Board.

13,200. That being so, what point would there be in Mr. Layton's distinction as between an agreement for piece-rates being enforced and an agreement for dotal rates being enforced?—I confess that I did not myself quite get it.

13,201. *Mr. Layton*: Is it not the fact that there are two quite separate things? One is that the State may step in and give authority or sanction to the whole system of wages in a trade, skilled or unskilled, piece-rates and others—giving the force of law to the whole thing. That is State regulation of wages. But under the other conception of the State intervening in order to ensure the minimum, the State ensures that people get a certain amount. That is quite different. The one would include the fixing of piece-rates as well as of skilled rates; while the other could be entirely effected—except as regards home-workers—by fixing the time-rate and a piecework basis time-rate?—Yes, but I think it would be a pity that people should not have the power. There have only been a few cases where a general minimum piece-rate has been fixed, and they have always done it extremely well. The brush trade are very pleased with their general minimum piece-rates. I do not think there is any real case in theory for upsetting those.

13,202. But you would agree that there are two entirely different objectives?—I agree there is a difference between fixing a piecework basis and fixing a piece-rate for each item.

13,203. I mean a State system of wages covering the whole thing, and a system which gives the minimum protection?—I am bound to say on that that it

would not cover the whole trade if you fixed your piecework basis time rate always in a fixed proportion to your general minimum time-rate. Suppose you adopted the proposal that you are going to have your general minimum time-rate only just above the ancillary and auxiliary rate, and your piecework basis time-rate always bore a proportion to that, a part of the trade would not be covered at all, because you may fix piece-rates for the highest skilled men.

13,204. But it would be covered so far as the minimum was concerned?—I agree, as regards the minimum.

13,205. Because even the highest skilled pieceworkers would, carrying it to an extreme, have to have such rates that they would reach that figure?—I agree. I think, without intending any disrespect whatever, that the objection is rather one in theory. I think that in practice this power has been rarely used and when used has always been used in agreement, and it has been found by the Boards who have used it to be useful. Of course I have no right to urge this strongly, but as an administrative convenience there is no question whatever of the value of the general minimum piece-rate.

13,206. *Mr. Pugh*: As a matter of fact, taking into account all past experience of Wages Boards, and machinery of that kind, you could not make your Trade Boards effective if you simply confined them to fixing rates for part of the workpeople coming under the boards. There is an absolute necessity it seems to me, speaking from experience, for them to go on and do something for all the workpeople?—They probably would; and if they dropped the force of law, they would probably do the rest by agreement.

13,207. But there is the possibility that where you are dealing with a very large percentage of women workers in a trade you will probably find that only the good employers would pay suitable rates to those people if they were not forced to do so?—I mentioned the case of the women. They would be at a very considerable disadvantage.

13,208. *Dame Adelaide Anderson*: Of course women would be rather at a disadvantage if they were singled out to have their wages regulated apart from the men?—There is the possibility that you would say that the women were economically hurt; but I do not think it is a very real one, because it is unlikely that men would be employed even at the rate which would be fixed for women. I mean you would have to pay men more on the market, anyhow, than the slightly higher rates fixed by statute by the Board. Of course there may be a little disposition among labour to challenge more protection for the women, because it has been felt very often that women's labour is one of the sources of weakness to male labour owing to the fact that on the whole they can be obtained cheaper.

13,209. Is it not the fact that as the result of the regulation of hours in the cotton trade men got protection?—Quite. And during the war the rates fixed for women on men's work in the engineering trade were fixed partly on the women's account, but by no means only on that account. It was partly to protect the men's position in the industry.

13,210. That is not a very satisfactory position. It is better to do it to protect both?—It is a matter of sex pride, I suppose. Putting it thoroughly on its merits, without considering men, I think the protection of women is worth looking at seriously.

13,211. *Chairman*: Before you go to your next point, have you any views about the slow worker?—Do you mean about exemptions to the slow worker?

13,212. Yes.—That is a difficult question. Of course at present there is no power to exempt a slow worker simply on that ground; but it has been suggested that you should exempt the slow worker. If that were done too widely, or if it were abused, you might knock the bottom out of any rate in the trade by a sort of attempt to say that everybody was a slow worker.

13,213. It could only be if they were a party to it?—That is so. I am not sure that it is an impossible thing to have a properly safeguarded exemption for slow workers, because every case would have to be

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approved by the Trade Board, including the labour side. I believe there are trades—I think the boot and shoe trade is one—in which there is a very restricted system of exemptions for slow workers.

13,214. *Sir Arthur Pease*: If you do not do something of that sort you are going to cut out thousands and thousands of people in normal states of trade from ever getting any employment at all?—You have to remember that the very large majority of our people are pieceworkers.

13,215. Leave out the pieceworkers. Take a case where it is impossible to employ people on piecework?—On time-work, if you have got a statutory minimum, and the person cannot earn it and the employer cannot afford to pay more than the person can earn, they would have to go. You cannot pretend it will not be so. Whether it is economically right or wrong is not for me to say, because there may be other people who can come in and earn the rate.

13,216. *Dame Adelaide Anderson*: There may be other trades for which these slow workers are better suited?—Yes. Of course the result of keying up an industry is always that the weaker go to the wall, whether it is done by statute or by ordinary trade methods.

13,217. *Chairman*: Still, if a person is, for any reason, incapable of earning the minimum wage, you think the method of exemption might be extended further?—Yes, I think so.

13,218. Then you were going to pass to the question of grouping Trade Boards?—There is only one point I want to make on that. It is quite a short one with regard to definition. I feel it is a very difficult thing to group Boards, partly because it will involve many more rates than one, because it would have to apply to the sections. But I do not think it is quite realised how strong the opposition is between one trade and another. They want to settle their own affairs. If you take the distributive trades and suggest to the butcher that the baker is the right person to fix his rate, he does not think so, and he tells you so quite distinctly. Therefore we have always got that before us when we are defining a trade. It is suggested, of course, that we have set up our Boards rather too quickly and without sufficient consideration. We have always answered: "Well, there is a possibility of a statutory enquiry," and we have never been pressed to it. I am not sure, in view of some of the feeling that has been expressed, that it would not be a good thing for the Minister to have power to hold an enquiry in each case.

13,219. Would it not be better to say that he must hold an enquiry?—I have not ventured to go as far as that. It might be desirable to have an enquiry in each case.

13,220. It would prevent your having to make local enquiries and having to receive all these deputations here if you had one general enquiry before setting up a Board?—I do not think so. I think before we could make up our minds that we had got to the point of proposing a Board we should have to be fully satisfied ourselves what the local conditions were. What the enquiry would relieve us of would be the suggestion that we had imposed the Board in an arbitrary way without sufficient regard to the facts. If it was made compulsory in every instance, of course, where there is a unity of demand—like there is in the provender trade—that would lead to delay. I do not press the point at all. I should have preferred that the Minister should have power to hold an enquiry. At present he cannot hold the enquiry at will. We have never had an enquiry, because we have never been pressed to hold one, but we could not do it simply if we wanted to.

13,221. There have been cases where you have been asked to hold the enquiry, but people have been rather persuaded to withdraw their request?—I accept that. But we have never set up a Board where they ultimately have not agreed. I do not say that would be so if we had gone on lately. I have mentioned the grouping point, and that really brings me to the next point, which is a much more important one from

my point of view, and that is District Committees. I do not know whether you would like me to take that now?

13,222. If you please.—You have had it given in evidence that, in fact, though the Boards have power to set up District Committees, they have not used it. One or two Boards have set up District Committees, but, either owing to the districts selected or to the power vested in the Committees, they might just as well not have been there. It has been suggested for consideration whether something ought not to be done to alter that position, because it is pointed out in great trades like the engineering trade and the building trade, and even, I believe, the steel trade—though I am not sure about the steel trade—but at any rate in the engineering and building trades, it has been a long-standing arrangement, and it has been asked why that should not be applied to Trade Board trades. I should like, if I may, to distinguish clearly between the distributive trades and the manufacturing trades in this respect. The distributive trades, except on the wholesale side, do not compete from one district to another. It does not matter to a grocer in town "A" what a grocer in town "B" is paying, because his customers are in his own town, except in the case of the big stores. Therefore the peculiar argument which applies in the case of manufacturing trades would not apply in the case of the distributive trades. There is just one consideration, whether one way of handling the distributive difficulty might be on a district basis. I am not suggesting this as a final solution, because it is full of difficulties; but we know that the national basis has led to considerable difficulties. We do not feel that in the normal way it is easy to combine a statutory committee with a statutory central body. We have a feeling that if you are going to have District Committees as a solution in the distributive trades, they will have to be autonomous District Committees settling their own rates for their own districts.

13,223. They would really be District Boards?—Yes. A difficulty we feel about making them subject to a Central Board is that that would lead to delay; it might lead to endless friction between the District Board and the Central Board, and although I do not want to go into it now, it is the fact that the one thing which was said most definitely by all the Agricultural Wages Boards when they were re-constituted was: "No Central Board. We are going to settle by districts." That was because the experience the Committees got with their Central Board was that it led to a certain amount of difficulty. We think if the Committees are to be set up in the distributive trades—and with the distributive trades I put for consideration trades like the laundry trades and one or two of the sewing trades—you would have to consider whether they should not be autonomous District Boards. As to whether one District Board could cover the whole of the distributive trades for the district is not so clear, I think. You would find it very difficult, I imagine, to persuade your distributive trades in a district to come at once under one Board. What I thought was that you could give them the option. Let them have a certain number of Boards to begin with, with a power to amalgamate as and when they see their way to it, and possibly start with a Joint Committee at the beginning to deal with any point, such as a Stores in London with 10 or 20 trades in it, with the hope that they would come together.

13,224. *Mr. Pugh*: When you talk of distributive trades, you mean retail?—Yes. You would have to deal with the wholesale separately, probably on a national basis, because in the wholesale there is just as much competition as in every other trade.

13,225. *Mr. Layton*: What have you in mind as regards numbers?—I think one of your witnesses here who was not very favourable to Trade Boards as a whole suggested you would have to have 50 Trade Board districts. I do not think that is necessarily true. I think you could group the South-West and some of the South-Eastern counties. Of

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course, London would be separate. There might be anything from 15 to 20, but not, I think, more.

13,226. *Sir Arthur Pease*: Something on the lines of the co-operative societies?—Something on the lines of the building trade districts.

13,227. The wages paid in the co-operative societies, which have been regulating wages for a very long period, for the whole body, is one of the points which has come out?—I do not want you to assume that this would be an easy solution. I think it would be much disliked in certain quarters. I think it is open to very grave objection. You get considerable variation, possibly not based on very good grounds, between district and district. You get, of course, the overlapping at the edges; you have a shop almost next door to another which would be on a different basis, and there is no explanation why it should be. All those things would happen. On the other hand, you will not be met with the very strong criticism that we constantly hear, that London is dominating the rates, or that the big towns are dominating the rates, or that the smaller towns have not had their peculiarities considered.

13,228. *Mr. Pugh*: But surely they have now the power to set up District Committees?—They have, but they have never availed themselves of the power except in such a way as to render it nugatory.

13,229. Do you say that the trades themselves see no necessity to set up such Committees?—That applies to the manufacturing side; but in the case of the distributive trades, the Grocery Boards have fixed rates on a scale according to population, and that recognises that you have to have some sort of a district basis. They have not constituted Committees, but they have settled three scales—"A," "B" and "C"—and I think it would be fair to say they have found great difficulty in the application of such scales.

13,230. What I was thinking was whether it is desirable to force upon the trades suggested something which, up to the present, they appear to have shown they do not want?—I am talking about distributive trades at the moment. So far as the manufacturing trades are concerned, I agree it would be very difficult to force District Committees on them against their will. I think if you set up a District Committee it might lead to such grave trouble on both sides that you might just as well give up the Board. But I think even there you might have a power to establish District Committees if, in the view of the Minister, they were absolutely essential, because it might well be that with that power some of the reluctance which Boards feel—and which is not always based on the best of grounds—might be overcome. It cannot be that what is good enough for the building trade and the engineering trade and half-a-dozen other big trades, cannot be good enough in principle for the Trade Board trades.

13,231. Except that one is somewhat anxious that the Trade Boards should work out their own problems. While it is good to point out the advantage of District Committees, it would not be desirable, I think, to lay down that they must set up District Committees, whether they think District Committees would help them or not?—I distinguish between the two classes of case. In the case of the manufacturing trades I think what the ordinary Trade Board would reply to my point that I have made about the building trade would be: "In the building trade you are taking individual standard rates. That is one thing; they do vary from district to district. But we are talking about minimum rates, and there is no point in considering them from district to district." That is the answer which would be given. I do not know that it is a true answer. But I would not suggest that you should compel them, except in very unusual circumstances, to adopt anything in the way of district rates against their will. It was given to you in evidence that some of the employers were strongly in favour of District Committees. They cannot get them for two reasons—not only because the labour side is opposed to them, but sometimes because

some of their own side in the big towns do not want the District Committees for reasons of their own.

13,232. *Sir Arthur Pease*: Do you not rather mean industrial districts than the big towns?—Yes, I mean industrial districts.

13,233. *Mr. Pugh*: Would you like to have one Board for the retail provision trades and then set up District Committees in connection with the Central Board?—My view is that a system of District Committees, except in rather unusual circumstances, is not very easy to combine with an effective Central Board. I think you have really to choose between an autonomous Board and a Central Board. I qualify that later about the District Committees, but I should not impose them on the distributive trades. I should say to the distributive trades: "The method by which you approach wage settlements in your trade is by districts. There is no national basis ever." I should not say to an existing Board—I should not say to any manufacturing trade: "You have got to have District Committees." I should simply say: "Do you or do you not want District Committees?"

13,234. Do you think a central advisory body would be of assistance to Trade Boards in dealing with problems of this kind?—Do you mean a central advisory board for the distributive trades?

13,235. No, generally?—I do not think it would help in this connection. If you had a central advisory body at all, I think it would have to consist of the national organisation in the trade which could give advice to the Minister, on any rates that were put to him if he wanted it. I do not want to be taken as recommending these autonomous District Boards for the distributive trades. I simply say if they were adopted you could have much closer regard for local and district feeling than you do have now, and that very severe complaint has been made to us that sufficient regard is not had to local feeling.

13,236. *Mr. Layton*: Is there not the other point, that the District Committees would have to be so organised that they would have no power at all, and that the reason why they have not been used is because the machinery is unsuitable?—I agree. If you have District Committees and a Central Board, then the District Committee must have as Appointed Members, if it is to have them at all, local people, and the liaison between the two should be the member of the Board who happens to be the nearest district member. It should not be as now, that the employers' Chairman and the workers' Chairman and the Appointed Member should go to the local Board, because then you do not get local views.

13,237. *Chairman*: One point raised was that a Board cannot dissolve a District Committee?—They cannot dissolve it, but they need not use it.

13,238. They cannot fix any rate without consulting it?—It is not very difficult to post the rate to them. I think clearly that there ought to be the power, if it does not exist, of dissolving. I am not at all unconscious of the great difficulties of the District Committees. If you impose District Committees against their will on a Board, you may get every sort of delay and increase of friction. Suppose you had this state of affairs: A Central Board which was compelled to have District Committees—say, ten Committees—sending up different rates based on different scales, and all of them turned down by the Central Board which fixed a national rate of its own, and everybody—the ten Committees and the Central Board—coming to the Minister complaining, and all the 11 rates coming as well. That would make the position mad, so that it is not an easy thing to decide. My view is that in the distributive trades you might get over it possibly by autonomous Boards; in the manufacturing trades you might meet it by a power to impose Committees in exceptional cases, but it would really be understood that the Board would only set them up by agreement on the lines I suggested in reply to Mr. Layton's question, and not on the present basis which results in their being dominated completely by the Central Board.

13,239. *Sir Arthur Pease*: My experience of Central Boards and District Committees in organised

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trades is that discussions locally are much more free and open on both sides than they are when you get up to London where you have just set speeches on both sides. Do you think that would apply here?—I think you might get more consideration in a frank way of some of the local problems if you had District Committees.

13,240. It all depends on the composition of the body negotiating on both sides?—Certainly.

13,241. Mr. Poulton: You would have to limit their power to some extent; that is to say, they would not be able to break principles?—No. I should put it: if you have a District Committee and a Central Board, the District Committee could initiate the rate, but it would be subject to the veto of the Central Board. If the Central Board would not accept the rate, then it simply would not go any further.

13,242. Chairman: You have something to say about questions of scope?—Yes. On questions of scope the position is unsatisfactory, and it is admitted to be unsatisfactory. As you know, nobody except the Courts has a right to decide on a question of scope. It is perfectly plain, I think, that there must be somebody who can decide that, and that there should be some authority set up. There have been various suggestions made. If the sheet were completely clean, I have no doubt in my own mind that the right thing to do would be to appoint somebody like the Umpire for unemployment insurance. A person of that kind is the obvious authority to set up. It is a very difficult position for the Department to be in, constantly having to decide these vexed questions. It is very difficult to convince the Board that a question of construction. But you find in a large majority of cases the points are questions of construction, and it is very difficult to convince a Board, which knows its own business all right, that it perhaps does not know this business of construction as well as it had thought. Therefore, it would relieve us of a very considerable load of responsibility and difficulty if we could have the Umpire as the deciding authority. But again, on that there is this point to be considered: The Umpire was set up originally by the Insurance Act of 1911 to decide both claims to benefit and these scope cases. For some reason—I think it was to establish uniformity under the Act of 1920—the power as to scope was taken from him, and to-day he only deals with questions of benefit. The power to decide scope now is vested in the Minister of Labour himself, just as a similar power was vested at the beginning in the National Health Insurance Commission. It is suggested for your consideration that while there is a great deal to be said for an outside authority which would relieve us of a great deal of odium, it may be difficult to disregard what has happened in respect of unemployment insurance. You can easily see there may be difficulties. Take the catering trade which is not covered by a Trade Board at the present moment, but it might be if the case were established. In that case we might decide that a particular waitress in a hotel was in fact covered by the Catering Board. I mean the Umpire might decide that. The position of that waitress might also be receiving consideration from the point of view of unemployment insurance, and it might be decided that she was a domestic servant and therefore not covered by the Insurance Act. Therefore, you would have her out for insurance and in for the Trade Board. I do not say it is a very considerable point, but it is one to consider.

13,243. The Umpire only determines individual questions, does he not?—Yes; he only decides on cases put to him.

13,244. Affecting individuals?—Yes, only individuals.

13,245. Would that be sufficient for Trade Board purposes?—I think so, because we have two points: We have the interpretation of the Order itself—the meaning of a phrase in the Order—and assum-

ing there is no dubiety about the meaning of an Order, as to whether that particular person is indeed a person described in the Order—

13,246. I think the kind of cases we have heard of are rather cases of that kind, where the Trade Board is asked whether a particular class of person comes within a Board?—We should be quite content that that particular type of case should be settled in exactly the same way as the others. But I am bound to put to you that Parliament revised its original view, which was that the Umpire should decide this type of question, and invested it in the Minister of Labour, and I suggest for consideration whether it should be the Minister of Labour or an outside authority. I am reminded that in every case there is an appeal to the High Court. It is suggested definitely that there should be an appeal from the decision to the High Court. That is the case as regards the Minister of Labour.

13,247. You would make the decision of the Minister of Labour binding and give an appeal?—Yes, either that or do the same as the Umpire.

13,248. We have had the suggestion of referring it to some central Trade Board for enquiry?—These are so clearly questions of mixed law and fact that it is necessary to get legal minds on to them—really it is. The Trade Board, quite naturally, interprets broadly what it knows the trade to be, but it does not in the least follow that that is the meaning of the words. They say, on the other hand, with some justice: "Well, we know the meaning of the words, but we do not know the meaning of the trade."

13,249. Mr. Pugh: But is not this a case of whether an individual comes within a trade, or not? What can be the question of law?—You have got to decide what the meaning of the words is in respect of which it is claimed that the individuals are in. You have to establish the fact that he belongs to a class covered by the Order, and that raises a preliminary point as to whether he is covered or not.

13,250. That is after an Order has been made?—Yes.

13,251. That is where the question of law comes in?—Yes. It is very rarely a plain question of fact. You have a certain type of worker—say an errand boy. He works in a certain part of a shop. You have to look very closely at the wording to see whether the wording which covers the casual workers can in fact be construed to cover the case of that errand boy. From the point of view of the ordinary person you say: "Of course this fellow is in the trade. We could not carry on without him." But when you look at the words you have to be sure that you thought of that when you framed them.

13,252. Mr. Poulton: Would you not give the Board or the Minister power to say that having come to a decision that the person was in the trade, that would carry an obligation that he should be considered to be in the trade?—All that I would say is that if an Umpire or the Minister gave a decision, that would be binding, subject to an appeal to the High Court.

13,253. Mr. Pugh: I should have thought that when once a trade decided that individuals were inside the trade, really no question of law could be raised, and that they might be accepted and brought within the Order?—It would not be as simple as that, because you would get a Board like the Rope, Twine and Net Board saying that beatsters are covered by them. It is certain that they are not so covered. The Rope, Twine and Net Board say they are covered because they think they are part of their trade; but we say they belong to the fishing industry because they work chiefly for fishing boat owners. The Board are all agreed that beatsters are covered; but what they really mean, I venture to suggest, is that beatsters ought to be covered, which is not the same as saying they are covered. Besides, as I am reminded, another thing that arises is that you have two trades contesting between themselves as to whether a particular person is in their trade or not. If both of them claim him and both are able to decide, then he would be in two trades.

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13,254. *Dame Adelaide Anderson*: Then the beatster would be in the fishing trade if a Board were set up?—The suggestion, as a mere matter of history is that we promised that beatsters should be in. We are not conscious of having done it; in fact the records are entirely the opposite. But leaving that on one side, our impression was that the beatsters were more akin to the fishing industry than to the rope, twine and net industry.

13,255. And you have a legal decision more or less?—Yes, we have. As I say, it might be established by the Umpire. The Umpire might take a different view of the Order from the one which I claim to be so clear; then these men would be in. But it is really a question of the wording of the Order, and we suggest they are not covered in that case.

13,256. *Chairman*: Then we pass to the proposals for creating elasticity in the working of the Boards. In the first instance there is the point as to the time which should be allowed for objections. We have had a good deal of evidence on that.—What I suggest is, I think, two months for the first period, and one month after that. The other point which I think is perhaps even more important is to give the Board power to vary the rate at the fixing stage. You will remember that is a very severe handicap at present, and we suggest that they should have power to vary at the fixing stage if they think the objections justify that course; subject to this, that the Minister might, if he thought the objections too considerable, require re-advertisement.

13,257. *Mr. Pugh*: Would you have that varied by general agreement on the Board?—No, either by a complete agreement or by a majority. If they varied it on the Board I should say the Board are entitled to make the variation in the fixing stage. But I said that the Minister should retain a power to require re-advertisement. Clearly, if he thought it was a very contentious case he might think it was a case which required re-advertisement. For example, if at the fixing stage wages were increased or decreased 3d., one side or another might take that very seriously to heart, but they might be out-voted by the other side and the Appointed Members. The Minister might think in a case of that sort he ought to require re-advertisement. But if it was a variation to put in classes or to bring in certain towns, as was done in the grocery trade, that is clearly a thing which ought to be possible, in my view.

13,258. *Chairman*: Can you suggest any easing of the process of giving notice?—What we thought was in order to save time at the very beginning, you might date the notice from its appearance in the official Gazette. That would probably save you three weeks.

13,259. And it would give the district people less time for objecting?—If it was a first case, they would have two months. If it was a new case their Associations would have an opportunity.

13,260. Would it be possible in the Order to fix the time for coming into operation? A great complaint was made that they did not know until the Minister's decision came out when it would come into operation?—It can only be subject to the Minister's decision. I think in one trade where we referred it back, we said: "We cannot confirm this, not because we think the rates are wrong, but because the time when they are coming into operation is wrong. If you will vary that it will be confirmed."

13,261. Subject to that, it might be well to allow the Boards to name dates?—Yes. The only point is that it might give rise to a misunderstanding. The employers might think that a particular date was fixed, and make arrangements for their wages, and find it was not so. I do not think it is a very material point.

13,262. *Sir Arthur Pease*: Can a rate ever be made retrospective?—No. We had great trouble with that under the Munitions Acts. Our rates are not retrospective.

13,263. They cannot do it?—No.

13,264. *Chairman*: There are some small points about removing minor restrictions?—Yes; they are

only minor restrictions. What I suggest is that whatever classes of rates you leave to the Board, within those classes you should give them as much freedom as they can possibly have, and not tie them up in any way. For example, at present they have only got power to fix what I think are called straight piece-rates and piecework basis time-rates. They have no power to fix payments by collective bonus and things of that kind. We think they should have power in regard to collective bonus, premium bonus, and all those things. One of the troubles which has arisen is that you cannot fix daily or weekly overtime rates subject to conditions. You can either fix a daily overtime or a weekly overtime rate, but you cannot fix a combination. You cannot say to those on a daily basis: "You shall not be paid overtime on any day unless you have worked your 48 hours a week." It is not possible under the Act. It is for consideration whether you might have that power.

13,265. *Sir Arthur Pease*: Do you mean to provide for the case of a man who was off a couple of days?—Yes—a bad time-keeper.

13,266. A man whose work was in arrear and who might make it up by working a bit longer?—Yes. A man might absent himself for three days and if he is on a daily rate he is entitled to overtime on the three days that he worked. It might be desirable in some cases to say: "You shall get your rate by the day, but only if you work your week." That cannot be done by law as it stands.

13,267. *Chairman*: Would not that make it possible for an employer to say: "I do not want you to-day," and so deprive a man of his overtime?—I suppose that might be possible, but it would be his own fault. Another point that I wish to mention is rather a tricky thing. It is with regard to fixing a conditional series of rates. I have great difficulty in explaining it because I tend to forget it. But at present you can say that at certain fixed periods certain rates shall come into operation. You cannot, however, say that those rates will come into operation at those fixed periods provided some other factor, such as the cost of living, operates. You can say, for instance, that on the 1st January and the 1st May the rates shall apply in London, but you cannot say they shall apply only if the cost of living has reached a certain point. You cannot fix conditional rates in advance. Several Boards have complained of the lack of that power, and we think it quite proper that they should have a power of that sort if they desire it. It does not alter their position or their powers; it simply means that they could do their work more expeditiously, and automatically avoid giving notice when the time comes. They could then say that the rates should come into operation provided the cost of living had reached such a rate.

13,268. Would it enable them to say that the rates shall rise or fall with reference to the cost of living?—Yes.

13,269. And without reference to any particular date?—Certainly, if they wished to.

13,270. *Dame Adelaide Anderson*: Would you have a limit to the Board's power to do that by requiring agreement?—No; we should leave it in the same way as in the case of an ordinary rate.

13,271. Because it does assume that the minimum rate has more regard to the cost of living than to the capacity of the trade?—I think that is a perfectly good point, and that is one of the reasons why in some cases they would not avail themselves of it.

13,272. It is a great concession; it is the need of the human being?—Yes. I do not think it is necessarily the right basis.

13,273. I am only just asking whether it does not greatly strengthen the argument for the living wage?—I think up to a point it might; but I think it is only one factor in the power they have.

13,274. *Sir Arthur Pease*: If a rate was on a sliding scale on the basis of the cost of living, or any other basis, would the six months expire from the date on which the sliding scale was fixed or from the date

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when the arrangement started?—I should suggest abolishing that six months' period altogether. Taking that point one step further, if you fixed the sliding scale you would not need to give notice again; the thing would come into operation automatically.

13,275. But suppose the sliding scale is found to be wrong—either too low or too high?—I should abolish the six months altogether.

13,276. And you could ask that it should be altered at any time?—Yes.

13,277. *Mr. Bell*: If you abolish that, what do you gain by attaching any condition whatever?—If I abolish what?

13,278. The six months' period?—The only object of the six months' period is to keep rates stable over a reasonable period. The trouble about it is really, as I said last time, that the Minister is asked to decide whether a new notice of proposal should be issued; but he is asked to decide in *ex hypothesi* ignorance of whether it should be issued or not, because he does not know whether there is anything in a trade to justify the change. Therefore he has got to do it every time, or refuse it every time; in fact he has done it every time.

13,279. If you make it possible to vary rates at any time, why should you make any conditions that rates may be reduced or advanced according to the cost of living, or anything else?—Do not misunderstand me. I do not say that every time you vary in ordinary circumstances you should not give notice. You have to give notice under the Acts when you vary the rates. The point is you cannot vary the rate at all within six months without the Minister's permission. I only suggest that that section should be withdrawn. In the ordinary course the period should be reduced from two months to one month, and if you had a sliding scale agreement you would get rid of that one month.

13,280. *Sir Arthur Pease*: And you would not have to call the Board?—You would not have to call the Board.

13,281. *Mr. Poulton*: Like some of our voluntary agreements, they could run for certain periods?—Yes. The only additional power they require is to make it conditional on something happening. For instance, they cannot have a sliding scale like the steel trade, moving conditionally on the price of steel.

13,282. *Mr. Pugh*: They could have it on something like that which exists in the railway world, where it is the cost of living which affects it?—Yes. They could if it was straight; but you cannot have a date conditionally on another factor.

13,283. *Mr. Bell*: The people on the Trade Board might use the argument that wages might be increased or decreased according to profits, with all that that would entail?—I do not advocate it necessarily as the way of doing it. All I say is that it may be desirable for them to have the power of doing it if they want to do it. I do not press it; it is only a small point.

13,284. *Mr. Pugh*: You are seeking to give some similar autonomy to Trade Boards to that possessed by similar Boards outside?—Yes. They could then do what they do in the steel trade, which they cannot do now.

(Adjourned for a short time.)

13,285. *Mr. Poulton*: I should like to ask just one question in order to clear up a point which is, I think, of very considerable importance, arising out of what you stated this morning about District Committees or District Boards. The existing Trade Boards have the power, have they not, to fix varying rates?—They can fix varying rates by Districts, if they like.

13,286. Do you not think that that is to be preferred, rather than allowing the Districts to settle them themselves? They have much less experience; they might be a small District and might have an outlook which is rather narrow, whereas if it is settled by the Board, they would have regard to the full circumstances of the case?—I think there is a great deal to be said on both sides. Take the case of the

Grocery Board: they fixed centrally three classes of rates. It was contended in the Districts that they had not had sufficient regard to the local necessities. On the other hand, it is perfectly true that you may get an ill-informed District Committee who may not do it as well as a central body.

13,287. You have not had a great deal of experience of the rates being put into practice, so that you do not know?—That is true. We simply had the opposition as it went along. There is a third alternative which I did not put this morning. I mentioned the Building Trade. In that trade you have District Committees, but what is done by the Committees is simply to decide whether the rates fixed by the central Board are applicable to their District or not. The central Board fixes separate rates, 1s. 10d. to 1s. 4d. and it is for the District Committee to decide which of those rates should apply to their area. That is an intermediate step between the fixing by the central Board and by the local Committee.

13,288. You would agree that the central Board is a very competent body to fix District rates?—Provided, of course, that you have adequate representation. It is difficult, with the limits which you have to assign to the membership of the Board always to get the Districts adequately represented.

13,289. They can choose them?—Yes, but they are not bound by what the Districts say.

13,290. Not necessarily bound?—No.

13,291. *Sir Arthur Pease*: There is no organised body to consult in the Districts?—In some cases, there is not. In some cases, though, you have a District organisation of the Union, but in the most difficult trades of all, you probably have not.

13,292. They can never get a really representative opinion from a District in many cases?—In certain cases, they could not.

13,293. *Chairman*: *A fortiori*, the opinion of the central Board would not be representative?—No. One of the most important points, and one of the most recurrent complaints, is that the rural areas are not properly represented, and our difficulty is to find employers or employed coming from these areas who can be described as really representative.

13,294. You were speaking mostly of distributive trades?—I was.

13,295. If you have a central Board for all distributive trades, you would have to have a very large Board?—The Grocery Trade Board has 78 members.

13,296. It is 83 with the appointed members?—Yes, I think it is 83 with the appointed members.

13,297. *Dame Adelaide Anderson*: Would you say that if you had this concentration of Boards for kindred trades that it would be almost necessary to have District organisation?—Do you mean in the manufacturing trades, or distributive trades?

13,298. Either.—I do not believe you could really concentrate the Boards in the manufacturing trades on a satisfactory basis.

13,299. They must be distinctive, trade by trade?—I think so. I am not maintaining that as defined at present we have reached the acme of perfection. I do not believe, for example, that you could group easily the whole of the clothing trades, although I know it has been suggested. There is so much difference between the tailoring and dressmaking trade and shirts and collars, that you really would not get anything but a series of committees of the main Board, which would correspond to what you have now.

13,300. *Sir Arthur Pease*: That depends upon how far you want to go in fixing rates?—I think that is true, but what I suggested this morning was that if you were to bring several sections of trade together, it would be very difficult to choose one rate for the different sections. You would have to fix different rates for the different sections of the trade. There is a question as between retail bespoke tailoring and dressmaking. There is the same rate of 8d. or 8½d. fixed as a minimum; in one case it applies to the bulk of the workers, and in the other case it applies to a very small minority, because the majority are above that rate, and therefore a casual

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glance would suggest that you had the same rate, whereas in fact the rate would be a different one.

13,301. *Mr. Pugh*: Do you get committees dealing with what are, to some extent, separate branches of distributive trades? Take, for example, butchers, drapers, and so on. There is considerable similarity in the kind of occupation, but there is distinctiveness in the trades themselves?—Yes.

13,302. Would it be a practical proposition, do you think, to follow the lines adopted in some of the organised trades, and set up committees for the branches of the whole industry which are of a distinctive character?—Do you mean: have a single central body with sub-committees for each branch?

13,303. Yes.—I think that would be possible. I am not quite sure that it would make much practical difference as between some trades. What I suggested this morning was that if you had a district basis for the distributive trades you should have power from the beginning, if necessary, to have a joint committee of all the trades, and that their findings should be decisive either on special points or on general points. What I had in mind, Mr. Chairman, was the case of the big stores. They complain that they may be subject to twenty rates. I suggested to you before that perhaps that was not a real complaint, because after all they put twenty shops together because it pays them to have the twenty shops together, and they have a great advantage, from that point of view, over the small trader.

13,304. *Chairman*: It is a real inconvenience?—It may be, and therefore I suggest that you should have this district basis and joint committee, and treat the stores as a separate entity and fix a rate for the stores if they choose.

13,305. Or they might determine which rate should apply to any particular establishment?—Yes, they might. But the objection in either case might be that a butcher, for instance, who was not in a store might say: I have to pay this rate; why should the store, which has advantages over me, pay a lower rate? That is, if the rate happened to be lower. That is the big point which we have always had to meet when we have suggested to individual distributive trades the possibility of separate treatment for the big stores. They have said: "Not only have the stores a lower rate, but they begin with an advantage."

13,306. It is rather an argument for one minimum in the district?—It looks as if you might meet the case by a separate minimum for all distributive trades.

13,307. *Sir Arthur Pease*: With regard to the minimum rates, there is really a substantial difference between the rates ruling in the various classes of business?—I think there is. It varies as to which is the top rate in various parts of the country. In one case you find that the Drapery trade has a distinct advantage over some of the Perishable Goods trades; and in some cases it is the other way round. I do not know whether we have any figure as to the variation, but they vary, I am told, considerably throughout the country between the various branches of the distributive trades.

13,308. *Chairman*: It was suggested that it might be divided into three categories:—(1) provisions, (2) hardware?—Was it this: what you eat, what you wear, and what you require for living with?

13,309. It was something like that.—Practically it was food, clothing and furniture.

13,310. Yes, I think that was it.—We began by thinking that we might get that, but we found, for example, in the wearing apparel trades, like the Drapery trade, some extraordinary differences between the milliners and men's outfitters. They would not admit that they could be treated together. My own feeling is that those things are capable of being overcome in time.

13,311. *Sir Arthur Pease*: Do you mean as regards the minimum?—Yes, because they maintained that the markets were different and that other things were different, and they could offer different prices to

their people. My own feeling is that it would be difficult, if not impossible, to persuade the whole of the distributive trades to fix one rate immediately; but I do think it would not be impossible, if you started on the basis of separate Boards, to get them gradually to agree to come together and fix a single rate, with power to fix a rate to meet the special case of stores, and so forth.

13,312. *Chairman*: If you are going to have District Boards for the distributive trades, even though you call them District Committees, they would become very numerous, and if you had a separate one for each trade, there would be a good many of them.—On the other hand, they would be much smaller in point of numbers.

13,313. They would not consist of eighty-three members, but the total would be very great. I am rather attracted by your District idea, if we can combine the distributive trades. But if we are going to have a Board for each distributive trade in each District, it rather frightens me.—It was put to you in evidence by both sides, I think, that they would like one Board for the distributive trades. That was qualified by everybody, later on, by saying that you would have to have a separate rate for different branches, which meant different Committees to settle the different rates. They were thinking as far as I can see, of a sort of connecting link with sub-committees, which would be a very big thing indeed. I do not think anyone contemplated a single rate for the whole of the distributive trades, even as a minimum.

13,314. Do you mean that the butcher and the baker and the grocer should sit together and hear the facts relating to each trade and give a decision?—The answer they give to that is that what is particularly appropriate to one trade has no bearing on the other, and it is a waste of time for the butcher to be there when the baker's case is being considered, and so on. For example, take the case of a fishmonger who has very serious competition from street selling of his goods; that particular competition does not exist in the drapery trade, or at any rate, if it does, it is only to a much smaller degree; and they say that that constitutes a substantial difference for that reason, and they want separate treatment. I am not prepared to concede that the case is made out, but I say that it is very strongly felt, and I think they would regard it as a real hardship if we pressed them too hard, into one association.

13,315. *Sir Arthur Pease*: The value of the work done by some trades is considerably more than that in other trades. I should imagine that in the case of butchering, if the rates were all the same, very few people would come into it?—That is perfectly true, I think. The man cutting the meat may save or lose many pounds for his employer, whereas a man simply giving out tinned goods in the grocery trade cannot do very much harm except dropping the tins, I suppose.

13,316. *Mrs. Lyttelton*: Would not a butcher be called a skilled man?—The difficulty would be to discover any butcher, with the exception of the errand boy, who, in a small shop, was not more or less skilled, because in a small butcher's shop they all cut up the meat.

13,317. *Chairman*: Would not those men therefore command a higher wage, even though the minimum was the same?—They might, if they could get it.

13,318. *Mrs. Lyttelton*: If they could not, they would get the minimum?—But that might not pay any regard to the higher ability of the trade to pay a little more wages. I do not want you to think that I am maintaining that it is impossible to fix a rate for the distributive trades, but I think there are very great difficulties in the way.

13,319. *Chairman*: We have had a good deal of evidence about the Chairman and the appointed members, and perhaps you would like to say something on the subject?—As I understand it, there have been various proposals put before you. One was that there should be a single Chairman. The first proposal of all, I think, was that there should be no appointed members; but the grounds on which appointed members are necessary are, I think, fairly simple ones.

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The Acts provide that you must protect certain classes of workers, and if you have no decisive element on the Board, you may have a deadlock, and the workers will not be protected. If you are to carry out the Acts, you must have some instrument for securing that a rate can be fixed. That, I think, is the primary object of having appointed members. Assuming that that is admitted, the first question is as to the number, whether it should be one or two, or whatever it might be. It has been said that there is very little point in having more than one. But I think the decisive point against that, and what I think is the right provision in the Act, is that where women are largely concerned in the trade, there must be a woman sitting with the Chairman, and as in nearly all trades women are represented, it would mean in most cases either that you would have to have a woman Chairman, or you would have to have three, because you could not have two appointed members. Therefore, it seems to me that if you accept the view that you must have a woman among the appointed members (and I think there is a great deal to be said for it) I think that is conclusive that you have to have more than a single Chairman. Then the next question is whether the appointed members should be independent, as they are now, or whether they should be assessors chosen either from the Board or from the employers and employed jointly. With regard to the question of assessors chosen from the Boards, that brings you back again to the individual Chairman, because if you have a Chairman on the employers' side, and a Chairman on the workers' side assisting the Chairman, I do not think it is fair to expect that they will regard the thing entirely from a neutral point of view, and therefore you would revert again to the position of having a single Chairman. If, on the other hand, the assessors are taken from the outside, there is a good deal to be said for it. But the difficulty is (and I think I should be supported by both the employers and the employed with regard to this) to get really good people to undertake that position, who have the time to give to it. That was a difficulty in the Industrial Court. We finally discovered that if we wanted really good labour people, we were practically compelled to make it a whole-time appointment; and we found that it was a very great tax on the employers' time to be constantly coming to the Court, so much so that in that case also we had to take the same course. We had to appoint one of the employers' representatives and make it a whole-time appointment.

13,320. *Chairman*: Again, I suppose, if assessors were chosen, one from each side, you would get nearly back to the single Chairman?—Not quite.

13,321. Perhaps not quite so fully as if you had a Chairman to decide?—In the early days we had people like Mr. G. M. Booth, the well-known ship-owner, on our Boards, and there is no reason why we should not again have people of that standing, if we can persuade them to give us the time; that is the difficulty. There is no reason at all why we should not have employers and outstanding people who have been associated with labour on the two sides, as ordinary independent appointed members, provided they are not in the trade with which they are associated directly, and we should be very glad indeed, so far as we are concerned, to get them. Although I should be the last person in the world to accept any reflection upon our appointed members, who, I think, have done a very difficult task extremely well, it is very hard for us to get recruits for this work. It is arduous, and it is not very widely praised, and it takes a great deal of time. There is one final difficulty that I see about making the assessors represent a point of view, and that touches a big point of principle. The Chairman does a good deal (and I noticed that you examined some of the Chairmen rather closely about this) by way of conciliation, and the position of a Chairman as a conciliator would be very different if he came into the room with representatives of each side, than if it were otherwise—you would not expect the same freedom.

13,322. *Mr. Pugh*: I suppose you have to regard your members as in some way representing the general public, that is to say, the consumer?—To a limited extent; yes; but, as I said before, it is a little difficult to do that very much. They do not disregard that, but it is not part of their settled function. They have to live with the Board, and if they take an outside view too much, it may make their position very difficult.

13,323. *Chairman*: There is another matter relating to the constitution of the Boards. We had a good deal of evidence about representatives of the Co-operative Societies, and it was said that they have a double point of view, and that to some extent they represent labour as well as the employers. What do you say about side voting as a remedy for that?—With regard to the first point about the Co-operative Societies it has always been urged upon us that the Co-operatives take the Labour point of view, and that they have working class associations and are likely to favour that side. On the other hand, they are employers on a considerable scale, and if we leave them out, we shall be leaving out a considerable employing interest. Therefore, as we see no reason which would justify omitting them from the Employers' side, we have to consider the question of side voting. Our view has been very strongly against side voting, on the ground that the whole point of possessing a vote is to be able to use it to persuade your side, if they differ from you, to vote with you, or to change their view if necessary. But if you simply have side voting, the minority may have a perfectly definite view, but as they cannot vote, they have very little influence with the majority. If they can vote, although they are in a minority, they can effect something with the majority.

13,324. How are you to meet the point about the co-operative members?—I should be very loth to express an opinion, and I speak as an outsider upon this question. But I am bound to say that the co-operatives have not behaved, in my view, in a manner unlike other employers. I think they are more conscious of the workmen's difficulties. I think their own troubles with their own workmen at times shows that they are conscious of the workmen's point of view.

13,325. *Mr. Pugh*: Are they not in precisely the same position as other people, that their workers are organised in Trade Unions and they have to adopt the same machinery of negotiations for settlement, and, indeed, they very often have considerably more difficulty than a private employer? That being so, there is no particular reason why they should favour the workmen on the Board?—I do not think there is.

13,326. *Mrs. Lyttelton*: They do not have quite the same limitations as ordinary employers?—In what way do you mean?

13,327. They are not taxed in the same way, are they?—I believe there is a difference in that way.

13,328. And they distribute their profits, so that they have a different point of view?—To some extent, yes; but when it comes to the point, they have to live as business people and do as other people do. There are certain differences, but they really are not in business for their health!

13,329. *Mr. Poulton*: They have to meet the position competitively?—Yes they have, and I am not sure, honestly, that there is a very good case against them. I do not see why they should not have the same position as the ordinary employer.

13,330. *Sir Arthur Pease*: The employers' representatives are not appointed by the employers?—They are nominated by them.

13,331. They are appointed by the Government or the Ministry of Labour. That does add importance to the question of one man being able to turn over the whole thing?—It is not quite that, although it is, practically. The position really is that we invite the employers to nominate the people they want, and we decide how many should represent each interest; but when they nominate, we never turn down a

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nomination unless they nominate more than we require or they nominate a man for the wrong district.

13,332. There is nobody to nominate at all in some districts?—In the case of the unorganised trades, we have to find the men for ourselves, it is true.

13,333. They might be organised in three-fourths of the country, and unorganised in the other part, and you might put a man on from the Ministry who represented nobody definitely?—You might go and fetch a large employer from an unorganised district who was not a member of any Federation, and just put him on because he was the biggest man you could find.

13,334. He might control the whole proceedings of the Trade Board?—On the whole, of course it is not likely that his point of view would be different. That is not the same point as the co-operative point, because in that case he is definitely an employer and presumably with the same interests as the others, although not organised, whereas in the co-operative case, it is suggested that they have different interests.

13,335. *Chairman*: You do provide for side voting in some cases, do you not?—We do that in one of the oldest Boards, and we only agreed, again very reluctantly, when the Boards were re-established, because they put very great pressure upon us to do so. But if you have a Board with middlemen on it as well as the main employer, as you have in some of the tailoring trades, if the main employer is the dominating feature, all that the middleman can do is to impress his view on the employers' side. But he has not got the effective weapon of the vote to enable him to see that the majority listen to him. If you adopted the principle in order to meet the co-operative point, you would do damage in some cases. I think we should enormously increase our difficulties in getting people to agree to the establishment of Boards if we could not assure the minority coming on to the Boards that they would have the absolute right of voting. I think we should then find it very difficult to persuade people to come on to the Boards.

13,336. *Sir Arthur Pease*: Could there not be a half-way house—for example, that a majority of four-fifths controlled the side?—You can make any regulations of that kind which you like. Side voting is settled by regulations and not by the Acts. One proposal was that you could have side voting wherever it was unanimously agreed upon by the Board that you should have it. If unanimous application is made to the Minister to have side voting, he should adopt it—as long as it is really unanimous, there is not so much difficulty about it.

13,337. *Mr. Layton*: Would you say that you endeavour to follow the rule of giving representation strictly in proportion either to output or to the employment afforded by an organisation?—I do not think I should pin myself down to that. We have regard to a number of things. We look at the relative values of the Associations, both on the amount of capital that they represent and the number of workpeople that they employ, and generally with regard to their importance and their established value. But we do not go precisely into statistics.

13,338. I was only wondering whether in fact you got approximately near that result, or would it be true to say that the organised section of trade gets substantially more than its proportion?—Oh, yes, it does, always.

13,339. *Sir Arthur Pease*: In the organised trades, where they are called Conciliation Boards, it is practically always side voting. The influence used with regard to giving way on a point or sticking to a point really takes place out of the room?—It is all voluntary, and if the minority are really dissatisfied they can withdraw. They can say: "This is not our agreement, and we are going out of this business altogether." That cannot be done on a Trade Board.

13,340. That is not what actually happens. Supposing that there is more or less of a deadlock, then if a substantial minority say: "We are not

agreed, we shall stick to it to the bitter end," then they put that view forward at a private meeting and it has an effect upon the others, and some compromise is effected. That is what really happens.

With great deference, I think that is probably what happens in the best organised trades. But we have had instances in some of the J.I.C. Trades where the minority has been overruled and where they have broken away after the agreement because they have been overruled.

13,341. *Mr. Layton*: Is that not an important distinction between Trade Board practice generally and wage regulation elsewhere; that in fact in these other trades, if there is an obstinate minority, possibly justified by circumstances, in fact what happens is that the organisation on that side gives way for fear of breaking to pieces—it cannot overrule its members, whereas on the Trade Board the matter is simply carried into the Court and those people are out-voted?—It would not be true to say that it always happens on Trade Boards, but it can happen.

13,342. It is an important distinction?—The majority can forcibly overrule the minority on either side if they wish, that is to say they could do it if they had side voting. With the possibility of individual voting, the boot is rather on the other foot. The minority can say: "If we vote with the employers"—that is if they are Labour people—or "if we vote with Labour"—that is if they are employers—"we shall turn the scale against you," and that is a very potent factor in inducing agreement.

13,343. *Mr. Pugh*: I should think it has another value in the recognition of joint interests in the trade, since you have employers and workmen voting together. There is value in that as against the practice of voting separately?—I think so. We have had employers voting with the workers, and against their friends, and occasionally we have had it the other way round.

13,344. *Sir Arthur Pease*: Which is the fact on the majority of Trade Boards now—which practice is in force?—Individual voting. There are only two Boards which have side voting.

13,345. *Chairman*: There is no general set of regulations at all?—No. I am reminded that there is a small point that I ought to bring forward to the notice of the Committee, and that is that if there are not equal numbers present on the two sides, the Chairman can ask the two sides to equalise themselves. Up to the present, or until about a month ago, there had never been a refusal, but now there have been two refusals in two immediately successive meetings of different Boards, which has meant that they could not get on with their business, and we therefore suggest for your consideration that some regulation should be made which would render equalisation compulsory.

13,346. *Mr. Poulton*: Do you mean that they would not agree?—They would not agree.

13,347. *Chairman*: Who is to go?—What happens is that, supposing that there are fourteen on the employers' side and twelve on the workers' side, the Chairman says that two from the employers' side should go.

13,348. What machinery would be proposed for fixing which two should go?—That is the difficulty.

Mr. Poulton: It could be taken on a vote. You must secure equal voting.

13,349. *Chairman*: Supposing some of the employers go the other way?—That makes a difficulty. But as a matter of fact we have been thinking about this matter, and we have a formula which I should suggest, if the Committee are considering the matter.

13,350. Have you got it with you?—No, but we can send it to you.

13,351. There is something in the statute which prevents them from going on under those circumstances?—It is in the Regulations. If the Chairman of a Trade Board has asked for equalisation, and it has been refused, he can adjourn. It may happen that if it is suddenly refused, you may hold up the rates indefinitely.

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13,352. *Sir Arthur Pease*: If a rate is in operation and no new rate is fixed, does that rate go on?—Yes, it goes on until a new rate is fixed, but in some cases there is a provision that the rate comes to an end at a certain date. Otherwise it goes on.

13,353. There is generally such a provision, is there not?—Not necessarily.

13,354. The rate goes on indefinitely until?—Until it is altered, unless there is a special provision to get rid of it, or unless it is fixed for six months. In that case the rate disappears in six months.

13,355. *Mr. Pugh*: Does that mean that by a process of obstruction a rate would never be altered?—What would probably happen would be that the other side would try to turn up in sufficient numbers. We have had two bad cases in the last few weeks in which the rates have been held up by the refusal to equalise, but I am told that they are both put right now, because at the next meeting the two sides were equal in number.

13,356. *Sir Arthur Pease*: Would you say that it was purely obstructive tactics?—I should not like to stigmatised it, but it looked like it. I am reminded that it cost about £500.

13,357. Is that the cost of the meeting?—No, the cost of two meetings of two Boards.

13,358. *Mr. Pugh*: Has not the Minister the power to issue regulations to deal with a case of that kind?—He has powers, but it is not very easy to legislate upon, and it would support him, if he had to make a regulation, if the committee were in favour of his making it. There is only one other point which you may wish me to deal with, and that is the question of the appointment of the Chairman. It has been suggested, I think, that his appointment should be submitted to the Board. I think we have to claim that the Minister shall have absolutely unfettered right to choose the Chairman, and we think above all that it is advantageous in the interests of the Chairmen of the Boards themselves, because it may happen that a good Chairman has given offence to one side or another, and he may be challenged. It is really like the right of recall of judges, if you press it too far.

13,359. *Chairman*: Now may we pass to the question of administrative methods?—Yes. I do not think I need delay you very long about that. The point really I think that one ought to get into one's mind is that it is very difficult to administer the Trade Boards. It is not like any other piece of Government administration, because you are in fact in relation with a large number of autonomous bodies, and the problem therefore is the adjustment between the two sets of powers. Numerous proposals for making the position simpler and easier have been made, but it is very difficult to see how anything will really make the position perfect. As long as the Minister has the power and duty to confirm (and I have suggested earlier to-day that he should keep that power) there will remain, and ought to remain, occasional grounds for disagreement between the Minister and the Boards. If the power is never used to upset the Boards, there is no reason why the Minister should possess it. It will inevitably lead to disagreement, but I suggest that a good deal of the scope troubles could be got out of the way if you had some authority, such as an umpire or a Minister, with actual powers to decide. Then you come to the less important, but still quite important question, of the relations between the Office of Trade Boards, as it is called, and Montagu House, as it is called. If I may take one point to illustrate my general proposition, a good deal has been said about the Inspectorate, and it has been suggested that you would improve the position of administration very much if you housed the Inspectorate at the Office of Trade Boards, or if you put them under the control of the Secretary of the Boards—one of those alternatives. I think honestly that a good deal of that really arises from confusion of thought. There is no doubt that since the Armistice and during the war inspection dwindled rapidly, partly because we lost some of our

best inspectors and partly because it was not regarded as of primary importance. When the Armistice came, we were left very short-handed indeed, and the complaints which were made against inspection were just as strong when the inspectors were at Chancery Lane after the Armistice as they were after they were transferred here. In fact, my suggestion is that the complaint is not that the inspectors were in the wrong place, but that there were rather too few of them, and that we had not got sufficiently experienced inspectors. It has been suggested, I know, that the liaison in the matter of inspection is not adequate. I have taken the trouble to get out a list of cases, and it is considerable. I think our inspectors indicated to you that they are not attached to the Boards. The question is this: the Boards want to know what the inspectors are getting in the way of information in order to decide whether they have to alter the rates. We must know what the inspectors are learning in order to know if we must confirm the rates. We must have knowledge: we must both have it, and it is simply a toss-up whether it is better to have them in one place or in another. The ideal arrangement, if geography and accommodation permitted it, would be to have the whole under one roof, and that is what I should most like to see, the Office of Trade Boards and the administrative Department under one roof, and then I think the liaison trouble would disappear.

13,360. Who is at the Old Bailey?—The gentleman there is in a slightly anomalous position. He is the Secretary of Trade Boards, and he is their servant to that extent. He is also an officer of our Department, and he is paid by the Government. I do not see how that difficulty can ever be got rid of except by personal contact and goodwill. Personally I think that a good deal of the feeling which has been generated (and one cannot disguise it) has been due to the sudden operation of a large number of new Boards in unexplored territory, and a large number of new problems which had to be encountered. I think, however, that the feeling has rather tended to diminish as the Boards and the administration become more accustomed to each other, and I think it is really narrowing itself down now to the very small point of actual contact, and it is no longer a big administrative question. I strongly suggest that it is not a case for muddling authority by putting executive work under legislative bodies.

13,361. *Mr. Pugh*: The Committee of which you were Chairman issued its report in March of last year, and it was suggested that the Chief Inspector should be stationed at the same office as the Secretary of Trade Boards. Is your view, as expressed now, in agreement with that?—Since that Committee was appointed, we have adopted that recommendation. We have appointed a Chief Inspector, and we thought of sending him down to the Office of Trade Boards. The first thing that deterred us was that we were very much impressed by the accommodation available, and if the inspectors had been asked to vote upon it I think there is no doubt which way they would have voted. That is one point. If you ask whether it would be seriously wrong to put them at the Office of Trade Boards, the answer is that I do not think it would. That is why I signed the Report. You will notice that the Report suggests that the Inspectors should remain entirely under the direction of the Minister, and therefore it would be the same body of officers under the same discipline and orders, but in one building rather than in another. My view is that it would be much better than shifting the Inspectors down to the Office of Trade Boards to bring the Office of Trade Boards to where the Inspectors and the administration are situated.

13,362. *Mrs. Lyttelton*: You would like to see them under one roof?—I would. The objection has been that it might be suggested that the Ministry was interfering in some way with the autonomy of the Boards. Personally, I do not think that is a real point.

13,363. *Mr. Pugh*: I understood that the difficulty was that the Boards could not get to know what was

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the view of an Inspector with regard to a case which he might have inquired into; that is to say, they could not get information as to the results of the work of the Inspector, and they were therefore at a disadvantage. It was assumed, I think, that this was because of lack of co-ordination at headquarters, which would be got over if the inspectorate were stationed at the Trade Board offices?—There is a little confusion there, I think. At no time were the Boards furnished with the information as to the individual work of Inspectors, and you will understand why that is. An Inspector goes to make a privileged inquiry, and that inquiry may reveal things which it is perhaps unfair at that stage to communicate to anyone except the Government Department on whose behalf the enquiry is made. But it is the practice to let them have a summary of the work of the Inspectors, which is what they need. They must know how the rates are being observed, and whether they are causing hardship; and the complaint which I have heard is that they do not get enough of that information. The answer to that complaint is that I have a list of the occasions when we have given information, and it is pretty substantial. We do our best, and shall do so, to give full information. One of the reasons why they have not had it is that we have not had enough Inspectors to do the ordinary work of inspection, and we certainly have not had time to prepare reports. The main complaint about inspection, I am sure, has been due to the fact that we have had an inadequate staff.

13,364. *Sir Arthur Pease*: How many Inspectors do you think you would want to do the work?—You have to decide what basis you are to aim at. For complete inspection—100 per cent. inspection—I dare not say what you would need. But for a reasonably adequate inspection, with a fully trained staff who can do a full day's work, and with the removal of certain difficulties which are in their way at the moment, I should like to ask for fifty, but I do not think I dare ask for fifty in the present state of public finance. I should like forty.

13,365. I suppose that is to carry out a 50 per cent. inspection?—Nothing like 50 per cent.

13,366. *Mr. Poulton*: Do you mean an additional forty?—No, not additional.

13,367. What is your staff now?—Thirty-six.

13,368. *Sir Arthur Pease*: The complaints we have had with regard to inspection from both sides are that the Act is not being carried out at all and is in many districts a dead letter, and it must either be abolished or carried out. The impression left on my mind is that to carry it out properly, you do not want an increase of 20 per cent., but an increase of 200 per cent. or 300 per cent.?—If I may say so, I think that argument is advanced by people who want you to draw the inference that therefore the Act ought to be abolished.

13,369. No, they are strong supporters of the Acts.—There is no doubt that there may be evasion, and is evasion; but I proceed on the basis that, on the whole, the British public, when they have a thing imposed upon them by law, desire to do it rather than otherwise, and we find from inspection that that is so, and that the majority of employers mean to carry out their obligations. When we get these charges that the Acts are being evaded in a district (and I agree that we get them from supporters of the Acts as well as from opponents, we find, when we enquire into it, that they are not supported in practice. We had accusations of evasion in the Laundry Trade, and we could not establish them. There was evasion, but it was not wholesale.

13,370. We had evidence that there was no routine inspection going on at all, and it was only the complaints that were dealt with?—There is very little routine inspection; but with a body of forty inspectors, I think, when we have settled down into the trades (and I will explain what I mean by that in a moment), we could both keep up with the complaints which require inspection, and also do a limited amount of routine inspection when special

occasion arose. What I mean when I say "when the trades have settled down" is this: the difficulty of inspection is obviously far greater in a new trade than in a trade which has got used to the Acts. For instance, in the Chair Trade you do not require much inspection at all. In a new trade, you start all the inspectors explaining matters. After a time it is found, as it was under the Health Insurance Acts, that you do not require to go round to everyone to see if they are stamping the cards or paying the rates, because you know that generally speaking they will do it. Therefore complaints are a good test of whether there is evasion, and apart from that you could have what are called "drives"; that is to say, you put five or six inspectors on to a district to go through it; and it is my belief that with a really efficient nucleus of forty inspectors, you will get, not complete observance of the Acts, but, what with the fact that the trades unions are watching to see that the rates are paid, and what with the fact that individuals know what their rights are, I think you will get a pretty considerable observance of the Acts; and what I say is that when we are told that there is no observance of the Acts and that they are a dead letter, we have found, whenever we have challenged it, that it does not hold water. I am prepared to say that except in one or two exceptional districts, I should be very surprised to find wholesale evasion.

13,371. But giving full weight to all those reasons, if the Act is extended to give a great many more classifications and piece-rates, that would add very greatly to the work of the inspectors, because in those cases it is often difficult for the employer to know whether he is carrying out the Acts or not?—It is true that if you have elaborate bases, the work of inspection is more difficult. Inspection of piece-work basis time-rates is much more difficult than inspection of plain time-rates, although I am informed that the inspection of the plain time-rate has very considerable difficulties also. But my previous figure of forty must be qualified by this, that if we have many more trades we shall have to increase our inspectors, and if the work cast on the inspectors becomes very difficult, that also implies a necessity for more inspectors, but my forty is designed to give a reasonable amount of inspection, which, in my view, would result in satisfactory compliance with the Acts in the trades which are now covered by the Boards, on the present basis of full powers in respect of piece-rates and time-rates.

13,372. Then any further trades which come under Trade Boards would mean a proportionate increase in the number of Inspectors?—It would mean a certain increase; if you had twice as many trades you would have to have more Inspectors, but not twice as many Inspectors.

13,373. *Mr. Poulton*: You suggest in your Report two Inspectors for every ten Boards, or up to maximum of fifty?—That is very nearly what I am suggesting to you, because you will notice that there are some District Inspectors who make up the number. I am speaking of English Boards only, because we have no responsibility for the Irish Boards.

13,374. *Dame Adelaide Anderson*: What proportion does that bear to the number at the time of Mr. Aves?—He had a maximum of twelve Inspectors for thirteen Boards.

13,375. This proposal is forty Inspectors for what number of Boards?—Really for forty-four.

13,376. It is a much smaller proportion?—The proportion is very much the same. It is really smaller, because the numbers covered are much larger.

13,377. I was thinking of it rather from the point of view of the number of work-places?—Yes.

13,378. Then, harking back a little, to what you said as regards the accessibility of the Inspectorate to the Boards, the mere fact that the Chairman of the Boards directed the work of the Inspectorate, made a very considerable difference?—Yes. Of course, he had a double capacity; he was there as Chairman, and he was there as an officer of the Board of Trade.

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13,379. He did, in fact, see the reports of the Inspectors in detail?—He did.

13,380. They were confidential to him, but still, the information filtered through him?—Yes; that was an expedient to give Mr. Aves enough to do. It was hardly possible to continue when there were 40 Boards.

13,381. I quite see that, but it was only directed to bringing out what a much higher proportion you would be likely to want in the altered circumstances?—I should not think so. One of the things which we have now, which you had not then, is district inspection. It is a saving of time, or an increase of your man-power, or woman-power, as the case may be. In those days, it was all central, but now, we have been using our Inspectors locally, and they take their own area. The arrangement which Mr. Pugh has recommended, of setting up a system like that of the Home Office, of a District Inspector, with a small body of Inspectors and two or three superintending Inspectors at Headquarters—

13,382. Or in divisions?—Yes. In each Division a Superintendent Inspector, with, I suppose, a staff, and at Headquarters the Chief Inspector with two or three people to help him or her.

13,383. And he or she would probably have some floating staff to do special enquiries to help the Boards?—Yes. Another difficulty about the centralisation of the inspectorate under the Boards, is that a number of the Boards do not meet in London at all; their headquarters may be at either Manchester or Birmingham, and then there are all the Scottish Boards, which meet in Edinburgh or elsewhere.

13,384. That emphasises the importance of divisional organisation?—Yes; very strongly. But it is very difficult to control divisional organisation, inasmuch as you have scope, executive and other responsibility.

13,385. Yes; and some power to keep the inspectorate wholly independent?—That is right.

13,386. *Sir Arthur Pease*: We have been informed that an inspector requires very special knowledge in some trades, and that it is very dangerous to send anybody who is not thoroughly up to his work, on inspection. Would it not be possible, where there is a routine inspection which is going to take two or three days, to help the inspector by sending somebody with him, say an ordinary clerk, to do calculations of figures, and so on?—It might be. What might have been possible is, I think, rather a different thing from that. Some of the work of inspection is extraordinarily difficult, but some things, like looking to see whether a notice is posted up or not, are quite simple.

13,387. I was thinking of the work of calculating out rates of pay, which any ordinary clerk with some knowledge of figures could do?—It might save a little.

13,388. It would save a considerable amount if it were done in that way rather than having it done by a man at a salary of several hundred pounds a year?—Yes; you might save a little, but it would mean having to have a considerable staff of people of that kind to do that work; I do not know whether it would be cheaper in the long run. What would be cheaper would be if you could make use of a sort of composite inspector to do simple things like seeing that notices were put up, seeing that insurance cards were stamped, and perfectly ordinary Home Office things of that kind. But wherever the work is really technical, I do not think you could save much by interposing additional people.

13,389. I gathered that the thing which took the greatest amount of time was checking the piece-rates, to see if they were in accordance with the decisions of the Trade Boards?—Yes; I think that is true. Of course, the mere arithmetic must occupy a good deal of time, but it is the knowledge which enables the inspector to decide whether a machine can, or cannot, produce the necessary amount, which is the vital thing.

13,390. A big pay-bill is a very complicated thing, and if it has to be gone through for a considerable

period, it is a very heavy job?—There is no objection whatever to letting the inspector be accompanied by a calculator. Here at headquarters we have people engaged on calculations all the time, but I do not know whether it would be any cheaper to send them round with the inspectors. Of course, as you suggested earlier on, it depends upon what it is that the inspector has to find out.

13,391. I was not meaning that he should go by himself?—No.

13,392. *Chairman*: Is the next point that of enforcement?—There is a small point on the question of enforcement, and it is this: Speaking generally, of course, prosecution has always resided in the Minister, and it has never been out of his hands at all. The Acts provide that the Trade Boards can prosecute, but they never have done, and I think only in two or three cases have they asked to do so. In any case, they would have to pay for the prosecution unless they got the permission of the Minister to undertake it, and therefore the matter has been in his hands. I think it is almost inevitable that inspection, enforcement and prosecution must be dealt with in the same place. I think you will appreciate that in deciding on enforcement or prosecution, there are a great number of points to be considered, as to whether you will proceed or not. It is not simply a question of evasion, but it may be much more than that.

13,393. *Mr. Poulton*: The division of the staff between the Old Bailey and here, is not because there is any desire to keep information from or to retard the Boards?—Not a bit. I should much prefer to see them all in one place.

13,394. Pending that arrangement, the Department is prepared to give them all the assistance possible?

—Yes; but I think the Boards have a legitimate complaint that they have not had as much as we should like to give them. That has been due to the fact that we have not been able to get it out in time.

13,395. *Mr. Pugh*: Have you any views as to the form of Court that you should go to; whether you should go to a Magistrate's Court, as at present, or whether you should set up some Tribunal, such as was established during the war, to deal with it?—I have a tenderness, perhaps naturally, for the Munitions Tribunals, which I claim—possibly quite improperly—to have invented. Personally, I have a feeling that they ought to go on, but I think the big point against them is that you could not revive them now because of the expense. I do not think it is practical politics to talk of starting Munitions Tribunals again now, although, mind you, there are great advantages in the system. It was very cheap, and very quick, and the workman could go himself, or his representative could go, and, if there were any questions of principle which the Court could not decide, those questions were referred to the Committee on Production. But I think the great answer to it is that nobody would look at it at the present moment, on the ground of expense.

13,396. *Sir Arthur Pease*: There is another complaint that we have had, and that is that the Trade Boards would like legal assistance in drawing up their decisions, at an earlier stage than they now receive it. It was said that that would save a good deal of trouble afterwards?—I think that is an echo of trouble, rather than an existing trouble. It is true that there were two or three cases where we let the matter go as far as fixing, before we pointed out that there was a legal objection; but now, I think, there is an arrangement in existence by which legal points are discussed at the proposal stage, so that that difficulty is obviated, and in so far as the Boards want to have direct access to the Solicitor of the Ministry of Labour, they can always have that on request.

13,397. I think that last point is the real point. They want to have access to the legal department, so that they may get their decisions into the best form. —They can have that. There is one thing that the Solicitor's Department does not do, and I think can

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hardly be asked to do, and that is to give advice on hypothetical questions; they must have a specific thing put to them. What so often happens in the proposal stage, is that a Board wants to put this sort of question: "Supposing we did this, would it be legal, and if we did that, would that be legal?" The sort of question that the Solicitor wants is: "There are the facts. Is that legal?" He does not like hypothetical cases.

13,398. Your Committee last March recommended legal facilities?—Yes; and I think they have been established since. There have been a number of cases where the Boards have seen the Solicitor since.

13,399. *Chairman*: Then we have almost gone through the recommendations of your Report?—Yes.

13,400. That is, except as to the question of the Advisory Committee?—Yes; I do not in the least withdraw from that. I signed the Report, and I do not think there is any reason for saying that an Advisory Committee would not be useful. But I am bound to put it to you that the trouble is, when you appoint an Advisory Committee, that there is often a great deal of work in the early days, and none later on, and people come to think that it is rather a farce, or that it is a thing put up in order to distract attention from the wickednesses of the Department, or something like that. I think that we could get very valuable help from it from time to time, but what you must be very careful to do is to see that it does not interfere with the powers of the Boards. No Board would stand having its rates criticised by an Advisory Committee, nor would they be prepared that an Advisory Committee should settle questions of scope. The sort of thing that the Committee would be quite ready to discuss, no doubt, would be the question of housing the whole thing under one roof, and troubles arising between the Ministry as a whole and the Boards as a whole. I have no objection to the Committee, but I do not want there to be a false idea as to what it could do.

13,401. *Mr. Pugh*: Might we take the terms of your report: "A Standing Advisory Committee, properly representative of the Trade Boards, to advise the Minister on the views of the Boards, and of the general Trade Boards position."—I have no objection to a Committee of that sort.

13,402. *Chairman*: You think it should not consider rates?—I could not consider individual cases of scope or rates, nor was it intended, in that Report, that it should do so.

13,403. So I understand. You think the rate should not be referred even for advice?—I do not think so; I think the advisory body should be kept quite clear of the Trade Boards. I think that must be done. If you are to get a re-hearing of a Trade Board case you must go to a completely outside body or person. If you do not do that you will either have representatives of the Board in question on your Council, which would be regarded, possibly, as having it "weighted," or, if they are not there, they would say: "Why on earth are all the other Trade Boards deciding our case for us?" You must go right away from both sides.

13,404. There are really two ideas. There is this idea of the Advisory Committee representing the Trade Boards, and there is the idea of a strong Central Committee appointed by the Minister, who might advise him on important questions.—I do not quite know what the second would be, unless it were something to take the place of the Administrative Department.

13,405. It is the kind of thing referred to by Professor Hobhouse and others. He called it a Central Body.—It would really mean, I think, that before the Principal Assistant Secretaries or the Assistant Secretaries responsible to the Minister could give advice they would have to ask what advice they should give.

13,406. I think the idea was that possibly the Minister, after hearing what his official advisers had to say, might like to have the matter considered by the Committee, and he would send it to them.—Possibly it is quite red-tape official dislike on my

part, but I think it should be kept clear. If you want to have a Tribunal, or an independent authority to review the action of the Boards, or to advise the Minister, then I think you should have that. If you want an Advisory Committee, strictly advisory, to be consulted by the Minister on general matters of policy, as to whether he should go forward with the policy of setting up Boards, or whether the time was not ripe for it, then by all means have a Committee for that purpose.

13,407. *Mr. Pugh*: You take the same view as Professor Baillie, I think, that what he termed a "super-board" would be inadvisable if it would interfere in any way with the Boards themselves?—This proposition which the Chairman has put forward, is different. It is that before the Minister settles a question referred to him, he should ask the advice of certain people. I suggest that if the Minister cannot accept the advice of the people who are paid by the State to give it to him, he had better get other people in their place whose advice he can accept, but I do not think they ought to be mixed up.

13,408. *Chairman*: I think there is such a Committee at the Ministry of Health, and there may be others.—I have a perfect parallel to this Committee that my Report suggested, in the Ministry of Munitions. We had a very effective Committee of employers and employed, whom the Minister used to consult from time to time on questions of policy, and it was very valuable in the troubled times of the war. I think a similar Committee would be quite possible, and worth having now. But to have a Committee to which you would have to put, from time to time, the points which arose from day to day, I think would be very embarrassing to the Minister.

13,409. I do not understand that distinction. It was a Committee which he might consult on points of policy.—It was on general lines. If you had a general question which you wanted decided, not a question arising out of ordinary administration, but on the general policy to be adopted by the Trade Boards, as a whole, you might have a talk with the general Committee. But the idea of having a small *ad hoc* body, whom you would consult on questions of rates and questions of scope, and as to the setting up of new Boards or cancelling old Boards, I should have thought that that was not compatible with ordinary civil service methods.

13,410. *Mr. Pugh*: You do not think that a Committee such as was proposed in your Report of last year, would really serve any useful purpose?—There was at one time a good deal of bad feeling about; people did not know each other, and had not talked the thing out face to face, and I thought that if we had a Committee of that kind, and people got to know each other, a good deal of the bad feeling would disappear. I may be wrong in thinking that the feeling is better now, but I do think it is, and from that point of view, I think that the Committee is not as necessary now, as it was then.

13,411. *Chairman*: Is there anything else in the recommendations of that Report of which you think we ought to take notice?—There was one point, and that was the question of where the Assistant Secretary was to sit. I am afraid you may think that that is a trifling issue, but it did really arise, and it was hoped that you would have an Assistant Secretary at the office of Trade Boards, who would in fact control inspection and scope, and be in much closer touch with the Trade Boards than any officer of the Department is at the present moment. If you take scope away altogether, as has been suggested, and make it an outside matter for judicial decision, and if you can get the office nearer to Whitehall, or bring Whitehall nearer to the office, I do not think it arises any longer.

13,412. *Mrs. Lyttelton*: It is really the same point as their being in the same building?—I think it is, really.

13,413. *Sir Arthur Pease*: You really attach great importance to the Trade Board offices being either under the same roof, or as near as possible, to the Ministry of Labour?—I do, indeed.

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13,414. And may I put it as strongly as this: That unless that is done the thing would not work satisfactorily?—I cannot say that; but I do say that if it is not done, you do have misunderstandings due to lack of personal contact. It is impossible to over-estimate the importance of personal contact. For example, if I write a letter to a Trade Board, in cold official language, they may say: "What on earth is this fellow writing about?" and it is the beginning of a quarrel, but if I go down and see them, and talk to them, or send someone to see them, then in time they begin to say: "After all, he is trying," and it makes all the difference.

Sir Arthur Pease: I think you have put it even a little stronger than I did.

13,415. *Dame Adelaide Anderson*: What about provincial Boards?—In Scotland, I think we should have to contemplate some de-centralisation, if the Scottish Boards really grow. I did not want to trouble the Committee with this, but I think if we had a large number of Scottish Boards, we should have to station some officer there.

13,416. What about Manchester, Birmingham, and Leeds?—We have nothing in Leeds, but as to Birmingham and Manchester, we should have to do the best we could.

13,417. As a matter of fact, how far away is the Old Bailey, in point of time?—It is far enough. It is as far, proportionately, as England is from Ireland.

13,418. What about a liaison officer going to and fro?—At present, Mr. Nicholson goes to the office of Trade Boards, and has a meeting there with the officers concerned. But in addition to that, you ought to be at the Boards as much as possible when the Ministry's views are to be put, and we are trying to arrange that with such staff as is being left with us.

13,419. And the Inspectorate, as far as can be done without interrupting, may work as closely in touch as possible?—Yes; for instance, the Chief Inspector has been down three or four times to Boards in the last months. He went to two successive meetings of the Rope, Twine and Net Board, and gave them some facts. I have been down to a number of Boards myself.

13,420. *Chairman*: There are one or two minor points, such as overlapping rates in the same establishment. You refer to that in connection with District Boards, but how would you deal with it in London?—Take, for example, the Rope, Twine and Net Board, the Flax Board and the Jute Board; you may get a case where those three overlap in the same establishment. No power on earth can prevent that; but it is a hardship, and I suggest for consideration whether some authority could not be given the right to decide which of those three rates ought to apply to the whole establishment. It could be the highest, or the middle, or the lowest, according to the work being done.

13,421. What authority would you suggest?—If you thought an umpire was the right authority for scope, he might be the right authority to decide this point. Otherwise, it might be an Industrial Court.

13,422. It might be the Minister?—Yes; but I think some authority should have the right to say: "This is the rate of pay, and you have no need to pay all three."

13,423. With regard to middle-women, we had a complaint about middle-women in the Lace Trade?—Supposing a case has been made out, it is very odd that employers should be covered by an Act which was designed to cover employees; but if that small technical point could be got over, we are entirely in favour of protecting them.

13,424. *Sir Arthur Pease*: How would you protect them?—We should have to make a special provision, by power of the Minister, to cover any district where it arose. You could not limit it to Nottingham, because it exists in Birmingham as well. There would have to be power to the Minister to make a rate applicable in special cases where work was being

taken on commission. You would have to be careful to avoid covering wool combers, and so on.

13,425. *Chairman*: Why should it be the Minister, and not the Trade Board?—The Trade Board would do it.

13,426. *Sir Arthur Pease*: I do not see how you are going to cover that sort of person without covering very large people who let out contracts?—Do you mean on commission?

13,427. Yes.—I think you would have to be very careful of your basis.

13,428. *Mrs. Lyttelton*: They are sometimes one, and sometimes the other?—Yes; but I think you could find words which would clearly keep out the big people.

13,429. *Dame Adelaide Anderson*: Do you know the difficulties which came from the case of England v. Barnes, under the Truck Act?—I am afraid I do not.

13,430. Do you remember the case where an out-worker was found not to be protected by the Truck Act?—I am sorry; I do not.

13,431. It was found that the great difficulty was the definition.—I am sure the definition will be difficult, but we have prepared words which we think might meet it.

13,432. Unless the worker contracted personally to do the work, and then she was not protected. I asked you, because it showed the great defect of an Act which was intended to cover these people, and was found not to cover them?—Quite. I am sure it is full of difficulties, but it is suggested to me that that particular point has been considered, and we think, even so, we could find a form of words which would meet it.

13,433. *Chairman*: Then we have been told about some institutions which carry on certain trades, such as the Laundry trade, and so on, which are free from the Trade Boards?—You are in a very difficult situation there, of course. It was represented as being far worse in Ireland, where you had all the convent laundries; there are some in the Liverpool area, too. It is true they do laundry work, but it is done by the inmates, who are getting board and lodging. They are doing it as a means of occupying the persons who do it, and it is not the thing that you have in mind.

13,434. It is said that they do work for people outside?—They do, but that is how that type of institution lives. It makes a small profit, in addition to the subscriptions, from the work which it is doing. But we have not been satisfied and are not satisfied, that in this country there is really a strong case. We were much impressed by the evidence from Ireland.

13,435. *Mr. Poulton*: As regards the volume of trade, is there much?—No; not much. There is more laundry work than anything else. Then there are other public institutions, such as prisons, for example, which are making a small amount of money by what they sell. It would be very difficult to cover institutions.

13,436. *Sir Arthur Pease*: There are Waifs and Strays Societies, too?—The whole point is whether they are carrying it on by way of a trade. Any institution doing work by way of trade, comes in. The system must be on a trade basis and not merely on an institutional basis. For instance, the Salvation Army might be covered, if they engaged their workers regularly with a view to earning profits.

13,437. Supposing they got one or two people in from outside?—They would have to be paid the Trade Board rate.

13,438. That would not put the rest on it?—No; but they would have to be paid the Trade Board rate, and are paid the Trade Board rate.

13,439. The point was made that some institutions—I think it was Boards of Guardians, who are not exactly the same class of people—engaged people, nominally to be instructors, but really they were doing work?—They ought to pay the rate for those, and I think they probably would. Of course, there is a legal point involved, but in the ordinary way, if

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a person goes in as a sort of head foreman, working by way of trade, the Trade Board rate ought to be paid in respect of him. It is very difficult to give a general view, because you have to look at the particular circumstances of each case.

13,440. *Mr. Poulton*: Do they not say that they have paid, with the equivalents, more than the Trade Board rates?—Do you mean with regard to inmates?

13,441. No; individually?—I do not know; I have not come across a particular case.

13,442. There are extras?—They may have done, but I do not know of a particular case.

13,443. *Sir Arthur Pease*: I pressed the witness on that point. He said he had no house, but he simply came as an ordinary workman, and got a lower rate than the ordinary journeyman?—I think in the case you mention, they ought to be paying the rate.

13,444. *Chairman*: Then there was some suggestion made about getting wages returns, from the employers?—I do not know that I press that very hard, but it has a bearing on the point that *Sir Arthur Pease* was putting, whether you could get effective inspection. It has been suggested that one of the ways of supplementing inspection would be to have power to require wages returns in certain specified forms, which would at any rate form a sort of basis for knowing whether they were being observed. The obvious objection to it is that it imposes a new and tiresome obligation upon employers, and it may be urged that it would not really give you such exact information as would enable you to arrive at any certain conclusion.

13,445. *Sir Arthur Pease*: You do not mean that it should be done continuously, every week?—No; but that you should have power to require a return from an individual employer or series of employers in a district, instead of sending an inspector, and if the returns looked all right, you would not need to send an inspector. Nothing is more detestable to the employers than making these returns, and therefore I do not suggest it very strongly.

13,446. *Chairman*: Is there anything else that occurs to you?—Those are the only points I have to put.

13,447. *Dame Adelaide Anderson*: I want to ask you again about the ordinary Courts for trying cases.—Yes.

13,448. Is there anything which you would propose, to strengthen the Magistrate's Court, or the Sheriff's Court in Scotland, in the way of knowledge, such as an assessor from the industries?—It would be quite a novel procedure, would it not?

13,449. It would be very novel?—Personally, as I have said, I should like the Munitions Tribunals, because they had that element in them, and they had a much more domestic character than the ordinary Police Court.

13,450. And they imposed penalties, in addition to recovering wages?—Yes. Of course, the difficulty is that whenever a question which involved scope came up, it would have to be referred elsewhere. I do not think it would be worth suggesting any variation in Police Court procedure, because it would be a very big question, which would be primarily a matter more for the Lord Chancellor or the Home Office, and I do not think they would look at it favourably.

13,451. Is there a suggestion which you may put in evidence?—It has been a suggestion which has been mooted a good deal. I think considerable advantages would attach to it, but I do not think that this is the time when it can be contemplated. My feeling is that if there were a Court of that sort, it might take a lot more than industrial cases.

13,452. In the meantime, you think it is not practical to provide Munitions Tribunals?—My view is that this is not the moment when you could contemplate that.

13,453. *Mr. Pugh*: I do not know whether we are quite sure on the point which has been raised as to setting up an enquiry before the establishment of a Board?—I suggested that it might be desirable that the Minister should have power to hold an enquiry in cases where he was in some doubt. At present he can only hold an enquiry if he is pressed, and the Chairman, on my suggesting that as a possibility,

said: "Why not have an enquiry every time before setting up a Board?" and I said that it might lead to delay in some instances, but that if the Committee took that view, it did not seem to me to be an impossible way of proceeding.

13,454. I was wondering if you thought it would simplify procedure?—I do not think so; but it might reassure the trade and the public that there was no arbitrary decision, and that we were really giving everybody a full chance of being heard. I do not think it would mean much less work for us.

13,455. It would not?—No; because we should have to prepare all the facts for the Court.

13,456. *Mr. Layton*: I want to take you right back to the point that we started from, that is to say, the setting up of the Board. You told us in your first evidence that there were three million workpeople covered by Boards now, speaking approximately. You also said that the original words in the Act, that wages must be exceptionally low, probably meant that wages must be lower than the normal rate prevailing throughout the country?—Yes.

13,457. In setting up the Boards since the Armistice, how much weight has been given to that consideration, and what do you interpret the wages condition of the present Act to mean?—We have always looked to both organisation and wages, since the Armistice. But there has been a pre-disposition to assume, since the Armistice, that low organisation probably carried with it bad wages somewhere.

13,458. I will put it in this way: Supposing you found a trade where the average wages were about the average wages in the country, but there was a group which was lower, would you consider that the wages condition of the 1918 Act was met, in a case like that?—I do not think we should.

13,459. Have you turned down any application for a Trade Board on this wages point?—We have; several. Saw-milling is a case in point, and it is an interesting one. Saw-milling runs into some rather highly skilled work, and the rates in some of the saw-mills where they deal with foreign timber in large quantities, ran up to anything like 2s., and so on. When you get to the country saw-miller, that is to say, a person who puts up a little saw-mill near a wood, he is practically an agricultural labourer, and in his case, wages drop down to 1s., even when rates are high elsewhere, and it was strongly urged on us that we should set up a Trade Board really to cover the home-grown timber side of the Saw-milling trade. We recognised that there was a strong case for a Trade Board there, but as the majority, in our view, were in the organised part of the trade, we refused to set up a Trade Board, although there were others not organised.

13,460. I want to lead to this: I want to try to draw from you an opinion, if possible, as to the potential size of the field which can be covered by the Trade Boards. There are three million at present, including the bulk of the distributive trades. If you have the distributive trades, it must be on the assumption that they are paid worse than general wages?—Yes, worse than general wages; worse than the reasonably organised trades.

13,461. Have you any general figure of the number of unorganised people in the country?—Do you mean the wages, or the numbers that exist?

13,462. Have you any idea of the number of industries which would come within the definition of "insufficient organisation"?—I should not like to say. We made a public statement about eighteen months ago, but the figure might double before we had covered the ground.

13,463. Do you mean double the three?—Yes, but I should not like to adhere to that now.

13,464. Would that cover the ground of unorganised trade?—We thought so, at the time. The three millions includes the grocery trade, which is a large proportion.

13,465. Your point is that all except about six millions of workpeople were in trades which were moderately organised?—It is about eight millions.

13,466. *Sir Arthur Pease*: Or in domestic employment?—Yes; or in domestic employment. One of the

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big trades which we have been considering very carefully has been catering; we have been pressed very strongly about that. I should not like to answer your question. I could not estimate the figure at the present moment, but it is obviously a good deal larger than the present figure of three millions.

13,467. *Mr. Layton*: It might be as big a figure as three million more unorganised?—It might.

13,468. Do you think substantially few of them would be kept out by the condition about wages?—About wages being low, do you mean?

13,469. Yes. If you enforced that section of the Act?—I do not think so. One great difficulty that occurs is when a trade has had "pockets"—whether you ought to include that. Immediately after the armistice, perhaps, we might have looked at that rather differently from the way we look at it now, but now, we should certainly not include the trade, unless there were very good grounds, over a considerable area, for assuming that conditions were unsatisfactory. We have now to be satisfied both as to organisation and wages. With regard to the catering trade, we have been pressed extremely hard to put it in. There is no question whatever in anybody's mind about organisation; it is very small indeed, and we have made the most exhaustive wages enquiries in that trade, to satisfy ourselves, before we took action.

13,470. *Mr. Pugh*: Supposing that the trade itself wanted an enquiry, would the Minister agree?—Before setting up the Board, do you mean?

13,471. Assuming you are of opinion that a Board is not justified owing to the conditions which exist in the trade. Then supposing the trade wanted an enquiry?—There is no power at present. We can only have an enquiry if the Minister is setting up, or cancelling it.

13,472. His decision is final?—Yes, his decision is final.

13,473. *Dame Adelaide Anderson*: He would be moved by an expression of public opinion?—Yes. If the trade comes to him and says: "We must have a Trade Board," it is very difficult for the Minister to resist it. But at present the volume of public opinion demanding additional Trade Boards is limited.

13,474. *Chairman*: It is a thing that does move the Minister?—Yes, it does.

13,475. *Sir Arthur Pease*: Where there are "pockets" of bad pay, to men or women, what is the effect?—It would depend on the size of the "pockets," really.

13,476. What I had in mind was that it is much easier for a man, if he has got into a place where wages are unduly low, to move away into another place where wages are better, than it is for a woman. She is more or less riveted to where she is?—I think we are bound to take that into consideration, and the need for the protection of women is one of the principal things behind the Trade Boards Acts.

Chairman: I thank you again, for the assistance you have given to us.

APPENDIX.

WRITTEN STATEMENTS OF EVIDENCE.

THE FOLLOWING IS A SELECTION OF WRITTEN STATEMENTS OF EVIDENCE
SUBMITTED TO THE COMMITTEE ON WHICH NO WITNESSES WERE
EXAMINED ORALLY.

A.—Statements submitted by Employers' Associations, Chambers of Commerce,
and other bodies interested in a number of Trades.

(1)—Statement submitted by The Edinburgh Chamber of Commerce
and Manufacturers.

Report by the Directors of the Edinburgh Chamber of Commerce on the statements received by them regarding the working of the Trade Boards Acts.

The statements which have been received from Members of the Edinburgh Chamber of Commerce in reply to a questionnaire on the working of the Trade Boards Acts contain no evidence that the action of Trade Boards is killing valuable crafts. The operation of the Trade Boards appears to have been and to be a contributory cause of unemployment in certain ways, particulars of which are given below and in the appended memoranda. No general desire for the abolition of the Trade Boards is apparent. The general feeling seems to be that the 1909 Act should remain, but that the 1918 Act should be repealed or radically modified. It is generally agreed that the Act of 1909 achieved a good result in improving conditions of employment in sweated industries.

Unemployment has arisen in many trades through lack of orders. In so far as slackness of trade is due to high cost of production, a contributory cause of which is high wages, the operation of Trade Boards in preventing the rapid adjustment of wages to prevailing conditions is a cause of unemployment.

The following are the chief objections to the 1918 Act which require to be remedied. The system of Trade Boards does not provide for varying conditions. It does not classify workers satisfactorily. The decisions of the Boards are not clear, comprehensible and capable of practical interpretation. In attempting to counteract the influence of the bad employer, the operation of Trade Boards harasses the good employer and tends to prevent harmonious relations between him and his employees.

The operation of the Trade Boards is cumbersome and slow in action. It has also the rigidity which is always an inherent defect in Government regulation and control. Flexibility is essential to the carrying on of trade and industry under constantly fluctuating economic conditions. The system of Trade Boards is wasteful in that it takes a number of persons away from their employment at frequent intervals and retains a large number of officials and other persons who might be more productively employed.

The Trade Boards Acts should not be applied to any trade which is organised for the regulation of wages and working conditions. In any trade which has become sufficiently organised, subsequent to the application of the Acts to it, the application of the Acts should be withdrawn.

Statutory regulation of wages is economically as unsound as would be the statutory fixing of prices of commodities. Whilst it is highly desirable that abuses, such as sweating in certain industries, should continue to be prevented by legislation, it is time

that Government interference in industry should be cut down and strictly limited to the prevention of abuses.

Signed on behalf of the Chairman and Directors of the Edinburgh Chamber of Commerce.

L. L. BLACKNELL,
Secretary.

15th December, 1922.

Appendix I, consisting of an abstract of the replies received from Members of the Edinburgh Chamber of Commerce in reply to a questionnaire on the working of the Trade Boards Acts.

An instance has been quoted of a firm who have closed their works in the vicinity of Edinburgh. Although the owners had come to an arrangement with their employees for a reduction in wages, it was not possible, owing to the order of the Trade Board concerned, to give effect to the reduction, and the works were closed.

A firm of manufacturers of folding boxes or cartons state that their employees in this trade have worked for the past eight years on piece work at higher wages than the Trade Boards have prescribed.

A firm of manufacturing confectioners state that their Trade Board has done them no harm and they consider it an advantage to know that the cost of labour to them is the same as to their competitors.

A firm of paper bag makers state that the introduction of Trade Boards and the consequent levelling up of wages led to the discharge of inefficient workers who could not earn the minimum wage. They also state that they have replaced a certain amount of hand labour by machinery.

A further objection is made to the delay in negotiating and bringing into operation the reduction of wages. (*Note*.—The discharge of inefficient workers should ultimately lead to a levelling-up in efficiency as well as in wages. It is also recognised that the replacement of hand labour by machinery is also economically a good thing in the long run.)

Another firm of paper bag makers consider that the Paper Bag Trade Board benefits both employer and employee. When the rates fixed by the Board came into operation, it was not necessary for them to dispense with any workers, nor will it be necessary if a reasonable percentage is allowed for slow workers. For the working of the Act, good supervision is necessary, not only over large establishments, but also over the small concerns, and it should be carried out with a view of helping the industry. Registration for employers should be introduced and made compulsory for all who enter the trade.

A firm of chocolate manufacturers state that the fixing of wages for girls fifteen years and over at so high a rate, limits the number of girls who can

find employment. They are obliged to turn away hundreds of girls over fifteen years who have had no experience, as they cannot afford to pay the wages stipulated by the Trade Board. If they were allowed to take on girls at a wage which would be satisfactory, both to the girls and the firm, for a few months, the girls would in that time be able to earn the Trade Board wages and probably more. As it is, they are obliged to take on girls between fourteen and fifteen years of age, who generally leave after one or two years when they are becoming of use.

A firm dealing in waste materials view with apprehension the rates which are proposed by the Waste Materials Reclamation Trade Board, but which are not yet in operation. It is thought that many small firms will be put out of business. They also believe that delay in adjusting wages will compel businesses to close down temporarily.

The Scottish Federation of Aerated Water Manufacturers' Associations are of opinion that the 1918 Act should be repealed. It is understood that a full statement in support of this opinion has been furnished to the Committee of Enquiry.

Appendix II.—Observations on the Working of the Retail Bespoke Tailoring Trade Board of Great Britain submitted to the Edinburgh Chamber of Commerce by the Scottish Federation of Merchant Tailors.

(1) The Trade Board is fundamentally faulty, in that instead of making for the harmonising of conflicting interests, its whole tendency in practice is to foment dissension. This is attributable to the fact that the two sides, instead of getting together, to compose differences, bend all their energies to the task of influencing the appointed members, and in so doing are driven to the elaboration of extreme views.

(2) It is unrepresentative in that, particularly on the workers' side, on which the representative members are all, or practically all, Trade Union officials, the persons most affected, i.e., the rural workers, have no direct representation. The Trade Union Officials are, perhaps naturally, only concerned with the large numbers of workers congregated in populous areas. The effect of Trade Board determination upon rural workers has never been seriously considered by the Retail Bespoke Tailoring Trade Board, and the result is that many workshops in country towns have been closed and the work sent to be made up in wholesale bespoke factories.

(3) It is inefficient in that it cannot adequately provide for varying conditions, nor can it classify workers satisfactorily. These functions have in the past been performed with much success by Employers' and Workers' Associations. Its determinations are not comprehended by one-half of the persons responsible for the drafting, not to speak of those, both employers and workers, engaged in the trade affected.

(4) It is harassing to the employer in that he does not know when he is keeping within the law, nor can he get requisite guidance either from the Trade Board Department or from the Board itself, which cannot agree upon the interpretation of its own determinations.

(5) It is wasteful in that it takes from useful and productive employment a goodly number of persons for considerable periods without any corresponding benefits, except, perhaps, to the several classes of officials, on all sides, connected with it.

(6) It is cumbersome in its action, and cannot cope with conditions which may undergo drastic change from month to month.

(7) Its cost to the State is best known to the Treasury officials, but that it must be considerable is apparent to anyone who has experience of the frequent meetings, the prolonged and often futile discussions, and to the number of persons unproductively employed in its operations.

In the view of the Minister of Labour, the Trade Boards Act imposes upon the employers the obligation to keep time records in the case of piece-workers. Having regard to the long established habits and traditions of the trade, this obligation is utterly impossible of fulfilment. Evidence of this fact is in the hands of the Department.

In the course of an address to a meeting of traders at the Grocers' Exhibition, the Minister of Labour deals with a criticism of Trade Boards which has often been made, viz. :—

"That the period—from three to six months—before an amended rate can become effective is too long," and he says, "To-day, with a fall-market, it is the employers' side which urges this. When markets were rising, it was the workers' side who urged it. But that is human nature."

"In fairness to employers it must be pointed out that Trade Boards' rates are minimum rates, and that, should circumstances warrant, it does not necessarily take from three to six months to raise rates (although it is illegal to lower them even by mutual consent). In fact, the employers on more than one of the then existing Trade Boards during the period when cost of living, etc., was rising, agreed to put amended rates into operation without delay."

With reference to the question of Differential Rates for rural areas, the Minister said that if such rates were not fixed, the responsibility was with the Trade Boards themselves, as they had the necessary power.

In as far as this Board is concerned, the statement is a misrepresentation of fact. Strenuous efforts were made on several occasions to secure special rates for rural areas, but these were rendered abortive by the Government Appointed Members, for whose nomination the Minister is directly responsible.

The reason given was the difficulty of finding a suitable line of demarcation albeit from time immemorial until the establishment of this Board differential rates were in operation throughout the whole country.

The failure of the Trade Board to fix suitable rates for rural areas has led to evasion of the Act, and complaints from workers have reached this Federation to the effect that their opportunities of employment have been reduced through the action of their fellow workers, who, during slack periods, left the workshops, and at home worked directly for the public. In so doing, these workers were in a privileged position in not being compelled to exact the Trade Board minimum rate.

(2)—Statement submitted by the Newcastle and Gateshead Incorporated Chamber of Commerce.

BOOT REPAIRING INDUSTRY.

The present Trade Board legislation is responsible for a certain amount of unemployment in the boot repairing industry. It is practically impossible to engage boys or youths owing to the high rates fixed. For instance, if a boy came into the trade at 17 years of age he would have to be paid the same rate as if he had been in the trade three years.

Apprenticeship rates are also prohibitive, and an apprentice to the boot repairing has to be finished

his time at 19, irrespective of what age he enters the trade. The result is no apprentices are being taken for repairing.

No provision is made for adults who have not the necessary skill and who are not worth the minimum rate of £3 5s. This is a hardship on individuals who are under 26 years of age, as their training has been interrupted owing to war service. Ability should be the determining factor instead of age.

No provision is made for different rates for different districts, or different methods of working in shops where the conditions are more favourable for earning a decent wage.

The constitution of the Trade Board Committee is one-sided. On one side there are trade union representatives, and on the other side there is a collection of individuals who in some cases are not conversant with the trade. This is due to the fact that the Minister of Labour selects who he thinks suitable, without reference to the organised employers.

The appointed members, being non-technical men, are hardly qualified to fix a rate which, in effect, they do, as they are the determining factor when a deadlock occurs.

Another grave objection is secrecy regarding matters for discussion by the Trade Board—the trade not having an opportunity of giving their views until the rates have actually been passed and put before the country.

Another disadvantage is the length of time required to alter any particular rate. This is particularly hard at the present time owing to the serious trade depression and the reduced cost of living.

The Trade Board is a great handicap to most employers of labour in the boot repairing industry owing to the fact that 60 per cent. of the trade is carried on by people who do not come under the jurisdiction of the Trade Board. I refer to the one-man business men who do not employ labour. They can sell their labour at what price they like and work what hours they like.

It is suggested that Conciliation Committees be set up in different districts, with an independent chairman who would have some experience of arbitration in industrial disputes.

As there is a fear that the abolition of the Trade Board might result in imposing sweated conditions, I suggest a low fixed minimum wage, to vary according to the rise and fall in the cost of living. Anything above this minimum wage to depend on ability.

The present Trade Board conditions increase the cost of living unduly, cause unemployment, and prevent employers from making any progress.

The decisions arrived at by the Central Trade Board Committee are usually arrived at by the appointed members voting on one side or the other, and their action is influenced by the side that has the best advocates, whereas the guiding factor ought to be the capacity of the industry to pay any particular rate, and inquiries ought to be made in every case as to what effect any proposed legislation will have on any industry.

DRESSMAKING.

Report pointing out where the recent Schedule issued by the Trade Board interferes with chances of doing business and handicaps the worker in search of employment.

The minimum wage is far too high, and our costing system shows us that the work done is produced at such a high cost that it is almost impossible to sell same when completed.

The following list shows the position before the alteration, three months ago:—

20th November, 1920.

Age 14 ...	...	9s.	0d.	per week.
15 ...	...	14s.	0d.	" "
16 ...	...	20s.	0d.	" "
17 ...	...	28s.	0d.	" "
18 ...	...	34s.	0d.	" "
19 ...	...	34s.	0d.	" "
21 ...	...	34s.	0d.	" "
22 ...	...	43s.	0d.	" "

11th July, 1921.

Age 14 ...	...	6s.	0d.	per week.
15 ...	...	11s.	0d.	" "
16 ...	...	17s.	6d.	" "
17 ...	...	25s.	0d.	" "
18 ...	...	34s.	0d.	" "
19 ...	...	38s.	0d.	" "
21 ...	...	43s.	0d.	" "
22 ...	...	43s.	0d.	" "

The advance in wage for beginners is too marked and not sufficient after 18 years of age, when a worker is getting valuable. It is suggested:—

Age 14 ...	...	6s.	0d.	per week.
14½ ...	...	8s.	0d.	" "
15 ...	...	10s.	0d.	" "
15½ ...	...	12s.	0d.	" "
16 ...	...	15s.	0d.	" "
16½ ...	...	17s.	6d.	" "
17 ...	...	20s.	0d.	" "
17½ ...	...	22s.	6d.	" "
18 ...	...	25s.	0d.	" "
19 ...	...	30s.	0d.	" "
20 ...	...	35s.	0d.	" "
21 ...	...	40s.	0d.	" "

This would reduce the producing costs, thereby encouraging more trade, and would open the door for many young girls, thousands of whom were discharged in Newcastle a year ago, when girls of 14 had to be paid 9s. per week and girls of 15 years 14s. while learning their trade. Once out of a situation their chance of employment is small, for manufacturers of ready-made garments have been and still are sacrificing their profits to turn stocks into money, thereby causing the unfair competition which has almost killed the dressmaking trade of this country.

RETAIL BESPOKE TAILORING TRADE.

From the Hon. Secretary, Newcastle Branch National Federation of Merchant Tailors.

"I have to say that I have an abundance of evidence to establish the contention that the rates are affecting orders adversely, and that they are, in consequence, the means of much unemployment in the tailoring trade.

"I have had numerous applications from both males and females desiring to be trained, and also on their behalf from the authorities of institutions, but have not been able to place anyone for several months past. There is also great difficulty in placing disabled men who are being trained under Government supervision at Birtley, and several applications for training have had to be turned down because employment cannot be found for those who are already partially trained and ready to leave the factories.

"There is a demand for cheaper goods, and employers in the tailoring trade are confident that if the Trade Board restrictions were removed and they were allowed some liberty that they would be able to considerably increase the volume of trade which would be to the mutual benefit of the workers and employers. As it is, there is the greatest possible reluctance to engage fresh hands, and large numbers of workers are only employed on part time, when at the present moment all workshops should be working with pressure."

STATEMENT REGARDING THE EFFECT UPON EMPLOYMENT OF LABOUR AS A RESULT OF THE OPERATIONS OF THE LAUNDRY TRADE BOARD AND ITS ORDERS.

The effect of the introduction of compulsory rates of pay under the Trade Boards Acts for workers employed in the laundry industry has resulted in a remarkable, and in some instances anomalous, situation with respect to the employment of labour.

The effect has varied according to the areas, as, for instance, between rural and industrial.

In rural areas the rates of pay before the introduction of the Trade Board legislation were considerably below those paid in the industrial centres, and as the first minimum rate fixed by the Laundry Trade Board which became operative on 24th November, 1919, was approximating that which was being paid in industrial centres by recent agreements between the employers' representatives and the trade union officials, the resultant increase to workers in rural areas was in a way abnormal.

The employer in rural areas consequently had to increase prices charged to the public to a larger extent than was necessary in industrial centres, which was, unfortunately, economically unsound, because owing to the very nature of the things the

public in rural areas were less able to pay the increased charges, and had better facilities for doing the work at home than had the public in industrial centres.

The result was that the laundries and workers in rural areas were the greatest sufferers, and many laundresses found it necessary to reduce their staffs by 50 per cent., and others were compelled to close down altogether.

In passing it may be mentioned that it is stated by Labour Exchange officials that this state of affairs is not borne out by their statistics. This statement is based upon registration of workers at Labour Exchanges, but the following fact appears to have been lost sight of. As these workers have been thrown out of employment they have been absorbed in other directions. Many have gone into domestic service, others into other industries, while a large number of the workers were married women who have not deemed it necessary to register. Then it is beyond doubt that many of these women have been able to eke out a living by taking in washing at home at a price which is impossible for any employer to accept and meet the requirements of the Trade Board Orders.

Other effects which have more or less been common to all districts are as follows:—

- (1) The rates fixed by the Trade Board for young workers are considered to be very high, with the result that the employer has not used this type of labour so freely as hitherto. It was previously quite a common practice in laundries to keep a proportion of young labour for the purpose of doing very light work, during which time these workers were training for more important positions. The result of the

high rate for this class of worker has been to restrict its employment to the lowest possible point.

- (2) As against the conditions outlined in (1), many laundresses have found it economical to supplement adult labour with young workers. This has been fairly general, and the percentage of young workers at present employed is higher than that at any other period. This would appear to be contradictory to the statement in paragraph (1), but it must be remembered that as a result of other causes, added to Trade Board legislation, the total number of laundry workers to-day is considerably less than in 1914, or even 1919.
- (3) With the operation of a comparatively high compulsory minimum rate of wages, the charges for laundry work all over the country were affected. In rural areas this was direct, but in industrial centres indirect, as new agreements were necessary with trade unions giving a rate of wages at a figure higher than the Trade Board rate, although not necessarily maintaining the differentiation as between the rural and industrial centres as had previously obtained.

It was therefore necessary to increase charges for laundry work all over the country, and the effect has been to reduce the volume of work sent to laundries, and consequently the number of workers required. It cannot and is not maintained that the introduction of a compulsory rate of wages was the sole cause of the increase of prices charged to the public. This was only one of the causes, but as wages in the laundry industry approximate 50 per cent. of the weekly turnover, it was obviously the most effective and direct cause.

(3).—Letter and Statements submitted by Employers in the Borough of Lowestoft.

TOWN CLERK'S OFFICE,
TOWN HALL,
November 7th, 1921.

MY LORD,

TRADE BOARDS AND THEIR EFFECT UPON JUVENILE EMPLOYMENT.

On the suggestion of the Ministry of Labour and at the request of local employers of labour, we have the honour to submit for your Lordship's consideration certain resolutions passed at a meeting of employers in the Borough of Lowestoft as to the effect of Trade Board rates upon the trade and condition of employment in the district.

The local education authority acts in co-operation with the Ministry of Labour under the Education (Choice of Employment) Act, 1910, and the Juvenile Employment Bureau is organised and worked by the staff and in the premises of the Ministry of Labour. A Juvenile Employment Sub-Committee is appointed by the local education authority.

The Juvenile Employment Sub-Committee for some time past has been seriously concerned at the fact that local establishments are not employing apprentices and learners, and in July last the Sub-Committee determined to make closer enquiry into the cause thereof and for that purpose requested the mayor to invite employers to meet him in order to discuss more thoroughly the whole position.

Such a meeting was held on July 22nd last when every trade employing juveniles was represented. A further meeting was held on July 26th last under the chairmanship of Mr. Alderman Tuttle, J.P., when the following resolutions were unanimously passed:—

- (a) That in the opinion of this meeting of employers of labour in the Borough of Lowestoft, the system adopted by the Trade Boards in fixing wages for employees is mainly responsible for the inability and unwillingness of employers to engage juvenile labour, owing in particular to:—
 1. The high rates of wages laid down for beginners.

2. The practice of fixing wages and increments according to age and irrespective of merit and industry.

3. The practice of making one rate applicable to the whole country in preference to district rates varying according to the prevailing circumstances of the towns and districts to which they are applied.

- (b) That copies of the foregoing resolution be forwarded to the Prime Minister, the Minister of Labour, the President of the Board of Trade, the Secretary of the Trade Boards, the Member of Parliament for this Division, the Education Committee of Lowestoft and the trade associations of the country; and that they be respectively asked to support the principles embodied therein.

In reply, the Minister of Labour as the responsible Minister for administering the Trade Boards Acts, stated that it was his intention to enquire very thoroughly into the whole question of statutory minimum rates during the autumn, and offered to arrange for an officer of the Department to discuss with employers the matters referred to in the resolutions.

Mr. W. Goodchild of the Ministry of Labour discussed the subject with employers on the 24th October, and in the course of the conference Mr. Goodchild suggested that the meeting should lay their views before the Committee now sitting of which your Lordship is chairman.

As indicated in the resolutions passed on July 26th last the chief obstacles to the employment of juveniles are:—

1. The high rate of wages laid down for learners.
2. The practice of fixing wages and increments according to age, irrespective of merit and industry.
3. The system of making one rate applicable to the whole country in preference to district

rates varying according to the prevailing circumstances of the towns and districts to which they are applied.

As to the first point, it was pointed out to the meeting that beginners or learners must necessarily be instructed by skilled operatives at the expense of the employers, who, in addition, invariably suffer pecuniary loss from unavoidable damage or waste of material during the course of instruction. Consequently a high rate of wages makes it impossible to engage and train beginners.

Regarding the second point above mentioned, it is true that the Trade Board rates laid down are *minimum* rates, but the high cost of production arising from such rates has had the effect of making the *minimum* rate also the *maximum* rate. This is not only a local experience but one that applies to all small towns.

Standard rates of wages according to age tend to negative all initiative among employees, who probably feel that there is little advantage in striving for improvement when a fellow worker of the same age who has displayed no ambition to succeed has the same amount to draw on pay day.

The meeting was also very definite as to the unfairness of the operation of Trade Board rates in fixing one rate for the whole country. It seems unreasonable that a rate fixed for London and large industrial centres and factories should apply to the small towns and agricultural districts.

There was laid before the meeting detailed particulars of the numbers employed locally in the various trades showing the number employed before and after the setting up of Trade Boards. These particulars are attached to this letter for your Lordship's information.

In the opinion of the meeting a great deal of the unemployment in the trades therein referred to can be directly attributed to the effects of the operation of Trade Boards.

The meeting requests us respectively to suggest in the event of the Committee over which your Lordship presides coming to the conclusion that statutory control of wages cannot be abolished, that your Committee should consider the desirability of recommending the more extensive appointment of District Committees. It is felt that District Committees consisting of an equal proportion of employers and employed in each industry might well be entrusted to fix such *minimum* rates of wages as would enable employers to employ the maximum number of persons in their business whilst at the same time acting as a safeguard against the risk of sweated labour and thus achieve what was understood to be the primary reason for the introduction of Trade Boards.

It is also agreed that all articulated apprentices and learners engaged by agreement between parents and employers should be exempt from control from both Trade Boards and District Committees. Juveniles now leave school between 14 and 16 and to fix a standard wage for beginners according to age is impractical in small businesses.

If necessary the meeting is fully prepared to submit such further evidence on the subject as Your Lordship may consider desirable.

Enclosed herewith are particulars received from some of the employers of the Borough bearing on the subject.

We are, my Lord,
Your Lordship's obedient servants,

(Signed) S. C. HUMPHERY, Major,
Mayor.

(Signed) E. TUTTLE,
Chairman of Meeting.

The Right Hon. the Viscount Cave, G.C.M.G.,
Chairman.

Trade Boards Committee of Enquiry.

BOROUGH OF LOWESTOFT.

STATISTICS OF LOCAL INSTANCES OF UNEMPLOYMENT DIRECTLY ATTRIBUTABLE TO THE TRADE BOARDS. *Handcraft Dressmaking and Millinery Trades.*

Name of Firm.	Number employed prior to setting up Trade Board.	Number now Employed.
Tuttle and Sons, Ltd. ...	38	13
W. H. Learner ...	15	7
*Wills & Culf (Millinery only).	5	2
H. F. Roberson ...	10	NIL
Catlings, Ltd. ...	6 to 10	NIL.
Wheatley and Son ...	18	5
Bonnet Box (Millinery only).	8	4

* The managing director of Messrs. Wills and Culf states that in the recent re-organisation and enlargement of their business the directors fully intended running a dressmaking workroom employing at least 20 hands, but considered Trade Board control would prevent it being a success and it has therefore not yet been started.

In addition numbers of small dressmakers and milliners in the town who employed from one to four hands are running their businesses alone without the help of juveniles whom they once were willing to instruct and train in these useful crafts.

ROPE, TWINE AND NET TRADE.

PARTICULARS FURNISHED BY STUARTS AND JACKS, LTD.,
OF MUSBURGH AND LOWESTOFT.

The Trade Board came into force, as far as this industry is concerned, in March, 1920.

There was apparently a reduction in output after the coming into operation of the Trade Board, as will be seen from the following table:—

January, 1920.

Number of looms working, 19.
Number of employees, 117.
Number of workers per loom, 6.16.

July, 1920.

Number of looms working, 20.
Number of employees, 170.
Number of workers per loom, 8.5.

The output of the total number of looms in each case was to all intents and purposes the same, being slightly heavier during the earlier period.

The netting produced was in each case to all intents and purposes exactly similar.

It will be seen from the foregoing that there was a considerable reduction in output per worker, necessitating the employment of 24½ per cent. workers per loom extra, or 47 workers in all.

The following information is also of interest:—

The number of workpeople employed in 1914, approximately, 70.

Number of workers for whom accommodation for employment could be found, 70.

Number of people employed to-day, 53.

Number of workers for whom accommodation for employment could be found, 200.

It will thus be seen that, although the works have been extended very largely to accommodate more workpeople, our staff has been, since the operation of the Trade Board, very considerably reduced.

In spite of the slump in trade, sufficient enquiries for goods have been received to enable the works to have worked to very nearly their full capacity during the last 12 months, but unfortunately, owing to the artificially high level of wages in this country, necessitating the maintenance of high prices, it was impossible for sufficiently attractive prices to be quoted to enable us to obtain any of this business.

Goods of similar, or slightly inferior quality to those manufactured here, can be bought at from 10 per cent. to 20 per cent. lower prices abroad.

The following incident may be of interest. A letter was received at the beginning of October from a firm of merchants, in reply to a quotation, asking if it were possible to quote 6 per cent. to 7 per cent. lower in order to obtain a large order from abroad. It was necessary to reply that everything had been cut to a minimum bar wages, which had been fixed by the Trade Board at the same high level for the past eighteen months.

In a number of local buildings and workshops, fully qualified beatsters (net menders and repairers) are being paid from 18s. to 19s. per week of 48 hours, with a bonus of 1s. per net. A good worker mends about three or four nets per week, so that her wages work out at about 21s. to 25s. per week. These buildings and workshops are not registered or recognised as factories under the Trade Board Act, so that the wages they pay might be considered to be the correct economic wage, being fixed by the law of supply and demand for labour of this description in the locality.

It should be noted that the workers are quite pleased and content to work for this sum, indeed in the smaller villages considerably lower wages than these are being paid.

The foregoing wage gives a reduction of about 42 per cent. on the wages that have to be paid under the Trade Board, viz., 34s. for Time Rate and 36s. for Piece Rate per week, to exactly the same workers and for exactly the same and similar work.

It should be noted that a reduction of 42 per cent. in wages would have given a reduction in the prices of the quotation referred to earlier in one case of between 5 per cent. and 6 per cent., and in the second case of 7 per cent. The conclusion to be arrived at is interesting.

Repeated requests are received from parents of young children just leaving school to employ their children at nominal sums, in order that they may learn the trade. Previous to the Trade Board coming into effect this was done, a good worker being put in charge of some four to six children to instruct them properly. Under present conditions it is impossible to pay a worker of 14 years of age, with no knowledge of the work, 16s. 9d. per week of 48 hours, in addition to which it is necessary to pay an old worker about 36s. to 40s. per week for supervision, and in return for practically no productive work. It is further necessary to stand the charge for all work damaged during the course of instruction, and this last item may be very considerable.

The foregoing is not a commercial proposition by any means.

This trade is very closely associated with the Fishing Industry, and in many cases female workers employed in it are sisters and daughters of fishermen. These men under the present conditions are earning from 45s. per week upwards. They are subject to considerable risks and hardships, and are not by any means assured of continuous employment. It hardly seems fair that their female relatives should be earning four-fifths of their wages under very much better conditions, and with more continuous employment and regular hours. Incidentally the high wages paid to these workers directly affect the fishermen, as they enhance very considerably the cost of nets.

The machinery of the Trade Board appears to be very slow and cumbersome in operation. In this particular trade, rates of wages were fixed in March, 1920, at 34s. and 36s. respectively for Time and Piece rates, and in October (one year and seven months later), when conditions have been entirely changed for at least twelve months, notice has just been received intimating that wages will fall from the initial high level by 4d. per hour, or 2s. per week, in each case.

It should be noted that a further month must elapse before this can come into effect.

This small reduction is totally inadequate, and can only be alluded to as ludicrous, when considered in conjunction with the state of the trade, and its complete inability to pay such wages.

Attention should be paid to the extraordinary discrepancy in the wages paid to young girls of 14 on

entering this trade as compared with the wages paid in the Drapery, Laundry, Clothing, Tailoring and other trades, which come under the same Trade Board system of fixing rates.

PARTICULARS FURNISHED BY THE GOUROCK ROPEWORK COMPANY, LIMITED, LOWESTOFT.

When this Board came into existence we employed 106 girls making trawl nets. We now employ 53 only. A reduction of 53.

Fishing nets are divided into two classes, viz., trawl net and drift net. Girls making the former are Braiders while those making the latter are Beatsters.

Braiders make trawls of Manila hemp. This hemp, from the time it leaves the ship as raw material until it reaches the consumer as a finished article, is handled at every stage at a controlled and enforced rate of wages.

Trawl nets are now being offered to our customers by Dutch manufacturers at 20 per cent. under our prices. The Exchange rates are against the Dutch, but as they are not hampered by restrictions they can under sell us in our home markets.

The Prime Minister says employers and employees should meet and make mutual concession on wages, etc., to enable us to secure orders. Under the Trade Board this is impossible and illegal.

With every increased rate in this trade, production has dropped. Many girls here are content with about 27s. per week. More girls at high rates are therefore required to achieve a given output, and the increased cost of production has lost us the market. Scores of Braiders are now out of work.

Representation on the Board.—Our workers are not represented on the Trade Board. One was invited; she agreed, but was turned down because none of our workers has ever belonged to a Workers' Union.

The Trade Board as at present constituted makes it impossible to take workers into any other industry, or even another branch of the same industry, as the following example will show.

At the request of our workers we tried this, but were stopped by order of the Trade Board official.

We endeavoured to train our Braiders as Beatsters. This would have increased their ultimate efficiency by 50 per cent. and the product of their labour while learning would have been largely exported. These Braiders were most anxious to learn the other branch of the work, and offered to learn at 15s. per week, i.e., the amount of their Unemployment Benefit. Their economic value to us was 5s. per week. We gave them 17s. and arranged for other advances as they became efficient. They were all delighted. Then came the Trade Board inspector. He condemned the procedure, demanded full Trade Board rates, and threatened police court proceedings. We had to close down and the workers were stood off.

In spite of this official having deliberately caused unemployment the Ministry of Labour has since ruled that Beatsters do not in all cases come under the Act. Yet we were threatened with prosecution for breach of the Act.

Beatsters (i.e. Cotton Net Menders) can be, and are still employed in small numbers in buildings not registered as workshops or factories at any rate of pay from 15s. upward to 21s. and the Trade Board is helpless.

LAUNDRY TRADE.

CASE FOR DIFFERENTIATION OF RATES AS BETWEEN LARGE AND SMALL TOWNS.

Under existing law and orders of the Trade Board, Lowestoft rates of wages must be the same as London, but it is impossible to obtain London prices in a poor town like Lowestoft.

Expenses in Lowestoft much heavier than London, e.g. :—

Lowestoft.

Water 2s. 6d. per 1,000 gallons plus 35 per cent.

Gas 6s. plus 45 per cent.

Rates 21s. in the £.

Electricity Power 3d. per unit, Light 11d. per unit.

London.

Water 9d. per 1,000 gallons.

Gas 4s. to 5s.

All material costs more because of rail and carriage.
In consequence of high rates no learners are now

employed. Prior to Trade Boards, girls (learners) were employed to the number of 45.

Laundry learners must be paid 13s. per week, whereas Dressmakers' learners may be started at 7s. per week.

(4.)—Statement submitted by the Combined Traders of Cornwall.

We respectfully submit evidence of the working of the various Trade Boards affecting the County of Cornwall. Most of the evidence has already been laid before a representative of the Ministry of Labour, Mr. Goodchild, and we believe the Minister is conversant with the extreme difficulties of the traders of the County. Furthermore, some of the Appointed Representatives—to name two, Professor Lt. Hobhouse and W. Addington Willis, Esq.—have continually to deal with problems arising through the inability of Cornwall to pay some of the Rates fixed.

Attached are statements from the Dressmaking, Tailoring, Boot and Shoe Repairing, and Grocery Trades. It has not been possible to secure a statement from the Milk Distributive Trades, as apparently they have either dismissed their staff and are doing the work themselves, or are taking no notice of the Rates fixed by their Board.

The economic conditions of the County are terrible through the closing of the tin mines, the bad season for fishing, and the general depression in China Clay and Quarry Industries. In the mining area 78 cent. are unemployed.

It is not claimed that the present distress and unemployment is wholly due to the Trade Boards, but the situation has been considerably aggravated thereby. Many who were satisfied with their wages have had to be dismissed from their employment through the high rates fixed, and are now unemployed; others are working long hours at low pay in their own homes. Thus the Trade Boards have been greatly to the detriment of those they are supposed to benefit.

It will be seen that the attached statements compare pre-war conditions of employment with those during the boom period of trade, so actually represent the amount of unemployment caused by the Trade Boards.

A friendly spirit of co-operation exists generally between the employers of Cornwall and the workers, and in many instances the workers are totally opposed to the Rates fixed by the Boards. Unfortunately the workers seem to have no redress, as Cornwall has no workers' representatives on the Boards, and those who are supposed to represent them are in most instances totally ignorant of the local conditions; witness the Grocery and Provision Trade Board where the workers' representatives are chiefly Trade Union Officials with neither knowledge of the County, or any thought for the worker.

The difficulties which face the Boards sitting in London are realised, as they have to legislate for the whole of the country, and it is difficult to fix rates applicable to one County only, without raising many problems. The conditions are, however, different in Cornwall in many respects to those of the rest of the country, and must have consideration if the County is not to suffer under a permanent disability.

The Trade Boards system has not failed in Cornwall through ignorance or prejudice, but on account of the inability of the employers to pay the rates fixed without incurring a heavy financial loss, consequently to insist on still carrying out the awards will still further increase distress and unemployment. Wages in Cornwall have always been low in comparison with those of the industrial area, but the cost of living has also been low. It is the earnest wish of the employers to raise the status of the workers, but regard must be had to the conditions. The attempts to unduly raise wages by the various Trade Boards have failed, and have merely caused further unemployment and distress.

To start industry again, it will be necessary to relieve the County altogether of the hampering effects of the Trade Boards, or to amend the working of

them to secure the right of the employers and workers to fix, by joint consent, their rates of remuneration. That this may be done is shown by the Bakery Trade where the employers and workers continue.

The employers are willing to appear before the Committee if required and support the evidence given herein.

WESLEY HOSKEN,
Hon. Secretary.
Combined Traders of Cornwall,
3, Clare Villas, Truro.

DRESSMAKING TRADE.

The direct effect of Trade Boards on the Dressmaking and Millinery Trade in Cornwall is shown by the following figures:—

Employed in 1918.				
Assistants	...	...	...	532
Improvers	...	...	...	35
Apprentices	...	...	...	131
				698
Employed in 1920.				
Assistants	...	...	...	198
Improvers	...	...	...	7
Apprentices	...	...	...	15
				220

Total decrease 478 or 70 per cent.

Many workrooms which are entirely closed are not included in this list.

These figures apply only to workrooms of members of the "Cornish Drapers' Federation," and therefore do not include the scores of small private dressmakers amongst whom the reduction in staff is even more pronounced.

It is most important to emphasise the fact that these figures were taken up to 1920, before the depression in trade commenced in this County.

The reason for this state of affairs is not far to seek.

Rates were fixed by the Trade Boards *without the slightest regard* for local conditions.

These rates were such that they necessitated a high price as the cost of making a dress or hat.

As a consequence less dresses were ordered and many hands discharged.

In spite of this, and in face of the most strenuous opposition from the whole trade, the Trade Board twice increased the rates.

Prices for making had again to be increased, and the public either would not or (in most cases in this County) could not pay, and to a larger extent than ever withheld their orders.

Result more unemployment.

If these results occur (as they did) when business and industry were prosperous, what is likely to occur when the very reverse is the case?

The Dressmaking industry in Cornwall, if not yet quite dead, is fast becoming extinct, due entirely to the high rates fixed by the Dressmaking Trade Board.

HORDER & BARRAND,
Hon. Secs.

THE TAILORING TRADE.

The Members of the Cornish Branch of the National Federation of Merchant Tailors have just been circularised, and the questions they were asked to answer all related to the working of the "RETAIL BESPOKE TAILORING TRADE BOARD."

From their replies it is easy to gather that the Trade Board has had a disastrous effect on the working of their businesses, and has caused a tremendous amount of unemployment in the County. They are unanimous in condemning a National Wage rate, but strongly urge uniform rates as arrived at by a "Cornwall County Conciliation Board," with power to enforce its decisions.

The replies were required by the Headquarters Staff of this Federation for use before the special Committee considering the future of Trade Boards, therefore I have struck an average note, and they are as follows:—

Have present rates affected your Business?—
Most seriously.

*If so, to what extent?—*Employing only half pre-war staff, and those on 32 hours per week instead of 57.

*Have you endeavoured to meet conditions by reducing prices?—*Yes.

*If so, to what extent?—*The award of October, 1920, to Females of 15s. per week increase has not been charged on to customer, Clothes therefore being sold at cost price, or slightly over, and no provision being made for Establishment charges.

*Have your customers refused to order on account of high prices?—*Yes.

*Have you had to reduce your staff owing to present rates and short hours?—*Yes.

*If so, to what extent?—*About one-half and those from 57 to 32 hours.

The conditions prevailing in my own business in this City are typical of those existing in all businesses in every Town and Village in Cornwall.

Pre-war I employed 22 people in the Workshops at 57 hours per week.

Total hours worked per week ... 1,254

I now employ 12 people at 32 hours per week.

Total hours now worked per week ... 384

A total loss of production in this one shop of 870 hours in one week, thus creating dearer clothes and much unemployment.

The award of October, 1920, to Females, R.B. 7, worked out, through shortening of working hours, which was national (no business being able financially to meet it), that both Females and Males took home at the week-end less money than they had previously earned, so that Employers through shorter hours and Employees earning less, no one was satisfied.

Before October, 1920—

Women worked 48 hours for 34s. per week.

Men " " " 76s. "

Within a few weeks they were only earning, through the increase to women:—

Women ... 32 hours at 1s. 0½d. ... 32s. 8d. per week.

Men ... 32 " " 1s. 7d. ... 50s. 8d. "

The men dropped back through Trade Union rule, "that one out, all out," and lack of trade.

RICHARD HAWKE,
Hon. Sec.

17/10/21.

SHOE REPAIRING TRADE.

The employers generally being unable to secure an equivalent price for the product to pay the fixed standard wage have had to discharge their men. The men in many instances desirous of continuing their employment offered to work at an agreed wage below the standard which the employers, for obvious reasons, could not entertain. As a consequence many of them are working in their homes without restrictions as to hours, earnings or control (as in the cases of workshops), and being content with a sum less than the minimum wage award, owing to their inability to earn it, set up an unfair competition with those endeavouring to carry out the regu-

lations as to wages. The "handyman" of other trades with shortened hours of working turns his hand to shoe repairing, competing with and adding to the difficulties of the recognised tradesman.

The employment of boys has practically ceased, and the village shoemaker who usually employed at least one boy and taught him a useful trade cannot afford to pay the rate set out and teach the boy his trade. The rate of pay for boy labour is quite out of proportion to the earnings of most village shoemakers, so they do without the small assistance that could be rendered by a boy for at least the first year or two. This has had rather a serious effect, as usually the village boy who was physically defective was taught a useful trade, but is now debarred from employment through the Wages Board award. True exemption might be obtained, but employers will not make the application, knowing full well, through experience gained during the war, the difficulties and trouble entailed in getting the exemption through a Department.

The Shoe Repairing Trade awards made, based on conditions prevailing in large centres of population, applied to country districts and the towns of Cornwall generally, which are very small in comparison, are inequitable and unworkable, and in remote country districts bear hardly on those who have to employ the services of the trade affected, and in no case is this phase more apparent than the Shoe Repairing trade.

As far as Cornwall is concerned the Wages Board has brought no benefit to the workmen it was intended to do, but it has parted employers and employees, working in harmony for a great number of years, and has disadvantaged both without compensating advantages to anyone.

October 24th, 1921.

THE GROCERY TRADE.

The above Federation comprises the Retail Grocery Trade of Cornwall, and seriously wish to place before you the abnormal conditions prevailing in the County through the complete failure of Tin Mining, with the result that there are over 80 per cent. of the workers in this area unemployed, and in such dire distress that, as you are well aware through the press, have to be relieved by public subscriptions to prevent starvation. To a very great extent the same conditions prevail in the Clay and Quarry industries, and already the Trades Boards rates applied to Dressmaking, Boots and Shoes, and Tailoring have proved a complete failure and greatly added to the list of unemployed. Under these conditions to enforce Trades Boards rates on the Grocery trade, which will necessarily mean an increased cost on food, is adding to already existing conditions, and would certainly mean a dismissal of assistants, as the trade at the present is labouring under heavy financial difficulties.

We earnestly ask you to seriously consider all these reasons, and to decide that Employers and Employees should be left to settle the wage question amicably together, which we are certain would be carried out in a more satisfactory manner, instead of forcing a wage that could not possibly be met. The Assistants are also most anxious that this course should be carried out, as in many cases the Shop Assistant is the only worker in the home, thus preventing entire want and poverty.

We also strongly urge that a decision be deferred until Lord Cove's Committee present its report to the Ministry of Labour, and in any case should bear in mind that Cornwall under present conditions cannot possibly hope to pay the proposed rates and ask that this County be exempt from Trades Board scales.

WESLEY HOSKEN,
Hon. Secretary.

3 P 3

(5)—Letters addressed to the Isle of Wight Chamber of Commerce.

THE ISLE OF WIGHT DRAPERS' AND OUTFITTERS'
FEDERATION.

57, High Street,
Newport, I.W.

VENTNOR TRADE PROTECTION ASSOCIATION.

The Country House,
High Street, Ventnor, I.W.
25th October, 1921.

DEAR SIRS,

4th November, 1921.

LAST spring, in support of a protest we sent up to the Dressmaking and Light Clothing Trade Board, the 20 principal Dressmakers in the Island were questioned and it was found that 96 Assistants and apprentices had been discharged, owing to the compulsory wages.

These increased wages caused the prices of garments to be so high, that the public would not give orders.

Principals are now either working with much lower staffs, or in some cases have closed entirely and no apprentices are being engaged.

The state in the Millinery is practically similar to the Dressmaking, but we have no figures, one of the worst features in this trade is that it is quite impossible to take on apprentices at the present figures, although parents are anxious to have them taught such a useful trade at half the compulsory wages.

I remain,

Yours faithfully,

(Signed) C. MORRIS DABELL,

Hon. Secretary.

Trade Boards.

DEAR SIR,

I BEG to give you the following specific cases, showing the detrimental effect of these orders:—

The Misses Thurgood Sisters, High Street, Ventnor, can prove that their Dressmakers and Milliners have had to be stood off from time to time, instead of being kept on permanently as before—also that their trade has decreased owing to the increased price which has to be charged to the public.

Mr. A. J. Sharpe, High Street, Ventnor, can prove that he has had to discharge a number of Dressmakers and Milliners, also that that department proved a loss during his last financial year.

Mr. W. H. Harris, Draper, Milliner and Dressmaker, High Street, Ventnor, discharged one Milliner owing to the compulsory wages.

I am informed that Miss Bartlett, Milliner, &c., Regent Street, Shanklin, can also prove a detrimental effect.

Yours truly,

(Signed) HARRY BARTON,

Secretary.

(6)—Statement submitted by the Scottish Distributive Trades Federation.

We are instructed by the Scottish Distributive Trades Federation to submit to the Committee appointed to investigate the administration of Trade Boards, the following representations with regard to the position of the Scottish Retail Distributive Trades on the subject. In terms of instructions given at a general meeting of the Federation held on 16th November, 1921, a questionnaire was issued to various retail trade associations composing the membership of the Federation, and replies have been received from the following associations, viz.:—

The Scottish Federation of Meat Traders' Association.

The Glasgow and District Dairymen's Association.

The Scottish United Retail Fruit Trade Association.

Edinburgh and Leith Fruit and Flower Trade Association.

The Scottish Music Merchants' Association.

The Glasgow and District Retail Fish Traders' Association.

Glasgow and West of Scotland Ironmongers' and Allied Trades' Association.

The Incorporated Guild of Hairdressers, Wig-makers and Perfumers.

These trades among them comprise 43 different associations, with a membership of, say, about 3,000 members, and include in most cases in their membership practically all the important retail businesses in these respective trades. These trades have considered at executive and general meetings the question of the application of a Trade Board to their respective trades, and the following unanimous conclusions have been arrived at in connection therewith:—

- (1) All these associations are opposed to a Trade Board being appointed or having been appointed for their trade. With one exception, none of these trades has any system at present of wage regulation between employers and employees, nor (with the same exception) has any of them had any agreement or negotiation with the Shop Assistants' Union, or any other union of employees on the question of wages.
- (2) These trades are of opinion that the conditions under which they respectively work are such as to make it difficult to apply

the Trade Board principle of uniform regulations to them. For example, in the case of those dealing with perishable articles, such as milk, fruit, vegetables, and fish, it is considered that the conditions are such as to make a uniform week throughout the respective trades impracticable. In others, the variation between trade in large towns and country districts, and also the seasonal variations in the trade, the opposition of hawkers, &c., are responsible for the view that such trades are, owing to their conditions, not suitable for the application to them of the Trade Board system.

- (3) Enquiries made seem to show considerable differences in the number of hours worked in the various trades, which apparently vary from 44 up to 60 hours per week, depending on the circumstances of the respective trades and the seasonal variations.
- (4) These trades accordingly could not even agree to the principle of a 48 hours' week, and overtime being paid beyond this, as most of these trades pay their assistants wages during holidays and during sickness, in substitution for overtime worked. In certain cases, owing to the variability of trade conditions, assistants are, at various times, not fully employed. It is also pointed out that in other trades, such as the dairy trade, the principle of overtime tends to make the roundsman take a longer time than necessary for his calls.
- (5) Another objection taken to the Trade Board system is that there is likely to be overlapping between many of these trades and other trades, causing doubt as to whether employees fall under one Trade Board or under another.
- (6) All the trades state that there is, in their respective cases, no tendency to pay low wages, and that a Trade Board is therefore unnecessary.
- (7) They are also of opinion that it is impracticable to discuss the technical questions of a trade before appointed members who have no practical knowledge of the trade.

- (8) They further object to the Trade Board system as it at present involves Co-operative Society representatives sitting at the Trade Board on the employers' side at the Trade Board meetings. They strongly protest against this in view of Co-operative Societies not being in the same position as private employers in respect *inter alia* that—

- (1) they are free from the present very serious burden of Income Tax on profits at the rate of 6s. per £;
- (2) they pay no Corporation Tax; and
- (3) their businesses are not run on the lines and are not expected to conform to the standards of efficiency of private traders.

- (9) With one exception no strike has ever taken place in any of the trades reported on.

- (10) They further consider that it would not be practicable to fix reasonable and uniform rates of wages applicable either to the whole country or to certain differentiated districts owing to the great variations in trade, which exist throughout the various parts of the country and in the various classes of businesses in each respective trade.

- (11) They further desire to point out the very large proportions in shopkeeping trades of instances where the business is run entirely by the owner with the assistance of his wife or some member of the family. To most of such businesses, the Trade Board Regulations accordingly would not apply at all. The difficulties of competition would thus be increased and many anomalies would be created.

- (12) Other difficulties pointed out in connection with the application of the Trade Board system refer to the expense involved to trade associations, many of which are small and struggling, and have difficulty at present in making ends meet. It is impossible to carry on a Trade Board system without a trade association, and accordingly the result is that a few of the more public

spirited members of the trade who form the membership of the trade association have to undertake the whole expense involved in the application of the Trade Board system to their trade, including the expenses of ascertaining trade opinion and securing reasonable unanimity of trade views.

- (13) Further objections to the application of the Trade Board system refer to the trouble in conforming to the regulations which would be experienced by small shopkeepers, many of whom do not keep books at all, and to many of whom it would be impossible to keep the records which would be required to satisfy the inspectors under the Trade Boards Act. This would apply particularly if complicated wage scales were inaugurated.

- (14) A further difficulty in connection with the imposition of Trade Boards on the Retail Distributive Trade is that certain trades have been in the habit of paying their employees partly by a commission on sales. In many cases this is a firmly established custom of the trade, and the commission paid represents a not inconsiderable proportion of the earnings of the employees. It is thought that it would be impracticable to have this system embodied under Trade Board Regulations, and the inauguration of a Trade Board would accordingly involve this system being scrapped or modified with consequent disturbance to the ordinary methods of the trade.

In terms of instructions we accordingly submit the foregoing for the consideration of your Committee.

(Signed) FRANK IRVING,
President.

(Signed) JOHN M. CROSTHWAYTE,
Secretary.

207, West George Street,
Glasgow.

9th February, 1922.

B.—Statements submitted by Employers and Employers' Associations interested in particular trades: I. Boot and Shoe Repairing Trade.

- (7)—Extract from a letter received from Messrs. Goodlad and Goodlad, Boot and Shoe Makers and Repairers, Lerwick, Shetland, dated 26-10-21.

The general working conditions under the present regulations are bad, as only Lerwick would seem to be compelled to observe them. All the other districts can, apparently, do as they like.

With regard to new work, the Trade Board rates only apply to bespoke work, and how can a tradesman be expected to be satisfied with less wages for boots made for stock purposes of the same class? This is a system of payment we could not do. We used to employ quite a lot of men during the winter, making up a fairly large stock of hand-made pegged boots, and paid fair wages for the work. These boots could find a ready market at a small profit, and both we and the men employed were quite satisfied, but this cannot be done under the present regulations.

With regard to repairs, this trade is gradually being killed, as the poor people—and we have them in abundance here—cannot possibly pay the prices required, especially for children's repairs. The consequence is that everyone who can do so is doing his

own repairs. Tradesmen in other trades, receiving trade union wages at their trade, are buying materials, and repairing their own and families' footwear. The obvious result of this is that those who would employ repairers cannot do so. Then again small tradesmen, who employ none but members of their own families are not subject to the regulations, and can do as they like.

What is required here is to revert to the old system that worked so well. Your inspectors will be able to tell you that they did not find us to be of the profiteering class of employers, as the amount we were paying for jobs done was quite reasonable, and considerably better regulated in regard to prices paid per job.

We hope you will give this statement your careful consideration, and having regard to the distance we are from the centres, and the class of work done here, between which and that done in cities there is no comparison, you will grant our request, and once more let Shetland stand on its own bottom.

(8)—Statement submitted by Mr. A. Bilton, General Manager of Messrs. J. Coombes & Co., Multiple Shop Boot Repairers; Headquarters, Harrogate, (Over 200 Branches in towns in the North of England.)

"I beg to state that the constitution of the Boot and Shoe Repairing Trade Board leaves much to be desired.

On the employers' side are representatives of the retail trade, and the Shoe Distributors' Association. There is also a member of the Co-operative Union who must frequently find himself in opposition to the representatives of private enterprise; then there are two surgical bootmakers whose trade is more identified with the organisation which governs the wages in the boot and shoe manufacturing industry than with the boot repairing trade. It appears to me that in the selection of Trade Board representatives, it has been, in a large measure, forgotten that this is a Boot and Shoe Repairing Trade Board. Then again, the co-operative movement is so distinct and antagonistic to private enterprise, that it is not in the interest of private employers that co-operative representatives should sit in their ranks. The co-operative movement is so vast that there should have been a separate Trade Board, or Industrial Council, to deal with the wages and hours of its employees.

In my opinion, the greatest anomaly is in regard to the National Federation representatives; these are nominated by a body which does not represent employers nearly so much as non-employers of labour. The National Federation, with its allied associations, is chiefly representative of that numerous class of "master" boot repairers, who employ no labour, and are content with the amount of trade they can do with their own hands. This class of repairer, who through association membership has a voice in the nomination of six employers' Trade Board representatives, views with indifference increases of wages and limitation of hours, as he pays no wages himself and is unrestricted as to working hours. Many of these non-employing "master" repairers frequently give up business and take a situation on time or piecework wages, and it is therefore not surprising that they should raise no objection to high wages and overtime rates.

There is no exclusive trade organisation for employers in the boot repairing trade. Employers are in the minority among "master" repairers. Firms such as I represent are neither understood nor represented on the Trade Board.

Not only are the piecework rates as recently fixed by the Trade Board excessively high, but the manage-

ment wage of £4 per week, irrespective of the shop managed, is ridiculous. There is a decided limit to the trade of a boot repairing shop, and when I say that the takings at some of our branches are as low as £5 per week, you will realise how impossible it is to pay such excessive management wages. We have given up many shops in consequence of the high wages, shortened hours, high rents, etc., and we have four shops temporarily closed at present until we are relieved of some of the heavy expenses.

Before the war we had 208 branches open. We have now only 155, and we have the fixtures and machines for 53 branches lying idle, and high Trade Board wages and limited hours is largely responsible for our being unable to open other branches to use up these fixtures and provide employment for numerous managers and workmen. The irony of the position is that there are scores, perhaps hundreds, of men who would gladly accept the management of one of our branches at less than the Trade Board rate if we were allowed to employ them.

When the £4 management wage was fixed I had many applications for work from men who had managed small repairing shops, and who had been discharged because their employers could not afford to pay them the Trade Board wage.

I have no objection to the £4 management wage, provided the trade done is sufficient to bear such a charge, but where trade is poor the wage should be much less, especially as we give inducements to managers in the way of commission on takings and earnings bonus.

Men's new boots can now be purchased at 16s. 6d. per pair, and it is hardly likely that the public will be content to pay the present price for boot repairs when new boots can be obtained so cheaply. Unfortunately for us, principally owing to the foregoing reasons, we cannot make any reduction in our charges for repairing, and non-employers of labour who are outside the scope of the operation of the Act and who run their small businesses at very little expense, and unrestricted as to hours, can undercut us and take our trade away.

Trade Boards can increase wages and shorten hours (for a time), but they cannot increase trade. The Boot and Shoe Repairing Trade Board is killing enterprise, and it will drive the trade back to the cellars and huts and sweated conditions of the past."

(9)—Statement submitted by the Wales and Monmouthshire National Boot Trades Federation.

1. The Trade Board machinery needs revising so as to quicken its operations. It now takes several months to make any alterations, while markets change quickly, and it should be possible to vary conditions in about a month.

2. The Board could be improved so as to enforce its orders on all alike, as half the traders are left out of present rules, and a continuance of this is impossible.

3. District rates should be considered, as conditions, living expenses, wages, rates, etc., are not the same in all parts, and a "level" rate all round is unfair.

4. Co-operative representatives are out of place on the employers' side. There should be a separate board or section for "co-ops."

5. Board members should have authority to make enquiries and submit reports. It would increase efficiency and decrease expense as they were scattered.

6. District Committees could gain local views, and their meetings should consist of locals only.

7. On the question of the Trade Board membership, the nominations of the trade should be accepted by the Minister of Labour. The Federations resent the alterations made in the past. It was against the British system.

(Signed) W. B. NOBLE,
Secretary.

(10)—Statement submitted by the North of Scotland Master Shoemakers' Association.

So far as the North of Scotland is concerned, the unanimous opinion of the master bootmakers is that the Trade Board Regulations have been hurtful to the best interests of the trade.

Prior to the introduction of these Regulations, trade in the North generally was very good, while

the rate of wages paid to the employees was fair and equitable in every way. Workers, according to their ability, were paid a good wage, and on their part they appeared to be and were quite satisfied with their treatment, and they were fully employed. Since then, chiefly owing to the high rate of wages and the

shorter hours of labour fixed by the Board, only first-class workers are employed, while the slow workers have gone to swell the ranks of the unemployed, or have started a one-man business of their own. In many districts at present over 40 per cent. of the workers are drawing the unemployment dole, while those who started business on their own account are able, by working longer hours, to cut prices much below those who employ labour and have to conform to the Regulations of the Trade Board. In the town of Nairn, in this district, there are eight of these price-cutters; in Inverness 11, and in Elgin seven, while in several of the smaller towns the proportion is equally large.

We contend that this condition of matters is very detrimental to the interests of the trade, and especially injurious to employers of labour, who have to conform to the Regulations of the Trade Board.

In this connection we consider that employers have to meet with unfair competition, and we call upon the Trade Board to provide a remedy.

The Regulations of the Trade Board make it impossible for an employer to take on an apprentice to learn his trade. Previously, it was customary for employers to engage apprentices for a period of three or four years, starting at a wage of 5s. for the first year, 7s. 6d. for the second, and 12s. 6d. and 17s. 6d. for the third and fourth. By the end of the period the young man had received a thorough training in both making and repairing, and was thereafter able to take his place as a competent hand and to earn the current rate of wages. Even in sparsely

populated districts it was customary for an employer to have an apprentice along with one or two journeymen. In several country districts within a radius of 20 miles as many as a dozen apprentices were to be found in training. To-day in these districts *not a single apprentice* is to be found in training. This is not because young men are not willing to learn the trade—the exact opposite is the case—but simply on account of the supervision required during the first two years especially, and the high rate of pay fixed by the Board, employers cannot afford to engage men. Further, the Regulations have not allowed for local conditions, in respect that the North work is of a heavier and more laborious nature (all hand work) to that of the South, where work is done collectively. As a direct result of these conditions, within the next 15 or 20 years, the making and repairing of boots will be carried on exclusively by the older men.

In view of the foregoing, and in the light of our experience, we consider that the Trade Board has not been a success, and that the sooner we are loosened from its control the better for all concerned.

In our opinion, the appointment of practical men from both sides, and the setting up of District Boards for the arrangement of hours, wages, &c., would be a much better arrangement.

For the North of Scotland Master Shoemakers' Association.

(Sgd.) JOHN S. GRANT, Chairman.

A. D. M'CAKIE, Secretary.

II. Brush and Broom Trade Board.

(11)—Memorandum submitted by Manufacturers in the Midland Counties and Wessex.

It is desired to explain, in the first instance, that the considerable number of manufacturers on whose behalf this statement is made are in a number of cases members of the British Brush Manufacturers' Association, and it is because the evidence given by the president of that organisation does not represent their attitude that this separate statement is considered necessary.

The majority of the manufacturers of the Midland Counties and Wessex are unable to associate themselves with the evidence already given, and it is accordingly considered necessary to adopt this means of presenting the views of these manufacturers upon the operations of the Brush and Broom Trade Board, against which extreme objection is taken. It is necessary to explain, in the first instance, that the Midland and West of England brush manufacturers are affected by the decisions of the Brush and Broom Trade Board to a greater extent than is the case with manufacturers operating in other areas of the country. Their failure to secure the desired measure of satisfaction which it was hoped would accrue from the deputation to the Minister of Labour in November last, so far as the rate of wages ultimately fixed is concerned, it is hoped that this statement will be the means of assisting any such alteration in the scope of the Board as will render it the instrument of effective regulation of wages, which, at the present time, it has failed and will continue to fail to be.

The recent confirmation by the Trade Board of proposals for the increase in the rates paid to pan hands has already caused serious dislocation in the employment in the industry, and the following explanation will, it is hoped, demonstrate the direction in which the industry has been made to suffer.

The process described as "pan work" consists of three phases:—

- (1) The boring of holes in a stock or handle.
- (2) The forming, cementing, tying, and re-cementing a knot of fibre or bristle, and fixing it in the hole so bored.
- (3) The trimming and fliriting of the broom or brush when the second process has been completed.

In the larger manufactories of London, in some parts of Yorkshire and Lancashire, and in the whole

of Scotland, it appears that all these processes are more often carried out by male labour at a remuneration now varying from a piece-work basis time rate of 3d. per hour for apprentices in their first year to a piece-work basis time rate of 1s. 4½d. per hour for men after a five years' apprenticeship, or over 21 years of age.

In most of the other parts of England it is, and has for a long time been, the custom to employ a much larger amount of female labour, especially for the second and most important phase of pan-work, at a remuneration now varying from 3d. per hour for girls of 14 to 8½d. per hour for women over 21 years of age. Piece-work basis time rates, both for male and female labour, are about 10 per cent. higher than the time rates, and, of course, many pan hands are able to earn considerably more than those rates, but the average rate of pay for a man is about double the pay of a woman. The rates are those fixed by the Board, and there is no suggestion of the existence of sweating.

The present Regulation enacts that the rates at present paid to female pan hands should remain *unaltered* so long as the women are employed on *certain specified kinds of work*, but that if they make any other kinds of brushes their time rates should be increased either to 1s. or 1s. 4½d. per hour, according to the class of work upon which they are employed, and it further enacts that no girl employed at pan shall be paid less than 4d. per hour, and that after two years at the trade, whatever may be her age, she shall receive the same rate of pay as a woman, piece-work rates being raised accordingly.

It will be observed that these proposals have in many cases resulted in the doubling of the wages now being paid to women, and would more than double the wages paid to girls, while at the same time, on other work of very similar description, the *present rates of wages would remain unaltered*.

The classification of the work, for which these various rates of 8½d., 1s., and 1s. 4½d. are to be paid, is presumably intended to be in accordance with the skill or strength required, but it cannot be found that the classification rests on any logical basis; women earning 8½d. per hour are working beside others who are earning 1s. 4½d. per hour at easier

work. The same woman earns in one hour double as much as she can earn the next hour on other work. It is manifest that this leads to much jealousy and ill-feeling, and renders it almost impossible to regulate wages.

A further aspect of the anomalous position created is that a girl, after her first two years of training, is paid at the full rate for a woman, whereas a boy does not receive the full pay of a man until he has served a full apprenticeship of five years, or attained the age of 21. Hence girls of 16 in many cases receive higher rates of wages than men of 19 or 20 years of age. Indeed, in many cases they earn higher wages than the men who are boring for them, or than the office and warehouse staff.

The foregoing details will serve to indicate the nature of the whole proposal which in practice has proved to be both impracticable and prohibitive. It should be remembered that the proposals for the increases that have now been put into operation did not emanate from the workers concerned, who were not, as a matter of fact, consulted in any way as to their wishes in this matter, and in addition to this fact it is learned that the effect which the payment of the unjustifiably enhanced rates is having has induced the workers themselves to request the Minister of Labour to effect a reduction therein in order that their continued employment may not be jeopardised.

The increases in the rates paid to female workers has been manoeuvred by the men in their supposed interests, their desire being, without question, to supplant the female labour already engaged, which, so far as the manufacturers in question are concerned, has been a feature characteristic of the industry for a period approaching a quarter of a century.

The burden thus imposed upon the manufacturers situated in the Midlands and the South-Western districts is aggravated by their inability to compete with other brush manufacturers domiciled in London, who are not under the necessity of consigning goods intended for export, carriage paid (which the manufacturer located in the Midlands is required to do), whilst paying the same rate of wages as the manufacturer in London. It is manifest that in these circumstances the confirmation of the increased rates by the Board has inflicted a very serious damage to an important section of the trade.

It is further contended that the action taken by the Brush and Broom Trade Board in arriving at a decision as to the class of work which may be considered as that capable of being performed by a male or female worker, is beyond the scope of the Trade Boards.

It is felt that the operations of the Board should be confined, as was the case when they commenced to function, to the fixing of a single minimum rate, variable according to the conditions ruling in different districts, leaving higher rates for workers of special skill to be arranged between employer and employee.

The results which have followed upon the carrying into effect of the proposal previously referred to may be summarised as follows:—

Price.—This varies in every factory according to the class of work produced and the age of

female workers employed, and has removed the possibility of competition by the British manufacturer with brushes of foreign origin.

Employment.—The satisfactory nature of the relationship which has always subsisted between the employers and the employees in this industry justifies the view that the welfare of the industry will be better served by a diminution in the interference which the operation of the Trade Board inevitably produces in the conduct of individual businesses.

It is necessary to remember that at the present time, when every trade is reducing its prices, a similar step on the part of manufacturers in this industry is expected, but the result of the advance in wages has been to render this not alone impossible, but responsible for an increase in the cost of the manufactures varying from 20 per cent. to 25 per cent. on the existing prices.

An appreciable reduction in the number capable of being employed has already taken place, and the tendency appears to be a further decrease in employment, which will not be available for male workers, because the rates paid to them are identical with those required to be paid to female workers.

Nevertheless, despite the unfortunate results which have been attendant upon the application of the machinery of the Trade Board to the brush trade, the manufacturers generally are seized with the useful possibilities and potentialities of the Trade Board system, given a more efficient form of administration. It is therefore hoped that the outcome of the present enquiry conducted under the auspices of your Committee will be to bring about a revision which will be conducive to the following results:—

- (1) The restriction of the scope of the activities of the Trade Board to the fixing of a single minimum rate, variable according to the conditions ruling in the different districts, leaving higher rates for workers of special skill to be arranged between employers and employees.
- (2) A reduction in the period which is required to elapse before a variation in the rates fixed may be made effective.
- (3) The decision as to the work to be performed by male and female workers, to be left in the hands of those engaged in the trade.
- (4) Such an alteration in the qualifications of those selected to serve as appointed members on the Trade Board as will render their decisions of practical rather than theoretical value.

Under such circumstances, it is believed that the Trade Board machinery may become of service in the efficient regulation of wages, in this and other industries—a development which the manufacturers recognise as of vital concern to them—and tend to promote the prosperity of the industry and the expansion of that amicable relationship which is so necessary for the successful co-operation of employers and employees.

(12)—Letter submitted by the Walsall Chamber of Commerce.

David Hayward, Ltd.,

Wholesale Brush Manufacturers,
Excelsior Works,
Bloxwich.

13/11/1921.

DEAR SIR,

We beg to give below a few of our objections to the Trade Board operating in the brush trade, which we trust will be of some use to the Associated Chambers to-morrow.

Our first objection is the composition of the Board, which is composed of equal numbers of employers and employees, the latter being principally represented by Trades Union Officials, and the casting

vote is in the hands of members outside the trade, who are appointed by Government. Wages are the chief controversial point, and the power to pay wages must ultimately rest on the stability of the employer. A knowledge of the state of trade and the prospects of business are absolutely necessary, and must be taken into consideration in assessing the burdens the industry can carry. Neither the Labour nor the Government representatives can reasonably be expected to know anything about the position of the industry.

Our next objection, in common with other manufacturers, is that 75 per cent. of the saddlery brushes produced in this country are made in Walsall district, and not a single Walsall manufacturer was asked to

sit on the Board, and when we applied for permission to be heard, it was ignored.

The minimum time rates compare hopelessly with the piece rates fixed. In fact, in most instances we were paying considerably more than the time rate when the Trade Board came into force, but the piece rates are fixed altogether out of proportion to the time rates, and, in some instances, workpeople, both men and women, could earn three or four times as much on the piece rates than on the time rates. Take, for instance, the price for drawing dandy brushes; the pre-war price was 10d. per 1,000 knots, and when the Trade Board came into force we were paying 1s. 6d., at which price they could earn the minimum time rate wage.

The present Trade Board piece rate for this class of work is 2s. 11d. per thousand, at which price it would have been absolutely hopeless to compete with foreign manufacturers. What the local manufacturers have done is to pay them a time rate wage according to the amount of work they do. This is only one of the anomalies which exist right through the classification, and we could quote a good many more instances of a similar nature. We have lately had a proposal to advance the female pan hands from 9½d. to 1s. 2½d. per hour, and, considering the present state of trade, this rate was impossible, and a further proposal to advance to 1s. 1½d. per hour has also been strongly objected to.

We may also remark that when this Board came into force we had to dispense with a number of our people, chiefly old hands who had been with us a number of years, who came any time they liked just to help when they felt inclined. These people could not earn anything like the wage laid down, and they had to be dismissed owing to the high rates that had been fixed for their work.

There are a good many more instances we could give you, but our chief objection to the piece rates fixed under the Trade Board is that it is not a minimum wage but a maximum wage, and the slacker has to be paid the same as a skilled worker who will get on with his work.

We do not think there is a chance of the revival of the brush trade in this country until the Trade Board governing it is entirely abolished, and some description of a Whitley Council set up between the employer and employees, which could easily settle all disputes with reference to wages paid.

Yours faithfully,

for DAVID HAYWARD, LTD.,

(Sd.) S. J. HAYWARD,
Director.

The Secretary,
Chamber of Commerce,
Walsall.

(13)—Letter received from Messrs. Thomas Goode, Ltd., Brush Manufacturers, Birmingham.

December, 1921.

DEAR SIR,

IN reply to your letter of November 22nd, my own opinion as to the Brush and Broom Trade Board is that both employers and employed did very well without it, that (at all events as regards the provinces) it has proved injurious in its operation, detrimental to trade, productive of unemployment, and discouraging to industry, and that it is doing much to destroy the old friendly relations which have existed between employers and employed. I should like to see it abolished.

As regards brush manufacturers generally, I would point out that, at a meeting attended by 24 manufacturers, and held in Birmingham on July 26th, 1921, it was resolved unanimously that "The existence of the Trade Board has proved detrimental to the interests of the brush trade, and that it should be abolished." A copy of this resolution was forwarded to all the Members of Parliament for Birmingham, soliciting their help towards the abolition of Trade Boards.

I have spoken to two manufacturers who were selected by the Ministry of Labour to serve on the Board. They say that in their opinion the Board should be confined to its original function of fixing a single minimum rate variable according to the conditions prevailing in various districts, and leaving higher rates for workers of special skill to be arranged between employers and employed.

Personally, I think that it is neither advisable nor necessary to have a Trade Board to do this. I would rather see one minimum rate applicable to all trades, and all forms of industry fixed in each district, either by some existing governing body, or by a committee of employers and employed in each district. The minimum rate so fixed would prevent sweating throughout each area, and would from a trade point of view, favour those areas where the people are more thrifty and industrious; it would not tend to become a standard rate as do the rates now fixed by the Trade Board. I could say more on this subject, if desired.

If it should be ruled that Trade Boards are to continue, the following points should, I think, receive attention:—

(1) Everything possible should be done to facilitate closer relations between employers and employed in each factory, and in each district. Under present conditions, we feel that it is futile to discuss wages

and conditions with our workpeople. All these things are fixed by the nominees of the Ministry of Labour on the Trade Board, and except at great waste of time, and at great expense, we cannot go there.

(2) *Local Trade Boards.*—The great fault of the present system is excessive centralisation, and too much officialism. A Board should exist in every centre, such as London, Bristol, Birmingham, Leeds, Manchester, Edinburgh, &c.

(3) *Powers of the Boards.*—The compulsory powers of these Boards should be limited to the fixing of one minimum rate for each sex (and for each age in the case of children and young persons). The Board should also be encouraged to discuss, and arrange other trade matters, but without compulsory powers, unless perhaps in the matter of limiting the proportion of apprentices and learners.

(4) *Official Members of the Board.*—These should disappear, the other members should have power to elect their own chairman and secretary, either from within or from without their number.

(5) *Selection of Employers' Representatives.*—These should be elected by all the manufacturers in the area. At present the employers' representatives are selected in a very one-sided manner. The brush trade is noticeable for the large number of small masters. These are practically unrepresented on the Board, and would in any case be unable to spare the time to come to lengthy meetings in London. Out of 13 so-called employers' representatives, seven either live, or have works in London, hence London interests are over-represented. This has proved detrimental to the interests of the provinces. The members appear to have been selected on the nomination of the British Brush Manufacturers' Association, which does not comprise half the manufacturers of the country. Similarly though far more women than men are employed in the trade, yet the representatives of the employed comprise only two women. Under a proper system of representation this would be changed.

(6) *Expenses of the Members of Boards.*—These should be borne by the parties concerned. The present arrangement by which all members of the Board receive £1 a day, and their travelling expenses (from the public purse) causes workmen's representatives, especially, to protract and multiply Board meetings, as they are better off while the Board is sitting.

(7) *Frequent changes in trade customs and rates of wages* should be discouraged. Trade is only hampered and unsettled by frequent changes.

(8) *Printing*.—Circulars have been drawn up in such an involved manner, and one so obscured by legal verbiage that it often takes much longer to find out what is meant, than to do it when it is found out. If official members disappear, and the work of

Trade Boards is confined to the fixing of one minimum rate, the abuse complained of will also disappear.

Believe me,

Yours very truly,

(Signed) THOS. F. GOODE.

The Secretary,
Committee of Enquiry into Trade Boards.

III. Coffin Furniture Trade.

(14)—Extract from a letter received from the Coffin Trades' Section of the British Traders' Association, Birmingham.

I am desired to say that on the whole the manufacturers are of opinion the Trade Boards Acts have been beneficial to the trade (coffin furniture and casket making). At any rate, the advantages have outweighed the disadvantages. The greatest complaint we have to make is the unnecessary delay in administration. We are of opinion that where the employers' representatives and the workers' representatives agree mutually upon any rise or fall in wages, as the case may be, or indeed upon any matter affecting the Trade Boards Acts, that upon submission of the details confirmed in writing by both sides, those agreements already reached should immediately be-

come operative or, at any rate, should become operative within a limited seven days, or at the outside 14 days.

We are of opinion that the time taken up in calling meetings for confirmation, the absurd delay which takes place for objections, and the further delays which take place for the final meetings are entirely unnecessary, and are prejudicial to the best interests of both employers and workers.†

† A letter was also received from the Coffin Furniture Trade Board urging the desirability of a reduction in the period required for bringing rates into operation, especially in cases in which proposals had been settled by agreement.

IV. Corset Trade.

(15)—Letter received from the British Corset Manufacturers' Association, Ltd.

26th January, 1922.

DEAR SIR,

CORSET TRADE BOARD.

At a meeting of the employers' representatives on the above Board held on 23rd inst., the question of the advisability of the employers submitting evidence to your Committee was considered, when the meeting decided that it did not appear to be necessary to request that a member of the Board should submit evidence orally to the Committee.

At the same time, however, I was instructed to state that the employers' representatives expressed a view in favour of the continuation of Trade Boards, as in their opinion, judging from their experience of the Board for the Corsetmaking Trade, they considered its operation as having been a decided advantage to the trade, in that it has (a) made for better conditions of living for the workers by the payment of the higher wages generally paid by the better employers; (b) brought about better organisation in many factories; and (c) been the means of improving the relations between employers and employed as since the formation of the Board no disputes have taken place.

In expressing the above view in favour of the continuation of Trade Boards, I am, however, to submit that it is their considered opinion that alterations should be made upon the Trade Boards Acts to assist in the administration in order that the work of the Boards may be made more elastic. There is reason to believe proposals as to such alterations have already been made to your Committee by various employers' organisations, and no doubt these will receive the serious consideration of the Committee.

For the information of your Committee I might perhaps add—

- (1) That the Board was established on 17th July, 1919;
- (2) That all the employers' representatives on the Board were appointed by the Minister of Labour upon the suggestion of this Association excepting two employers representing the retail section of the trade;
- (3) That the first meeting of the Board took place on 29th July, 1919, and there have in all, up to date, been eight meetings of the Board and seven meetings of the Administrative Committee;
- (4) That the first general minimum rates fixed by the Trade Board were for—
 - (a) Female workers of 18 years of age and over a general minimum time

rate of 8½d. per hour, and a piecework basis time rate of 9½d. per hour; and

- (b) For male workers of 22 years of age and over a general minimum time rate of 1s. 1½d. per hour, and a piecework basis time rate of 1s. 3½d. per hour.

These rates were made effective by the Minister of Labour on 1st December, 1919.

- (5) That at a meeting of the Board held on 17th February, 1920, certain rates for male skilled workers were fixed, the highest general minimum time rate being 1s. 5d. per hour (i.e., for cutters), and these were made effective by the Minister of Labour on 15th March, 1920;

- (6) That at a meeting of the Board on 6th/7th October, 1920—

- (a) The minimum rates of female workers of 18 years of age and over were increased as follows, viz., to a general minimum time rate of 9½d. per hour, and a piecework basis time rate of 10½d. per hour;

- (b) The minimum rates for skilled male workers were also increased; the highest general minimum time rate being to 1s. 9d. per hour for cutters.

and these rates were made effective by the Minister of Labour on 29th November, 1920.

- (7) That at a meeting of the Board on 30th August, 1921, reductions on the minimum rates were fixed by the Board as follows, viz. :—

- (a) In the case of female workers of 18 years of age and over to a general minimum time rate of 8½d. per hour, and a piecework basis time rate of 9½d. per hour; and

- (b) The minimum rates for skilled male workers; the highest rate being to 1s. 7d. per hour for cutters.

and these rates were made effective by the Minister of Labour on 3rd October, 1921.

Yours truly,

(Signed) C. J. HEALY,
Secretary.

V. Dressmaking and Millinery Trades.

(16)—Statement submitted by the Scottish Blouse, Overall and Underclothing Manufacturers' Association.

(1) Generally speaking this Association is in favour of Trade Boards, but not of the present machinery, particularly as this relates to professional representation of the workers.

(2) The multiplicity of Trade Boards is condemned.

(3) The costly nature of the Trade Boards is condemned.

(4) We do not favour the appointment of a chairman and appointed members who have not some experience of trade conditions. There is at present an undue number of representatives of the workers who are not skilled in the trade, i.e., workers are frequently represented by professional representatives who have no practical knowledge. In this trade most

of the present representatives on the Trade Board have little or no knowledge of the *Light Clothing Trade*.

(5) We are in favour of machinery being administered by the Board of Trade. It is the view of this Association that the work of establishing and administering should be transferred to the Board of Trade, as it is considered the Board of Trade is in a better position to know, not only home, but foreign trade requirements.

(6) This Association favours "side voting," and considers it should be enforceable in all Trade Boards at the request of the majority of either side of the Board.

(17)—Statement submitted by the Portsmouth and District Dressmaker Employers' Association.

Trade Board rates have had a most disastrous effect on the private Dressmaking Trade in Portsmouth, there are quite 150 dressmakers who have ceased employing, they find it quite impossible to pay the rate of wages demanded by the Board, this being quite a poor town, many customers are quite unable to pay the high charges which have to be made to enable the employer to pay the wages and get a fair living for herself.

The rate for learners is far too high, they cannot possibly earn the amount they have to be paid and, when employed only a few hours a day, what they could learn in two years under ordinary circumstances it will take twice as long for them to learn their trade. While for the girl of 16 years who wishes to start learning the trade, the case is hopeless, as no one would pay the wages, consequently there are large numbers of girls at the present time doing nothing who could be employed at a more reasonable wage. The parents of these children do not clamour for these high wages, but beg you to take them at a lower rate which, of course, we are not allowed to do. The rates of pay also cause dissatisfaction to the workers, a girl who is quick at her work naturally resents a much slower worker being paid the same amount as herself, and does not

take the interest she would do if she was paid according to her ability instead of her age.

May I suggest that there should be free contract between employer and employee up till the age of 18 years, also district committees to govern the rates of wages according to the conditions of the different districts, some being so much more wealthy than others? If some alteration is not made, there seems every possibility of the private Dressmaking Trade dying out altogether, which will cause great distress among the employers, hundreds of girls have previously been trained in the smaller workrooms where now there are none being taken. We are perfectly willing to pay a fair rate of wage, but strongly object to the money being raised every six months. We also object to many members of the Trade Boards having no personal knowledge of the working of very small businesses and not representing any special trade or association. Hoping that the Committee now sitting may see their way clear to make some very great alterations to those at present existing, that the small dressmaker may be enabled to continue her business and still train girls in one of the most useful trades.

(Signed) (Miss) L. INGRAM,
Hon. Secretary.

(18)—Letter from Mrs. Doswell, Dressmaker, Chippenham, Wilts., forwarded by Mr. George Terrell, M.P.

DEAR SIR,

I am writing to you in reference to my dressmaking business as I know you take an interest in the people you represent in Parliament.

I have carried on my business successfully for 35 years. Six years ago I employed 13 girls, to-day I have not enough work to employ two constantly.

My old customers when settling their bills tell me that it will be the last as my prices are exorbitant.

I frequently refuse girl I am expected by the Board of Trade to pay. You will see it is bad for the employees as well as the employer. The girls would willingly work for less money.

This is a trade where girls can work at home and charge what they like, but they cannot earn the Trade Board wages in 48 hours.

The factories also have an advantage over us because younger hands can be employed on straightforward jobs. Where things are made, say, by the thousand, they would soon become an expert at their job, but in cases like mine, where everything is made to fit every person and every style different it cannot be worked on the same lines. People are buying ready-mades imported from other countries where labour is cheaper.

I had an employee who was with me three years. She left and went into a book shop. She had to

leave there for an ex-Service man who returned. She would now like to return to dressmaking. Anyone with any common sense would understand the girl would be out of touch with the work, and yet all I can get from the Ministry of Labour is that I must pay the girl 8d. per hour, which she knows she cannot earn and does not wish for it. Under the circumstances I shall not be able to employ her. Can you wonder there is so much unemployment? The Board of Trade is preventing honest people from getting work, and hitting the Dressmaking Trade.

The girl's father I refer to is John Michells, head gardener to the Lady Muriel Coventry, if you would care to verify my statement.

If I could reduce my prices I could get more work and employ more labour, and yet I simply cannot do anything. I should not like to see girls paid the pre-war rate, and the present for young girls is just as absurd.

I may state I have one employee who has been with me 33 years; one left this season who has been 17 years and another 12½ years, and I have lived at the same address 35 years. You will see I am not a stranger.

Trusting you will do your best for me as I know you have for others.

Yours very sincerely,
(Signed) L. J. DOSWELL.

(19)—Statement submitted by Mr. E. S. Reynolds, Draper, Bridport.

The information I should like to place before the Commission relates to the effect of Trade Boards upon small businesses, particularly those in small country towns, as regards:—

- (a) Employment.
- (b) Training of young people.

For 30 years I have been connected (first as manager and later as managing director) with a retail drapery and outfitting business that has belonged to my family since 1787; in addition to the usual shops, showrooms, &c., there are workrooms for (a) tailoring, (b) dressmaking, and (c) millinery. The total indoor staff employed during my management has varied between 25 and 40. The town, Bridport, has a population of about 6,000, and is surrounded, except on the sea side, by an agricultural district. There are several factories in the town and neighbourhood for the manufacture of lines and nets.

A retail business accordingly depends for the bulk of its trade on Wednesdays (market day) and Saturdays.

In giving the results of our experience, I believe they will be found typical of hundreds of similar businesses all over the land.

Tailoring.—We formerly employed from four to six males, including a cutter.

The scale of wages last fixed by the Board necessitated a rise in prices that has almost stopped bespoke order entirely, and after carrying on for the last 12 months at a loss we have had to close the workshop and get rid of the staff. The number of garments ordered this year is less than one-third of the orders in 1919 and of pre-war years.

The shop has always been worked on the "individual" system—each garment being made by one man—and consequently we are quite unable to compete with advertising firms in larger towns, whereby sub-division of labour and the employment of a good deal of female labour garments can be produced at a much lower rate—in fact, we are now sending our cloth away and getting suits *cut, made, and trimmed*, at a good deal less than the wages we were formerly paying for making alone.

Dressmaking.—A similar situation has arisen in this department. We formerly employed a staff of from eight to ten, including apprentices; now the number is reduced to four, and the department is not paying its way. A good deal of work that used to be entrusted to us now goes to dressmakers who are not troubled with Trade Board rates, and so can considerably undercut us in price. We have now ceased to take apprentices, as the future is too uncertain and the rates of wages is too high.

Millinery.—Although there is a workroom, the milliner prefers, as a rule, to do all her work in the showroom, of which she has charge, including the care of furs and children's garments. She has always had the assistance of an apprentice (a second one sometimes starting before the senior has finished her time), who gets a thorough training in practical millinery, as well as experience in stockkeeping and serving customers. The commencing age here is frequently higher than in other departments, but the

rate now laid down by the Trade Board makes it impossible to continue training apprentices.

It will be seen that the results in our business have been that there has been a drop of about 25 per cent. in employment, whilst three former openings for training are now closed. Should the distributive side of our business be brought under a Trade Board, I fear the results would be very serious.

I should like to make it clear that, from the purely financial point of view, I do not think the closing down of these workrooms will entail any serious loss to the business. Ready-to-wear clothes will be more pushed in place of the "bespoke" trade, whilst our special orders can always be sent to one of the large centres, where there are facilities for dealing with them promptly and at a lower cost than we could work at here. Looking solely at the *economic side*, then, it is quite possible that the small workshop should not be encouraged; but, on the other hand, I would suggest that it is in the ultimate interest of the nation that our countryside should be maintaining these small industries of very varied character, and that it must continue to be the training ground of a great number of our young people.

The training of apprentices in most country businesses is very thorough; in the three departments I have mentioned an apprentice (strictly speaking, they should probably be called "learners," as there are no indentures) gains a knowledge of the whole of the craft, and not merely one section of it; a tailor will spend his time learning successively under the vest maker, the trouser and breeches maker, and finally the coat maker; in the dressmaking, a girl would have a similar experience, being taken in turn through the making of skirts, blouses, bodices, and coats. We have always had a waiting list of applicants wishing to learn one or other branches of our business, even in the days when practically no wages were paid during the term of apprenticeship.

In conclusion, my objections to the Trade Boards, as we have experienced them, are that the system is not sufficiently elastic—that it does not allow enough variation between large and small places, and that, generally speaking, the minimum wage has been fixed far too high. Efficiency and not age should be the main factor in settling remuneration; particularly in the smaller places we have to deal with a number of cases that I might term sub-normal; they are not "deficient," but will never make an average worker.

It also seems doubtful whether the difficulties and problems of the small concerns receive sufficient consideration at the hands of the Boards as at present constituted, nor the effect of their policy on the countryside. It must be remembered that, apart from any other attraction, the larger centres will always draw the better workers, and that the smaller town has usually to put up with a second pick; taking the further fact that the turnover per unit of the staff is much lower in the country towns than in the cities, it is clear that the small business has need of the most careful consideration.

(Sgd.) EDWD. S. REYNOLDS,
Managing Director of A. Reynolds, Ltd.

VI. General Waste Materials Reclamation Trade.

(20)—Statement submitted by The Waste Paper Merchants' Association.†

Before we place in front of you our detailed views on the working of the Trade Board Acts, we desire to make it quite clear that this Association is not antagonistic to Trade Boards, but, on the other hand, is of opinion that with alterations, and, in fact, complete reconstitution, with due consideration to the views expressed in the following, that they, the Trade Boards, can be, and we hope they will be, so reconstituted that they can act with justice and equity to both employer and employed. We feel sure that with such a result attained, fewer, or, indeed, no industrial strife would occur, and this would be a great and worthy object to the everlasting benefit of the community.

Our trade, we contend, has never been, neither will we permit it to be, a sweated trade, the pre-war wages for women were 10s. to 14s. per week, whilst to-day the wages are from 17s. to 30s. per week of 48 hours. We are sure this rate of pay compares favourably with many other trades wherein the workers are much more skilled, our class of worker being mainly unskilled and of a low category.

We have to admit that at present we are not working at Trade Board rates, for the reason that the Waste Reclamation Trade Board of Great Britain have only recently sent their proposed schedule of rates forward to the Minister of Labour for signature. The schedule proposed has been and is the

† A statement setting out the special circumstances in which the trade is carried on in the South West of England and the difficulties anticipated as a result of the application of a flat national rate of wages in that area was submitted by the Plymouth and District Waste Material Association.

subject of many strong objections, mainly for the reason that a standard rate in place of a minimum rate has been proposed, and, further, that the voting was, we understand, Labour and Appointed Members "For," Employers' Section "Against." Such a decision cannot be called agreement but coercion, and should not be possible.

We desire to draw particular attention to the following points which, in our opinion, deserve the most careful consideration of your Committee.

Dealing with the complexity of Waste Materials Reclamation Trade Board (Great Britain), we give below details of the multifarious trades which have been grouped under this Board, and we intend to show that it is impossible for a Board of such a nature to deal satisfactorily and with equity and justice to either employers or employed in one schedule of rates of wages.

Here is the list of Trades:—

1. Scrap Iron and Metal Merchants (including Shipbreakers and Dismantlers).
2. Woollen Rag Merchants (for Textiles).
3. Rag Merchants (including Small Dealers).
4. Marine Stores (including Rag and Bone Shops).
5. Waste Paper Merchants and Exporters (including Small Collectors).

A comparison of each trade in relation to that of our own, namely, Waste Paper Merchants and Exporters, will, we think, you will admit, prove our contention.

Number 1.—The Scrap Iron and Metal Trade has no connection whatever with our own. The workers employed in it are skilled, particularly those employed as Shipbreakers and Dismantlers. The work is heavy, and, further, there are few, if any, women employed.

Number 2.—Woollen Rag Merchants deal chiefly in new clippings for the Yorkshire trade. The trade is centred in Yorkshire. The workers are skilled, and they are particular to that county. No connection whatever with our trade.

Number 3.—Rag Merchants deal with all classes of old rags, garments, industrial waste, and some clippings, which they send to Yorkshire to be re-handled. They do not act as Waste Paper Merchants, but as between Marine Stores and Waste Paper Merchants they are the medium of transfer to that trade, disposing of such material unsorted.

Number 4.—Marine Stores deal in any domestic and industrial waste usually associated with small shops, wherein the owner is very often the sole worker, the sorting of the goods being done over the counter as taken from the scale when purchased, such sorting being quite superficial. The connection of a marine store with our trade is purely that of a receiving centre for disposal in bulk to the rag merchants or waste paper merchants.

Number 5.—Waste Paper Merchants and Exporters deal in waste paper only, sorting, preparing and packing this material for British, Continental, and American mills. This trade has very little in common with the first four, their connection being so slight as to be practically negligible.

The most particular work in our trade is the sorting or separating one class of paper from another. It can therefore be claimed to employ mainly unskilled labour; certainly the lowest category of labour is employed. The value of our goods in comparison with the other four sections is undoubtedly the lowest. The work is very light but very regular, and we therefore claim that our trade should have special consideration in regard to the wages to be paid by a separate Trade Board, or a special section specially appointed to deal with the peculiar conditions which prevail in this trade as compared with the other four sections. We also consider that there is a great deal of inequity, and that it is manifestly very unfair for a Trade Board to fix rates of wages for the wholesaler and also for the retailer under the same schedule, or vice-versa. Each section of trade should have its own section of a Trade Board, and we therefore suggest:—

That small divisional Boards be set up in connection with the main Board to fix rates of pay and working conditions suitable to the sections of trade the divisional Board represents. Their decision may or may not be subject to the veto of the main Board, or, alternatively, that the Board be reconstituted entirely.

The Power of the Appointed Members.

We understand that the appointed members were originally nominated by the Board of Trade to act as conciliators, but according to our experience and knowledge of the working of the Waste Materials Reclamation Trade Board (Great Britain) the method of voting forces them into the position of arbitrators. As an instance we would mention that when a vote is to be taken (except it be an agreed decision) equality of members on each side must be obtained excluding the appointed members and chairman. Consequently it is the vote of the "Appointed Members" which decides every time and as a result each side uses their time in endeavouring to make the appointed members approve of their views and give them their support. In the case of the Waste Materials Reclamation Trade Board it appears to have been impossible for the employers' section to do this by reason of the fact that the two appointed members are collegians holding, we maintain, purely academic views based upon theory and not as it ought to be upon actual knowledge and practice of the trades upon which they are called upon to give a fair decision. From the information given to us it appears that the appointed members have a strong leaning in favour of the labour representatives and it cannot be expected that justice and equity or agreement can possibly be obtained through biased views.

We therefore have to propose that there be only one appointed member and that he shall be the chairman who shall act in a judicial capacity only. The appointment should not be academic and we suggest that suitable chairmen should be found in the following professions: Barristers, Solicitors, Actuaries and Chartered Accountants.

The chairman's decision should be binding, but subject to the confirmation of the Minister for Labour to whom objections or appeals should be addressed and to whom should be given the usual powers of confirming, declining to enforce, or referring back after due consideration. Voting could be dispensed with.

The Latitude allowed to Labour Representatives.

The Trade Board is supposed to consist of an equal number of employers' and workers' representatives in the trades, and two, three or four appointed members. In actual practice the workers are represented by professional trade unionists without the slightest knowledge, we believe, of the trades, their ability to pay the rates of wages, or any knowledge of the working or the economic conditions of the trades upon which they affect or attempt to lay down rates of wages.

It is common information that some of these workers' representatives sit on several boards.

We are firmly of opinion that it is impossible for any man to do justice between employer and employed unless he has specific knowledge of the fundamental conditions and actual practice and methods of the trade for which the Trade Board is set up.

No employer of labour would think of doing such a thing, as such a course would be fatal to his business and he would know he could not do justice. It simply means that such individuals are professional Trade Board members and worthy "jacks of all trades but masters of none." Such a thing cannot be good for the Trade Boards on which such members sit for the reason that their arguments must be biased by the views expressed in Trade Boards governing trades probably quite antagonistic and distinct from one another.

We therefore propose, "That no individual can be a member of more than one Trade Board and that only those with a knowledge of the particular trade should be appointed on either side."

Lack of Elasticity.

At present the methods employed are as follows:—

First the Board meets and after consideration propounds a schedule of rates of wages to be enforced.

Secondly.—A notice must be sent to every employer in the trade giving full particulars of the proposals which must be exhibited in his works.

Thirdly.—Two months are allowed for objections to be lodged with the Minister for Labour by either side.

Fourth.—The Board meets to consider the objections and finally decides to recommend the Minister for Labour to sign and make the rate operative which decision is duly published.

Five.—A month is allowed for further objections and consequently over three months and in fact nearly four months expires before a rate can be operative. This, of course, cuts both ways, but it is not equitable, changes may have taken place in trade, altering the whole aspect and positions as compared with conditions ruling at the time of the first proposal.

This point, is just as important to the worker as it is to the employer, as, in the event of a change taking place it must be recognised that the objection on either side would carry great weight with the result that the Minister would feel justified in returning the schedule to the Board for reconsideration with the natural consequence that the whole business must be gone over again. Therefore, logically it is possible for the life of a Trade Board to be spent in sending out proposals without getting one into operation. Our own Trade Board is a typical instance of this, it has been sitting for 16 months and yet finds that the objections to the proposed rates are so strong that they will most probably be referred back for revision. We therefore suggest:

That the Board having decided a rate, a short period be allowed for objections. The objections be duly considered and the Board have the power to revise the rate up or down as the facts may warrant and return to the Minister for confirmation and operation within 14 days. All rates should apply for a period of three months only, and that notice be given at the end of the second month that the Trade Board will meet on a given date in the third month when all objections to continuance of the then existing rates would be considered and all applications for revision, alteration or addition to the rates would also be decided. Such decisions or revised rates, if any, to be published and become operative as from the first week of the month following.

How the Proposed Rates affect our Trade.

With the impending imposition of uneconomic rates it has been impossible for us to contract forward as

is usual in our trade, as, should the rates come into force, there is no possible doubt that the trade would be financially ruined.

It has been particularly noticeable during the last few months that even the possibility of such rates as have been proposed has caused many employers in our trade to make an endeavour to protect themselves against the financial position which would undoubtedly follow with the incidence of such rates by re-arranging their staff and introducing a younger element to enable them to meet the rates when enforced without being absolutely ruined.

In our opinion many a good but slow worker will be penalised by the enforcement of such a schedule as has been proposed, and we think the evidence which we have mentioned as a positive fact is substantial confirmation of this; we are convinced that the rate which has been proposed is not a minimum but a standard rate and that it is actually impossible to bear.

We would remark that there are many other more skilled trades which are not called upon to pay such rates as our Board are attempting to fix.

We are of opinion and strongly maintain that it would be wise to reconstitute the Board entirely as follows:—

Chairman with judicial powers,

Three employers,

Three actual workers not in employ of above,

to form a court or tribunal, or divisional section of the Main Board, and to be subject to the veto of the Main Board as detailed by us earlier in these notes. We would also make it possible for evidence to be given or demanded by this Board from employers, trade unions, employees or others interested, and, as we have already described the powers which we would recommend be given to the Chairman, it is not necessary to repeat the same here.

Our reason for suggesting a small Board is that the present one is far too large and unwieldy; wiser men than us are in favour of small numbers for weighty and speedy decisions, and in support of this view we would remind you that not so long ago the Premier stated, we think it was in connection with the coal strike, "That with six we can get sense but with sixty we get madness."

Finally we desire to add that in view of the existing conditions it is in our opinion to the mutual interests of both employer and employed that the operations of the Act in so far as the present proposals are concerned should be deferred for a period of at least three months and preferably six months and shall then be reconsidered on the basis of the conditions then existing. We have sound reasons for recommending this course; they are: the financial instability of the trade following the terrible slump and the consequent inability of the trade to pay wages above subsistence rate, the present wages being quite fair, and the workers have expressed themselves quite satisfied with both the wages and conditions which apply.

For the Waste Paper Merchants' Association.

(Signed) P. N. RISKERY.

VII. Grocery Trade.

- (21) Memorandum submitted by the Wholesale Grocery, Provision and Allied Trades Employers' Association, 72, Robertson Street, Glasgow, and the Scottish Federation of Grocers' and Provision Merchants' Associations, 6, Castle Street, Edinburgh.

These two organisations together represent the entire body of wholesale and retail traders in groceries, provisions, tea, sugar, and eggs throughout Scotland. They nominated respectively the wholesalers' and retailers' representatives on the Grocery and Provisions Trade Board (Scotland), which nominations were duly accepted and confirmed by the Minister. They have been in close touch with

the proceedings on the Board from the beginning until now, and have together provided the link between the Board and the general body of wholesale and retail traders throughout the country. They are therefore in a position to submit an authoritative statement of the views of the trade generally, as well as of those of their representatives on the Board.

They desire respectfully to submit the following representations for the consideration of the Committee:—

ESTABLISHMENT OF BOARD.

1. The Board was established by the Minister on 1st November, 1920.

STATISTICS.

2. The number of businesses coming within the scope of the Board's orders is believed to be about 16,000, of which about 15,000 are in the retail section of the trade, and about 1,000 are wholesale establishments.

The number of workers under the jurisdiction of the Board is reckoned to be about 60,000, of whom

- about 3,000 are employed in "multiple" shops;
- about 8,000 are employed with co-operative societies, and
- about 49,000 are employed by the "private" traders, retail and wholesale.

The employers' side consists of 26 members, of whom

- 14 represent the retailers,
- 9 represent the wholesalers, and
- 3 represent the co-operative societies.

FIRST MEETING OF BOARD.

3. At the first meeting of the Board, held on 24th, 25th, and 26th November, 1920, rates of wages applicable to all workers in the trade, without distinction as to the class of work done, were proposed. These rates ranged from 15s. per week at the age of 14 years, to 72s. 6d. per week at 24 years, in the case of male workers; and from 12s. per week at 14 years, to 55s. per week at 24 years, for women workers.

EMPLOYERS' POSITION.

4. For various reasons, the rates proposed were not satisfactory to the trade as a whole; and in order to make the position quite clear it is perhaps desirable to state the circumstances under which the employers attended the first meeting of the Board. They had not had the opportunity of consulting together at any time prior to the meeting of the Board. The wholesalers and the retailers met each other for the first time immediately before the Board was opened, and saw the co-operative representatives for the first time at the Board itself. Most of the individual employers had no knowledge of the wages paid in the trade apart from those which they themselves paid to their own employees. Most of them, likewise, had had no experience of any kind as regards "collective bargaining" in the matter of wages, and few of them had ever seen, or had any dealings with, any trade union official.

Under these conditions, the employers found themselves unable to present any adequate statement of their case, with the result that the rates proposed were accepted as being the best that could be obtained for the time being.

PREPARATION OF EMPLOYERS' CASE.

5. The employers were, however, convinced that these rates were higher than the trade could possibly bear as a whole, and that if ultimately they became effective they would involve nothing less than disaster equally to the employers and the workers; and they, therefore, immediately after the meeting of the Board, set about collecting the material for the case which they intended to submit, for the first time, at the next meeting of the Board.

SHORT ACCOUNT OF BOARD'S PROCEEDINGS TO DATE OF LAST MEETING.

6. The objections taken to the proposals were chiefly on the grounds that they—

- (a) did not discriminate between the skilled and unskilled workers;

(b) did not allow for the varying conditions in the trade, as, for example, between the large city emporium and the small country store;

(c) the rates proposed were based solely on the age qualification, without regard to ability or experience; and

(d) the rates proposed for women were too high relatively to those proposed for men.

7. The objections received to the Board's proposals during the statutory period of two months were considered at a meeting of the Board held on 16th March. They numbered 2,396, and in view of this number it was decided to appoint a committee of the Board to go into the whole question in the light of the objections, and to report to the Board at a subsequent meeting.

8. The Committee reported to the Board at the meeting held on 20th, 21st, and 22nd July, and its report was favourable to the recognition of the principle of differentiation between skilled and unskilled workers, and also to the recognition of experience as a factor in the wages scales. The report was unfavourable as regards the provision of separate rates for different parts of the country, and it did not deal at all with the question of the relative proportion of women's wages as compared with those of men.

9. At the meeting of the Board held in July the employers had for the first time the opportunity of putting before the Board a properly reasoned statement of their views, and did so with some success. At that meeting proposals were adopted by agreement between the two sides providing for the division of Scotland into two areas, the first and higher area comprising the cities, towns, and burghs whose population was not less than 5,000, and the second and lower area the places under that level. The proposals also made provision for separate rates for (1) shop assistants, wholesale warehousemen, and clerks, these classes being recognised as skilled workers; and (2) porters and other unskilled workers. The women's rates were fixed (as regards the higher ages) at substantially two-thirds of the rates proposed for male workers. The range of the rates is set out below:—

—	Ages.	Area 1.		Area 2.	
		s. d.	s. d.	s. d.	s. d.
Skilled (Males) ...	16 to 25	15	0 to 57	6	14 0 to 52 0
" (Women)...	16 to 25	14	0 to 40	0	13 0 to 36 0
Unskilled (Males)	16 to 25	13	6 to 52	0	13 0 to 47 0
" (Women)...	16 to 25	13	0 to 36	0	12 0 to 32 0

It may be pointed out that the rate 57/6 for the skilled male worker of 25 years of age in Area 1 is precisely equal to the 72/6 rate proposed in November 1920, making allowance for the fall in the Board of Trade Index Figure from 276 to 220.

10. It should, however, be explained that it was agreed by the Board that, in view of the fact that the rates proposed would probably be in operation from January to June 1922, account should be taken of the position as it was likely to be in March 1922, the half-way stage of that period; and, accordingly, it was agreed that the adjustment should be made on the basis of an anticipated Index Figure of 200. The margin of 10 per cent. over the rate so arrived at, which was allowed for in the wages actually fixed, is regarded as a provision for the improvement of the standard of living of the workers.

11. These rates are considered by the employers—and presumably also by the Appointed Members and the workers, since they were carried by agreement—as being on the whole reasonable, and as fair as possible to both sides, and we think it may be claimed for them that they—

- (a) make some allowance for the essential difference between a Trade Board wage and a standard wage; and

- (b) make provision for a progressive allowance for the improvement of the standard of living.

12. The Board met on 26th October to consider the objections which had been lodged against its amended proposals. These numbered 119, of which 106 came from employers and 13 from workers. In view of the fact that the objections did not raise any new question which had not already been fully and exhaustively discussed, and considering also that they were comparatively so few in number, the Board felt justified in concluding that its proposals had met with the approval of both sides as a whole, and accordingly the rates were confirmed as they stood; and were submitted to the Minister with the suggestion that they should come into force on Monday, 2nd January 1922.

GENERAL STATEMENT OF EMPLOYERS' VIEWS.

13. It will be apparent, we hope, from the foregoing brief statement, that we have endeavoured consistently and sincerely to deal fairly with our workers all through these negotiations, and our aim has constantly been to make the Trade Board an instrument of good, and to use it for the benefit of the trade as a whole, both employers and workers. We consider that in this we have, after a long and arduous struggle, been successful to a certain extent; but we are equally convinced that the settlement we have arrived at, satisfactory as it is up to a point, is acceptable to and workable by only the larger and more prosperous businesses in the trade; and that for many of the smaller and less prosperous employers and their workers it will mean difficulties and hardships which will become increasingly apparent when the new conditions actually become effective.

We think it advisable that in submitting our evidence to the Committee we should make it quite unmistakably clear that the considered attitude of the trade generally throughout Scotland towards the Trade Board is that machinery of this kind for the regulation of wages in the trade is neither required nor desired; and the experience of the employers' representatives on the Board leads them to give their strongest support to that attitude.

The stated reason for the establishment of the Board is that "no adequate machinery for the effective regulation of wages exists in the trade." But in our view the fact that no such machinery existed is in itself the best and strongest evidence that the necessity for it had never been felt; and this is in entire accordance with our own experience as employers, having an extensive and intimate knowledge of the circumstances of our employees. The conditions in the grocery trade are not in any way comparable with those in the "sweated" trades, and the workers in the trade may be considered as being in every way capable of looking after their interests. Recourse to the ordinary organised method of dealing with wages questions, by the instrumentality of the Trade Unions, has been open to them for many years, and the fact that of the 60,000 employees in the grocery trade in Scotland not more than 10,000 are in the Unions is further evidence that the conditions of their employment generally are not such as to give rise to any acute feeling of discontent. Wages disputes in the trade have been infrequent, and strikes practically unknown.

We desire also to lay stress on the fact that the machinery of the Trade Board entirely changes the basis upon which wages have in the past been paid. From our experience on the Board we have a very acute sense of the many difficulties attending the construction of suitable rates, and we quite realise that in any scheme of standardised wages the age qualification must of necessity be the primary basis, for the sake of simplicity. But the older, and in our opinion the better, method, which has been followed in the grocery trade, has always been to pay wages according to the ability of the employee, and to the value of the services rendered; and the matter of age has only been a secondary and incidental consideration.

That in our view was by far the better method, because it provided the right incentive and the due reward to the worker of ability and aptitude, and thereby maintained at a high level the standard of efficiency in the trade. The effect, on the contrary, of instituting fixed rates of wages through the Trade Board, with the inevitable consequence of raising the standard for the less efficient workers, must necessarily be to bring about a more or less corresponding reduction in the wages paid to the more efficient workers. This result, with its consequential effect in lowering the general standard of efficiency, must, it appears to us, ultimately prove detrimental to the well-being of the trade; and with a full sense of our responsibilities as employers, and with a very strong personal interest in everything that affects the status of the trade, we are bound to say that we regard the outlook for the future with concern and apprehension.

REQUEST FOR REPEAL OF 1918 ACT.

The trade as a whole, with every respect for the opinion of the Minister, disputes with every possible emphasis the implied contention that the conditions as regards wages in the trade in 1920 were such as to call for the establishment of the Board, and desires to express in the strongest possible terms its hope that it may be practicable to repeal the Act of 1918, or to exclude the grocery trade from its application.

APPEAL FOR SUSPENSION AS ALTERNATIVE TO REPEAL.

14. If in the judgment of the Commission the repeal of the Act is not an immediately feasible proposition, we would urge that, having regard to the special circumstances of the present time, it is at any rate desirable that its operation should be suspended, pending the return to more stable economic conditions. The employers in the grocery trade have not been fortunate enough to escape the consequences of the world-wide disturbance and unsettlement resulting from the war, which have been so acutely felt in every industry in the country. During the period from November, 1920, until now, the trade has had to suffer very severe losses—losses so serious as to have brought the whole trade into a very precarious and even dangerous financial position. It cannot be said that the prospect for the near future, so far as we can foresee, holds any promise of less difficult conditions; and those of us who have the responsibility of conducting important businesses, upon whose prosperity considerable numbers of persons are dependent for their livelihood, feel that our greatest need at the present time is to be allowed to devote our whole attention to the task of bringing these businesses safely through these troubled times; and without the distraction of having to deal with new conditions which at the very least must necessarily involve some modification of the relationship which has hitherto existed between our workers and ourselves.

We urge the suspension also on the equally important ground of national economy, and in accordance with the declared and obvious necessity of reducing the national expenditure wherever possible. Our reckoning is that it has cost in all not less than £3,000 to bring our Board to the stage at which it is to-day. The cost of other Boards can hardly have been less, and in some instances known to us it must have been far greater. In our opinion the money might have been spent to more useful purpose in other directions, or, better still, not spent at all.

SUGGESTIONS FOR IMPROVEMENT OF MACHINERY.

15. If it should be decided by the Committee that as against the alternatives of the repeal or the suspension of the Act, the Trade Boards are to continue their work without interruption, we ask permission to offer some suggestions, based on our experience, which would, in our opinion, help the Boards to carry out their task with greater success. These are as follows:—

- (1) *The First Rates*.—In the first place, we would suggest that in the case of new Boards there should be a general recommendation made

to the Chairman and the Appointed Members that the utmost latitude should be allowed, and the utmost patience shown, in the discussions which precede the fixing of the first rates. Bearing in mind that, as in our own case, the employers are probably confronted with problems of an entirely novel character, and are probably utterly unused to dealing with the questions involved in collective bargaining with regard to wages, it is of the greatest importance, if costly mistakes are to be avoided, that every opportunity should be given to both sides to explore the whole ground thoroughly, having regard to the fact that the first rates fixed are the most important of all, inasmuch as they form the basis upon which all subsequent settlements must rest.

- (2) *Bargaining.*—Secondly, we desire to invite the Committee to express its opinion with regard to the process of "bargaining," which has apparently become the prevalent practice in the Boards. This is a method of procedure which has always appeared to us to be highly undesirable, and which has the effect of imparting to the discussions an atmosphere of unreality which is the reverse of helpful in arriving at a satisfactory settlement. It seems, for example, to be rather an absurd and futile and unbusinesslike proceeding for one side to offer a rate of 40s., and the other to demand a rate of 80s., when the figure which is really in the minds of both sides as a reasonable rate is somewhere in the neighbourhood of 60s.; and that figure ultimately arrived at, more or less, by the appointed members performing the simple operation of "splitting the difference." The danger involved in the practice is that where a side attempts to approach the question of rates from a different and more businesslike angle, it is apt to be punished for its temerity in thus departing from the recognised tradition of the Boards. We are firmly of the opinion that the practice is essentially bad, and prejudicial to the efficient discharge of the duties of the Boards; and if the Committee agrees we feel that the expression of its opinion would probably have the desired effect in putting an end to the practice.
- (3) *Appointed Members.*—We also desire respectfully to offer a suggestion with regard to the composition of the bench of Appointed Members. We are in entire accordance with the idea that the Chairman should possess legal knowledge and qualifications, and thus be able to bring the judicial type of mind to bear on the questions and arguments submitted to him. We also agree that where women form a considerable proportion of the workers in the industry, it is essential that one of the Appointed Members should be a lady who is interested in social and economic questions affecting the status of women. Our suggestion is that the third Appointed Member might appropriately and usefully be a gentleman possessing wide commercial experience, who would have first-hand knowledge of the general effect, from a business point of view, of proposals submitted to the Board, and who would be able to bring to the consideration of questions regarding wages something of the authority of an expert.
- (4) *Objections, and Duration of Rates.*—We wish also to submit that it would be of great advantage if wider powers were given to the Boards both in regard to the matter of dealing with objections, and also as regards the determination of the periods during which rates should be in force,

Under existing conditions it frequently arises that there is both on the employers' and the workers' sides a desire to give effect to some of the representations made to the Board by means of these objections, but both sides are deterred from carrying out their intention because of the circumstance that the effect of their action would be to bring about the necessity of re-advertising the whole proposals, with the consequent additional expense, and the further unsatisfactory two months' delay. Our suggestion is that in such a situation it should at least be within the province of the Board to put forward to the Minister the submission that in its view the amendment made is not such as to necessitate the re-advertisement, and leaving it to the Minister to exercise his discretion as to whether the Board's recommendation should or should not be acted upon. Similarly, we think that it should be permissible for a Board to recommend that, having regard to any exceptional economic conditions prevailing, as in fact they do at the present time prevail, it is expedient that the period during which a rate is to be operative should be shorter than the present statutory period of six months.

- (5) *Side Voting.*—We venture also respectfully to ask the Committee to recommend that the principle of side-voting should be adopted by the Board, in place of the practice at present prevailing of reaching decisions by means of the individual vote. The exercise of the single united vote by the side as a whole appears to us to be in entire agreement with the generally recognised democratic principle of majority rule, and in our opinion it requires no other or further justification. All sides, whether employers or workers, are made up of individuals representing more or less divergent interests, which in practice it is impossible to reconcile on every question of importance, and at the present time it is possible for even one member of a side, who holds a view in strong opposition to that of every other of his fellow-members of the side, to secure their defeat by joining his vote to those of the opposite side. We consider that such a power should not properly be in the hands of any single member or any minority of a side, and that where important questions of principle or policy have been discussed by the side, and a decision arrived at, that decision should be equally binding upon all members of the side.
- (6) *Co-operative Societies.*—We wish to call the special and urgent attention of the Committee to the anomalous position occupied by the representatives of the co-operative societies on the Board, and to ask respectfully that a recommendation should be made to the effect that these representatives should be withdrawn from the Board. This request is put forward by us entirely on the ground of the principle involved, and without reference to any question of the personal relations existing between the co-operative members and the other members of the employers' side. We have the highest esteem for, and the friendliest relations with, our co-operative colleagues on the Board; but at the same time we are most decidedly of the opinion that their presence on the Board at all is entirely wrong in principle.

It is no doubt true, as has already been admitted by us, that "no adequate machinery exists for the effective regulation of wages" in the "private" section of the trade: but that condition certainly

does not apply to the co-operative societies, which, on the contrary, are highly organised both as employers and also on the workers' side. They have District Wage Boards and Central Wage Boards, which discuss and settle all questions regarding wages which arise between them and their workers. They have therefore no direct interest whatever in the rates of wages fixed by the Trade Board, and the wages so fixed do not affect them in any practical manner in the very slightest degree. Their position on the Board, therefore, is simply that of spectators, or that of additional Appointed Members, whose presence adds a further complication to a task which is already quite sufficiently complicated. Without any responsibility for the protection of any interest of their own in the discussions of the Board, they are in effect in the position of being arbiters on the wages to be paid in the trade of which they themselves constitute only one-eighth part, and actually wield a power of control over those wages greater than is possessed by the private employers who represent the other seven-eighths. Such a position appears to us to be wholly unjust, and if our Board is to be continued we hope a remedy may be found in the withdrawal of the co-operative element from both sides of the Board. As compared with the private section of the trade, the conditions under which the co-operative societies carry on their business, their relationship with their customers, and the working conditions of their employees, are all on an entirely different footing, and little or no analogy exists between the two sections of the trade. Under these circumstances and for the reasons given, we are strongly of the opinion that the co-operative representatives are not properly qualified to occupy the position which in effect they do occupy of being the judges of the appropriate rates of wages to be paid by the private employers, whose interest in the trade is by far the preponderating interest, to their own employees. We venture to hope that this view will commend itself to the Committee as being entirely fair and reasonable, and that the Committee may consider it fitting to make a recommendation in conformity therewith.

- (7) *Composition of Board.*—We ask leave also to add one or two suggestions with regard to the composition of the Board:—

(a) *Reduction of Personnel.*—We think it would be of decided advantage, from the point of view both of efficiency and economy, if the number of members were reduced to a total of 27, i.e., 12 members on each side, with 3 Appointed Members instead of the present membership of 55. The Prime Minister himself has borne very vigorous testimony to the effectiveness of small bodies in getting things done; and by virtue of our own experience we have the strongest reason for sharing his view, as progress towards a settlement on our Board was only achieved as a result of the appointment of a small committee of six members from each side, acting with the Chairman. By this means we get rid of the "speeches" which constitute more or less an obstacle to the emergence of a satisfactory arrangement, and are able to settle down quietly to the discussion of

practical questions in a business-like way.

We quite appreciate that the purpose of the Minister in appointing 26 members to each side was to secure the due representation of every important interest in the trade, but we are convinced that this condition can be satisfied no less effectively by the smaller number suggested by us; while the gain as regards economy is obvious.

- (b) *Limitation of Proportion of Professional Representatives.*—We

suggest also that in order to preserve the true character of the Board as a conference between employers and workers actually engaged in the trade, it is desirable to place a limit on the number of professional representatives on both sides; and our view is that this element should be restricted to not more than one-sixth of the total number of members on each side.

- (c) *New Members.*—While we have no desire or intention in any way to invade the province of this Minister, we think that the names of new members of the Board might appropriately and with considerable advantage be submitted to the Chairman of the Board before the appointments are confirmed by the Minister.

- (8) *One Board for Distributive Trades.*—We understand that the suggestion is being made in some quarters that it is desirable that all the distributive trades should be brought together within the scope of one single Trade Board. We are unable to share this view, and we do not consider such a scheme to be in any way practicable. If the Trade Board system is to be continued, we are of the opinion that the duty of fixing wages for any particular trade may best be entrusted to the employers and workers actually engaged in the trade concerned. As employers whose interests are wholly centred in the grocery trade, we do not feel competent to contribute usefully to the settlement of rates of wages appropriate to other trades, nor should we consider that employers and workers in other trades were any better qualified to fix wages suitable for our trade.

The Scottish Grocers' Federation desires to refer to some further questions which more specifically affect the retail side of the trade:—

DEFINITION OF "GROCER."

1. We wish in the first place to suggest that the definition of the term "grocer" adopted by the Minister is in some respects defective; and we think it would be of considerable advantage if it were remitted to the Board to furnish an amended and simplified definition of its own for the approval of the Minister. It appears to us that this duty which might with the utmost propriety be entrusted to the Board as the representative of the trade which is itself most directly concerned in the provision of an adequate and correct definition.

The definition existing at the present time brings within the scope of the Board all shops in which the principal business done is other than that of dealing in groceries, but in which 12 or more of the articles specified in Schedule 1 are sold in the shop or in any department thereof. It is therefore possible for traders whose main business lies in other directions to

sell 11 articles, which may be 11 of the most important articles constituting the business of the grocer, and yet be free of all the restrictions and responsibilities imposed upon the actual members of the trade by the Trade Board. This position appears to us to be manifestly unfair and unreasonable, and we venture to hope that the suggestion which has already been put before the Minister by the Board to the effect that the number of articles thus dealt in by other traders should be restricted to five, will meet with the sympathetic consideration and support of the Committee.

LIMITATION OF HOURS OF BUSINESS

2. *Sunday Trading*.—We also desire to suggest that the powers which under existing conditions are vested in the local magistrates, to fix and limit the number of hours during which the shops engaged in the trade may be open for the transaction of business, should be transferred to the Minister; and that it should be within the scope of his functions to institute and enforce a Closing Order, upon the application or the recommendation of the Board. It appears to us that the limitations on the freedom of those engaged in the trade, which are necessarily imposed by the Board through its Orders, should in fairness be equally applicable to all its constituent members, whether or not they are "employers" in the legal sense. The provision which we suggest is in our view absolutely necessary for the protection of a considerable number of traders, owning small businesses, who would otherwise be subject to unfair competition on the part of their more fortunate neighbours; and also in order to curtail Sunday trading, the extension of which we note with grave concern.

FAMILY EMPLOYMENT.

3. We wish also to suggest further, and for the same reason, that in the case of businesses which are carried on by the owners by means of labour supplied by a member or members of their own families, there should, in default of a definite contract of partnership, be a presumption that the ordinary relations of employers and employed subsist, and that the Orders of the Board should in all respects accordingly be applicable to such businesses.

SPECIAL PROVISION FOR SEASIDE RESORTS.

4. We consider that it should be within the power of the Board to make, or to recommend to the Minister to make, special provision to meet the special difficulty of those traders whose businesses are situated in localities which are subject to very considerable "seasonal" fluctuations in the volume of their trade, as in the case of traders in popular seaside and other holiday resorts. The strict application of the conditions attached to the Orders of the Board, without relaxation of any kind, would undoubtedly press with undue hardship upon such traders and their workers; and we are of the opinion that it would be in the best interests of both sides that some adjustment should be made to meet the special requirements of their position. It would, in our view, be a matter of no insuperable difficulty for the Board to devise by agreement a scheme which would operate with fairness both to these employers and their workers, and equally with fairness as between these employers and the general body of their fellow-employers throughout the country. We think the case might be met by broadening the exemption powers of the Board under Section 5 (3) of the 1918 Act.

CONCLUDING STATEMENT.

5. We desire finally to express our sincere and well-founded conviction which it appears to us we cannot emphasise too strongly that in view of the great complexity of the grocery trade on its distributive side, and having regard equally to the great variety in the classes of workers, which are very imperfectly provided for by the broad system of classification which it has been necessary for our Board to adopt, the Trade Boards Acts, however appropriate and effective they may be in their application to manufacturing trades which are confined within a certain more or less limited and well-defined compass, is by no means equally susceptible of application to our trade, with all its many ramifications. We venture therefore to hope that it may be possible for the Committee, as the outcome of its deliberations, to decide that it is desirable, if not that the 1918 Act should be repealed, that at any rate the grocery trade should be excluded from its operation; or failing this, having regard to the particular exigencies of the times, the whole system of Trade Boards may be suspended until economic conditions have returned to something approaching normality.

Reference has already been made to the expenses incurred both by the Government and the trade itself in bringing our Board to its present stage—expenses which in our view are not in proportion to the results which have so far been attained. It appears to us that there is little prospect of the expenditure being diminished to any important extent, apart from the economy which we have ourselves suggested in the proposal for the reduction of the personnel of the Board. The expenses of the administration of the Orders of the Board would probably be found to be not less great than the expenses of their preparation, especially if an adequate system of inspection is to be instituted, as we believe will be necessary. We have, naturally, a high conception of the honour of the trade, but we are afraid it may be necessary for us to admit that there may be in our trade, as in all other trades, a certain number of employers who will obey the regulations of the Board with less scrupulous care than the majority; and if the system of inspection is to be effective we think it will require to be considerably more thorough than the two per cent. proportion mentioned by Mr. Wolfe in his evidence before the Committee.

We are all, as employers, as business men, and not less as citizens and taxpayers, very earnestly convinced of the urgent and imperative necessity of the strictest economy in every direction during the present exceptionally difficult times. We suggest with all respect that this is not a propitious moment for an adventure into new experiments whose value as yet remains to be proved; and we venture accordingly to repeat the expression of our hope that it may be decided to suspend the operation of the Act for a time, as an alternative to the repeal of the Act itself, if the latter course should not be immediately practicable.

But if, on the other hand, it is decided, as the result of the labours of this Committee, that the Trade Boards are still to continue their work, we are strongly of the opinion that the adoption of the various suggestions which we have put forward in the evidence submitted would have the effect of making our Board and other Boards much more efficient instruments than they are at the present time; and would give them the opportunity of rendering a much greater and more valuable service, not only to the employers and workers in the various trades concerned, but also to the nation itself.

(22)—Statement submitted by the Glasgow and West of Scotland Licensed Grocers' Association.

OPPOSED TO TRADE BOARD.

The licensed branch of the grocery trade has all along been opposed to the principle of a Trade Board for their business. They originally understood that they had satisfied the Minister of Labour (Sir Robert

Horne) that the licensed trade, both off and on branches, should be exempted from the Trade Boards Act and indications were given by the Ministry of Labour that the case for exemption was all right. Through some influence or for some reason

not disclosed to this Association the proposed exemption appears to have been rescinded or at any rate reconsidered. The circumstances which impressed the Ministry of Labour in favour of granting exemption exist to-day probably stronger than they did when exemption was recognised as appropriate.

PRINCIPAL ASSET OF LICENSED GROCERS' TRADE.

Until the last month or two the principal asset of the licensed grocers' business—bottled whisky—has been controlled in price, say, 12s. 6d. per quart bottle retail 30 under proof, the control price giving a margin of only 8½ per cent. or 1s. per bottle gross profit to the distributor, out of which all charges had to be met, rent, rates, and taxes, wages, &c. It is true that control ceased with the termination of the Board of Control (Liquor Traffic) and the Food Ministry on the 1st day of September, 1921, but the prices of the wholesale to the retail have been stereotyped at 11s. 5½d. per bottle 30 under proof same as during control and no change has been made since, although retailers have urged time and again on their wholesale merchants for an increased margin of profit, only to be told that such could not be granted during the continuation of oppressive excise duties, and their repeal or modification is in the distant future. These amounts on a bottle of whisky to 8s. 6d., the current retail price being 12s. 6d. as stated, and out of this 4s. margin the retail distributor receives 1s. for his share being 8½ per cent. only as before stated.

On the face of it how can a Trade Board fix minima scales of wages upon a trade whose whole principal item of profit is as stated. The retail licensed grocer has no bulk whisky trade. Minima scales of any kind on a trade with a nominal profit on its main item of sale obviously at once leads to unemployment. The retail licensed grocer must be left free to pay a fair and reasonable wage to his employees, accordingly, even the reduced scales now proposed by the Grocery and Provision Trade Board for Scotland as minima for male and female workers in the present circumstances must be regarded as minimalist.

PROVISION DEPARTMENT.

Other witnesses will speak more particularly as to the provision department, but even in that section the opinion of this Association is that there is no call for a Trade Board with its cast-iron conditions as to hours of labour and rates of remuneration.

HOURS FOR LIQUOR.

The hours of sale under the Licensing Acts are in Scotland as in England, eight hours divided into a forenoon and an evening session starting at eleven with a two hours' break after twelve o'clock. No one can say that that is other than an easy day for a shopman with only intermittent calls by customers for his attention.

HOURS FOR PROVISIONS.

The Shop Hours Act regulates the provision branch hours; generally speaking the shop opens at 8 o'clock and closes at 7 with two hours off, one and a half hours for dinner and half an hour for tea. There is also the compulsory weekly half-holiday which in Glasgow takes place on Tuesday from 1 o'clock, and this hitherto has operated in both sections, dry and liquor, i.e., the grocer closes his shop. That gives a working week of fifty-two hours. Employees are so far as the employers are aware satisfied with these hours. They are a great advance on what used to formerly prevail in the trade, and in the opinion of this Association they are fair and reasonable and give no ground for complaint. The employers are entirely opposed to the introduction

of any principle of overtime, or to any further shortening of the working week.

The Shop Hours Act and the Licensing Act are sufficient protection of a reasonable day's work, and it must be kept in view that while in towns seasonal trade may not be so pronounced as at coast and certain country holiday places, there are fluctuations, busy times at certain seasons, and slack times when customers are away in their summer quarters. Accordingly, a little extra pressure or an occasional half-hour's longer work at, say, the Glasgow Fair and at New Year season are more than compensated by the slack business and easy time during the summer months, particularly the months of July and August, during which employees get their own holidays of 10 to 14 days on full pay.

The nature of the employees' duties are obviously not onerous; parcelling up goods, noting down orders, and chatting to customers is not in any way comparable to the physical strain of a mechanic's or other industrial worker's day to which Trade Boards Acts apply. Besides, customers come and go mostly at certain hours, and for considerable sections of the day the employees are to all intents and purposes idle and resting, the very reverse of the conditions in sweated industries, which created the original outcry for some form of Trade Board for protection of workers.

WAGES.

As regards wages, it may be said that as a matter of fact the scales of wages proposed by the Grocery Trade Board as minima are more than exceeded in actual practice by licensed grocers, but then there is freedom of contract between master and servant. The employer can pick and choose his staff, and the employee his shop. The best men and the hardest workers get the best pay, and the incompetent and the slack are paid according to their merits. The cast-iron Trade Board wage would involve the discharge of such employees, and the retention of the best, mostly young and active, and it must be kept in view that there are many old employees and some not too robust, whose conditions are respected by the employer and who are paid on the basis of the services they render. These would all fall out under a cast-iron compulsory Trade Board scale. In short, it is to the mutual advantage of employer and employee that even on the question of remuneration there should be no Trade Board fixed scale.

NO STRIKES.

The remaining point that may be emphasised is the total absence of strikes in the licensed section of the grocery trade. There have been one or two exceptional instances of establishment disputes, but these resulted from special circumstances of the particular establishment, and were not of general interest to the trade, and did not extend thereto.

AMBITION OF EMPLOYEES.

The ambition of the ordinary intelligent, smart working licensing grocer's assistant is to ultimately get a licence for himself, and become a master, and the employers are recruited almost entirely from the more intelligent of their own employees.

NO PROPOSALS TO IMPROVE TRADE BOARDS.

So far as the Glasgow and West of Scotland Licensed Grocers Association is concerned, they are making no proposals for betterment or improvement of the Grocery Trade Boards, as they are utterly opposed to a Board in reference to their own business, for the reasons that have been emphasised in the foregoing Memorandum.*

* A statement relating to the Grocers' trade in Scotland was also submitted by the Scottish Provision Trade Association (an independent organisation), setting out general views on minimum wage legislation and criticising the proposals and constitution of the Scottish Grocery and Provisions Trade Board.

(23)—Statement submitted by the South Wales and Monmouthshire Council of Grocers' Associations.

1. THE WORKING OF THE ACTS.

A. Wages by reference to age.—The system of fixing wages according to age has led to a lack of

initiative in the standard of efficiency, and the results will have a far-reaching, adverse effect upon the trade. In the distributive trades especially the

position must inevitably put an end to the considerations of merit-efficiency and experience which should be paramount in the mind of the employer when offering wages to an employee. Inefficient workers will not trouble to make themselves efficient, and in certain trades many employers have become disinclined to take juniors and train them as learners—the same considerations applying to ex-Service men now anxious to become skilled in the trade. Our trade has its full complement of dull or slow workers, for such men are to be found in every grade of life, and these—many of them old men—are being dismissed. Although they are worth—and have been paid—a living wage, they are not worth the wages purposed by the Board. Such men are largely employed by the grocer, having sufficient business to employ one or two assistants, and the tendency of these employers to replace them by boys earning the lowest possible rate of wages—who in turn will be dismissed—unless exceptionally smart, when their birthdays remind the employer of the higher rate payable. This mode of fixing wages will make it extremely difficult for new-comers to enter the trade, as not only will they and also those thrown out of employment, not be worth the prescribed wage, but will be prevented by the Acts, from being paid less. The ranks of unemployed are not only in danger of being swelled, but any chances of employment which may now be existent in the trade will certainly be eliminated.

It is urged that human nature being what it is, such a system will tend to destroy ambition and lead to a lack of application on the part of the employer, and the inducements which hitherto have been held out to industry and ability will be almost entirely uprooted. The net result likely is that in the very near future the country will suffer from a more or less dead level of mediocrity and a serious shortage of skilled labour.

B. Person.—It was understood when the Board was constituted that the five appointed members were included for the purpose of protecting the interests of the consumer or general public. Although these members are very excellent social workers, and possessed of high academic qualifications, they have no trade covered by the Board nor of the practical technical or practical knowledge of the particular economic relationship of that trade to other trades. For such members to have within their hands the tremendous power which they possess, as constituting the majority on either the employer's or the worker's side of the Board as they think fit, is, it is submitted, unfair and unsound in principle. Experience, it is contended, has shown that the institution of such members is inexpedient, and that their functions have not been properly exercised.

C. Administration.—With regard to administrative matters, it has before been urged upon the Committee that "although the voting is quite independent, the workers always vote as a unanimous body, and that the result is that the interests of the whole of the trade may be placed in jeopardy by the vote of any single employer." This is unfair.

As to interpretation of the Board's Orders, the present practice of the Minister of Labour in giving gratuitous advice to the public is considered a wrong one and contrary to the principles laid down by the Legislature in other Statutes.

D. Classes of Trades.—It is submitted that the existing provisions of the Acts are utterly inadequate to provide for the peculiar constitution of the Distributive Grocery trade. In this district the retail trade is capable of being classified as follows:—

1. Co-operative Stores.
2. Multiple Stores.
3. Central Private Stores.
4. Outer Private Stores.

The last class includes a large number of shops which employ no assistants, and the owners of which are chiefly miners, who attend to the business of the shop after their seven hours per day at the colliery—their wives or children attending in the meantime. The nature and character of trade of each class above

named does not to any great extent vary. Many grocers are also bakers, and those who are not sell bread and sometimes confectionery. Some sell butchers' meat, and nearly all deal in millers' offals, cattle food, ironmongery, hardware, oil and colours, mats, rugs, cooked meats, wines and tobacco. Some, too, in greengrocery, china and glass, drapery, beer and spirits, patent medicines, fruit and vegetables, fish, game and poultry, and there are also those who also carry on post offices. On the other hand, other distributive trades sell the more saleable articles of grocery and provisions, and the competition of the many local street traders (who are free from the burdens of rent, rates, taxes and wages) is seriously affecting the local shopkeepers. It will be seen, then, that the trade is inseparably intermixed with other distributive trades, and if the Order includes many persons not within the trade, the inequality of footing of the competing tradesmen surely makes the application as it is at present both defective and unreasonable. The divergent awards of the Trade Boards for various classes of trades can only result in one "Trade Board being played off against another by ever-varying rates which have no relationship to the economic situation of the different sections of what is generally recognised as one trade," and it is contended that inevitable unrest and strikes will follow.

E. Bureaucracy.—A protest is hereby made against the continuance of the incurring of large costs in working such a scheme of Trade Boards which has proved itself, in our opinion, impracticable by light of the present-day circumstances. The national need for strictest economy well justifies the abolition of what has aptly been termed "a bureaucratic pest."

F. Hours.—The Board's proposal to apply to the trade a 48-hour week is a condition which cannot be fulfilled without doing great injustice to the consumer—the workers and the trade. "The needs of the consumers, and particularly those of the industrial classes of the district, cannot be properly provided for unless provision shops are open and facilities for purchasing supplies are available for at least 52 hours per week. The work of a grocery store cannot be satisfactorily carried on unless the hours of the staff synchronise with those during which the place is open for the serving of customers. Therefore to base a standard wage upon a 48-hour week for grocery employers is impracticable, and must court trouble for all concerned in the carrying out of any Order which may be made regulating conditions of labour in the trade." This district, impoverished and reduced by the coal strike and by extensive unemployment, cannot stand the burden of the proposed rate of wages, apart from the burden of overtime above 48 hours per week. The retailers' week at present averages from 52 to 56 hours.

It will be remembered that in an above-written paragraph (D) a class of trader is referred to who employs no assistants, and whose family attends to the business when the shopkeeper is following his regular employment of mining or other occupation. Within the Statutory limit, such shops are open at all hours of the daytime. If the proposed hours are established the central stores could not hope to compete with the class of trader whose shop is usually a converted house situate in a street of dwelling-houses, and to whom the local housewives may run with the assurance of finding an open shop.

The prevailing occupation of the district is mining, and owing to the hours at which the miner goes to and returns from work, at which he spends seven hours a day, the shopping for the family is done towards the late afternoon or early evening. This tendency to later trading will become still more acute when the miner returns to his eight-hour day. It may be parenthetically mentioned that in the opinion of the miner of this district, this change will take place in the near future. This has already been the experience of the tradesmen of Llanelly, where the tinplate workers have reverted to the eight-hour day. The Bakery trade will probably soon have a 54-hour week.

It is desired to point out to the Committee that in no branch of the distributive trade is a worker required to display the same degree of physical exertion or work under the same conditions as the work of the miner, tipler, chainmaker or steel worker involves.

A 48-hour week is entirely abnormal to the trade, and the minimum number of hours per week cannot be less than 52.

G. *Wages*.—As to the proposed scale of wages. The present proposals were issued in August, but the cost of living has since fallen from 122 in August to 103 at the present time—a drop of 19 points. If the precedent of issuing fresh proposals because of the fall in the cost of living is to be followed the obvious result will be that upon each material fluctuation new proposals, new objections and advertisements will have to be made. The proposals of August last, even if fair then, which to the South Wales area were not, certainly cannot be fair now.

Such a system as the history of the Board shows is not only cumbersome and costly, but defective in many material respects.

The proposed scale, it is submitted, even if found applicable in some districts, cannot be applied to the trade in South Wales. The wages of workers in trades dependent on the main local industries should bear some analogy to those of the workers of such main industries. In South Wales the chief industries are mining, metallurgy and shipping. The following shows the present and former rates of wages for miners and other colliery workers.

The large reduction in wages of the chief industries has its effect on traders by a corresponding or even greater reduction in the spending power of the people, and this results in a consequent reduction of a trader's turnover and an increase in overhead charges which are based on turnover. An illustration of low wages may be taken. At Messrs. Baldwin's Steel Works at Port Talbot the average wage is about £2 10s. per week for the ordinary occupations at the works, but out of this have to be deducted £1 1s. per week for rent, health and unemployment insurance and trade union's subscriptions, leaving about 24s. to 26s. for maintenance of the family. These figures are significant, inasmuch as the conditions of the mine workers—conditions of employment (*e.g.*, no work and no payment during slack times), the degree of physical labour involved in the work and the high state of the miner's organisations—greatly differ from those of the grocery worker. (The grocery worker is, of course, paid a regular wage during slack and busy times alike, and he is always regularly employed.) The whole of the proposed scale is greatly in excess of the scales of wages paid in the chief South Wales industry (mining), and this will certainly add to dissatisfaction amongst other workers. The miners' leaders have recognised that only increased production by the miner and reduction in the cost of producing the coal—which latter can be partly accomplished by lower wages in the industry—can reduce the price of coal and create the demand for British coal which brings in its train a host of results beneficial to the nation.

In fixing wages for all kinds of employment regard is had chiefly to the cost of living, and if an industry cannot bear the wages compulsorily imposed upon it the employers have either to close down or place the increased burden upon the article produced or distributed. This means that the consumer has to pay, and the result is that as each circuit is completed the cost of living again and again goes up. It is submitted that, particularly in South Wales, the trade cannot pay the proposed rate of wages at the present time owing to the low financial state of the grocers in that area.

"In an interview with a Press representative in London last night, Mr. Vernon Hartshorn, M.P., said:—'The coal industry was never worse. For the owner the situation is not much better this month than last, because there is no subsidy.'

"Take South Wales as an example. There are 20 grades of men, or 40,000 miners, entitled

to 6s. 5d. a day only. On an average they are working four days a week. They will receive £1 5s. 8d. a week. If they were unemployed and had a wife and four children they would get £1 9s.'"

It has been shown above that the wages of the chief industries are exceedingly low and families are living practically a hand-to-mouth existence, and the widespread unemployment—the effects of this last coal strike, which has left the trade and, indeed, the whole area, reduced and impoverished—the fact that many grocers parted with stocks upon the pledges of the Miners' Federation which are at present irredeemable—the heavy fall in prices of commodities and consequent forced cutting of losses—the nearly impossible burden of District and Poor Rates and other taxes (the rates—Poor and District—vary in most towns of the South Wales Area from 28s. to 35s. in the £. For instance, Pontypridd has a rate of 30s. and Bedwelty 35s. for the current half-year)—all join in weighting the depression now hanging so heavily over the trade. The imposition of the proposed scale will be the last straw, and ruin and bankruptcy—now perilously near—will descend with devastating force upon the trade, wiping out the smaller man, crippling the resources of the survivors, and spreading great unemployment.

Perhaps a comparison of the scale in a schedule issued in November, 1919, by the Shop Assistants' Union with the proposed rates will be enlightening, because the Assistants' Unions' demands rose to very much higher figures upon the constitution of the Board.

The following are extracts from the 1919 Shop Assistants' demands:—

Assistants:		16	20	21	28
Age.					
Men	...	24s.	40s.	45s.	66s.
Porters	...	...	40s.		

The trade positively cannot pay.

The following are some opinions on the industrial situation of South Wales which have appeared recently in the Press:—

"Mr. A. J. Cook, miners' agent for the Rhondda and a member of the National and South Wales Executives, in an interview expressed the opinion that the South Wales coal-field is within measurable distance of another general stoppage.

"The grave industrial situation in the coal-field," said Mr. Cook, "is that, owing to further notices being given, involving the closing down of more collieries in the Rhondda, the whole of the workers in the industry will be compelled to consider seriously the necessity of stopping work altogether. The men were hoping that with the wage down to the minima there would be more work and fuller employment for them at the collieries. There were also hopes that with larger sales the pits would soon be working full time, and this would bring an increased wage.

"What has happened is this: Buyers, having obtained coal at lower prices, are now withholding their orders for the purpose of forcing coal to lower values. The men now see that there is no hope of either higher wages or more work, and, knowing that they cannot earn sufficient to live upon when at work, they have to go further into debt to maintain any sort of existence; they will stop work and fall upon the public funds for support until such time as the industry can pay them a living wage."

"The industrial outlook in the Rhondda is becoming more gloomy. The 14 days' notice served upon 2,500 men employed by the Lloekets Merthyr Colliery, Mardy, and 1,500 men employed at Messrs. D. Davis and Sons in No. 8 pit, Tylorstown, and No. 4, Ferndale, and one district of No. 9 pit, Ferndale, have expired, and the men are all idle to-day.

"At Mardy the miners have brought up their tools. During the last fortnight efforts have

been made to arrive at an agreement between the employers and the men whereby the pits would be kept going, but so far no results have been arrived at.

"The inhabitants of Ton Pentre district are also much concerned to-day with the news that the whole of the men employed at Messrs. Cory Brothers' pits at Gelli, Bodrington, Pentre, Tydraw and Tynybedw, numbering 3,500, have received 14 days' notice to terminate contracts.

"It is understood that the notices also apply to officials and members of the staff.

"At the Fernhill Colliery, Treherbert, which has been closed down for several weeks, the situation has improved, for a restart has been made at No. 4 pit, and nearly 300 men have been given employment."

"Approximately 1,000 men employed at the Mardy and New Duffryn Collieries, Rhymney, have received 14 days' notice to terminate contracts."

"Everywhere in the Welsh valleys there is acute distress. No fewer than 50,000 miners are unemployed. Many more are working short time, and still thousands of others on the lowest wage scale cannot earn enough in a full six-day week to provide their families with sufficient food.

"Shopkeepers and co-operative societies have nearly reached the point when further credit must mean bankruptcy.

"Boards of Guardians are plunging deeper and deeper into debt. Rates are rising to an intolerable figure.

"All this implies human privation which can hardly be measured, and, worse still, a process of both physical and moral degeneration.

"The disaster has fallen upon Blaينا, Nant-y-glo and Brynmawr in its most concentrated form.

"But in the Blaينا valley 3,000 men and youths—the breadwinners of nearly two-thirds of the whole population—have been unemployed since February.

"The majority have been out all the time. Some have worked and idled alternately as certain collieries have closed down and reopened, but the total number of unemployed has remained constant at about 3,000.

"The supreme tragedy for men of the Blaينا district is that two of the four collieries which are now closed will probably never be reopened. And the men are rooted to the valley.

"The distress is not paraded. The men are well dressed—about the only thing left from their wartime prosperity.

"They would be desperate if they lost heart," an official declared.

"As a matter of fact," he added, "the fathers and mothers are pinching themselves. With two meals a day, provided by the education and relief authorities, the children are escaping pretty well, but the adults are having a hard time.

"They are holding on to clothes and furniture as long as they can, but some are now forced to sell things to buy food.

"Consequently the existing conditions in these hovels, with poverty and sickness added to congestion, are appalling beyond words.

"Many people try to keep their wretched situation secret, and go to the Guardians for relief only when they are actually driven by hunger, so that the most tragic histories are known only to doctors, ministers and teachers.

"To-day a man and his wife walked ten miles from Aberillery to the meeting-place of the Guardians at Tredegar to relate how they had been turned out of rooms because ten months' unemployment had made payment of rent impossible."

2. APPLICATION OF THE ACTS TO THE GROCERY TRADE.

The reason, and only reason, given by the Minister of Labour for the Order bringing the Trade within the Acts is "that he is of the opinion that no adequate machinery exists for the effective regulation of wages throughout the trade." The Order was, in fact, made upon the application of the workers only, and not of employers. It is submitted, in the words of Mr. Cahill, "that no Trade Board should ever be set up in any trade unless that trade is sufficiently organised to receive and accept it, and that the best test of whether the traders so organised is the application of the Trade for the institution of the Board." Except in sweated trades, it is maintained, no Trade Board should be set up except upon the application of a proper proportion of employers and workmen. The Act of 1909 was enacted for the purpose of putting an end to sweating, and it cannot be charged against the Grocery Trade that it has ever sweated its employees. It has been before put to the Board "that there is not the slightest comparison between the workers in the Grocery Trade and the home and out workers of the tailoring and certain other trades. The operations of the employees are carried out in public, its retail shops are visited by the public and by Food, Sanitary and Shops Inspectors, and the nature of the conditions of assistants is well known."

When a rate is fixed it is binding on the employers but not binding on the workers, and it is the experience of the local Trade that immediately the wage rates were fixed the workers (being here well-organised) through their Unions agitated for higher wages on the ground that those fixed by the Board were minimum rates. Up to that time there had been but little unrest and no strikes had occurred. However, considerable unrest and possibly strikes will inevitably follow this attitude of the Unions.

It must be reiterated that the constitutions of the Grocery Trade, being what it is, does not lend itself to the system of Trade Boards, and the divergent awards which must occur of the various Boards in dealing with trades with which the Grocery Trade is so closely associated will be a source of trouble and unrest in the very near future.

3. SUGGESTIONS.

Before making suggestions for the amendment of the Acts it should be understood that it is the considered opinion of the South Wales and Monmouthshire Council of Grocers' Associations that the whole system is unworkable; that the Acts follow the wrong principles; that the Acts are not properly administered; that a great evil is done in sweeping away the free and smooth working relationship between man and master which was formerly existent. For these and other reasons given in this statement, the Act of 1918, to put it shortly, is not wanted, and regard being had to economic situation of the country, the burden and cost of the defective system sufficiently warrant its abolition.

The Association recommends the abolition of the 1918 Act. However, if it is decided to continue the system with amendments, the Association agrees to co-operate and give the system a fair trial. The following amendments are suggested:—

(1) An abolition of the system of fixing wages by reference to age.

(2) An extension of the proposed 48-hour week to a 52-56-hour week, according to the needs of the various localities.

(3) That the fixing of a scale of wages should be postponed to a more opportune time, i.e. until the economic situation becomes more settled.

(4) That District Committees should be set up to advise the Trade Board upon the conditions of their districts, with an independent chairman, and provision made to avoid conflict with decisions regarding adjoining areas.

(5) That the Board should consist of representatives of employers and workmen only, but governed by an independent chairman or in the alternative.

(6) That the appointed members should be ladies and gentlemen with a fair practical knowledge at least of the trade.

(7) That provision should be made for appeal from the Board's decisions.

(8) That the Board should be given fuller

power to deal with new proposals and objections in order to save expense of successive advertisements.*

* A statement expressing approval of the above statement was submitted by the Pontypridd and District Grocers' and Provision Dealers' Association.

(24)—Statement submitted by the Scottish Agricultural Organisation Society.

Evidence submitted by Mr. John Drysdale, Secretary, Scottish Agricultural Organisation Society, Ltd., on behalf of Small-holders' and Crofters' Agricultural Co-operative Societies in the Highlands and Islands (promoted by, and affiliated to, the Central Organisation or Parent Society), who have asked him to represent that the Grocery and Provisions Trade Board (Scotland) should not apply to crofter societies in remote districts in the Highlands and in Orkney and Shetland, and Outer Hebridean Islands.

A list of societies of smallholders and crofters who have through their officials sent to the Scottish Agricultural Organisation Society, letters complaining of the proposal to make the regulations of the Grocery and Provisions Trade Board (Scotland) applicable to such societies, is sent herewith.

A protest was forwarded, at the request of these societies, to the Secretary of the Trade Board in question on the 23rd December, pointing out that the societies in question were promoted for the purpose of mutual trading in agricultural requirements and in the combined marketing of produce. A marketing agency was promoted in their interest called the Scottish Farm and Poultry Produce Federation, Ltd.

Each of the federated societies subscribe for five shares in the federation, of the nominal value of £1 each, on which 1s. per share is called up. Through this agency, operated in Leith and Glasgow, the produce consigned in bulk by the smallholder societies is marketed. The proceeds are guaranteed and the federation charges a small commission for its services to cover risks of bad debts and working expenses. All profits accruing after putting aside a sum to reserve account is paid to the societies by way of bonus *pro rata* according to the amount of commission paid by each society.

The Federation, on the other hand, passes on the bulked orders of the societies to millers, manufacturers and wholesale merchants, etc., etc., for such things as the members may wish to buy in combination. Only those societies which are unfavourably situated for obtaining provisions buy these commodities; but in the strict sense of the term, there is no dealing in groceries or provisions, and in only one instance, that of Westray Society, Orkney, are any full-time employees engaged in collecting and packing eggs and in dividing out consignments of meal, flour, poultry and cattle feeding stuffs, etc., to the members.

In the case of the other societies the secretaries are only part-time employees, getting an honorarium at the close of the financial year, or, as in some cases, 2½ per cent. commission on the goods bought. The committees of these societies render assistance as voluntary workers for a few hours weekly, in packing eggs or dividing out consignments of goods when a steamer arrives at the local pier. Neither secretaries nor committees are under any contract of service.

Annexed is a copy of letter sent by the directors of the Scottish Agricultural Organisation Society to the Ministry of Labour, dated 23rd December, 1920, and a copy of the Ministry's reply, dated 11th April, 1921.

On receipt of this letter, letters of enquiry were issued to all the societies concerned on the 12th April, 1921, and a summary of the replies received was sent to the Ministry of Labour on the 6th May, 1921.

A copy of the summary is annexed herewith, to which so far no reply has been received.

The replies of the societies speak for themselves. To impose the regulations of the Grocery and Provisions Trade Board on these societies of poor people, giving of their spare time only for the mutual benefit

of the members, would be little short of ludicrous, and, as some of the secretaries state, would lead to the closing down of the business.

Of the 107 societies given in the accompanying list, 26 do not trade in provisions, and these are marked with an asterisk.

The Executive Committee of the Scottish Agricultural Organisation Society desire to respectfully submit to the Committee that the societies in question should be regarded as entirely *outwith* the regulations of the Grocery and Provisions Trade Board (Scotland) as regards wages or hours of employment.

JOHN DRYSDALE,
Organising Secretary.

LIST OF AGRICULTURAL CO-OPERATIVE SOCIETIES IN THE HIGHLANDS AND ISLANDS AFFILIATED TO THE SCOTTISH AGRICULTURAL ORGANISATION SOCIETY, LTD.

Arygylshire.

Ruaig and District Agricultural Co-operative Society, Ltd., Tiree.
Balemartin Agricultural Co-operative Society, Ltd., Tiree.
Cornaig Agricultural Co-operative Society, Ltd., Tiree.
Bunessan and District Agricultural Co-operative Society, Ltd., Mull.
Craignish Farmers' Society, Ltd., Lochgilphead.
Kilchooman Co-operative Poultry Society, Ltd., Bruichladdich, Islay.
Benderloch Agricultural Co-operative Society, Ltd., Ledaig.

*Ardgour Agricultural Co-operative Society, Ltd., Ardgour.

*Nether Lorn Agricultural Co-operative Society, Ltd., Clachan Sell, by Oban.

*Poltalloch Farming Society, Ltd., Kilmartin.

*Lismore Agricultural Co-operative Society, Ltd., Lismore.

*Appin Agricultural Co-operative Society, Ltd., Appin.

Suuart Agricultural Co-operative Society, Ltd., Strontian.

Iona Agricultural Co-operative Society, Ltd., Island of Iona.

Coll Agricultural Co-operative Society, Ltd., Island of Coll.

Loch Shiel Agricultural Co-operative Society, Ltd., Blain Acharacle.

Kilchrenan Agricultural Co-operative Society, Ltd., Kilchrenan.

Lorn Agricultural Co-operative Society, Ltd., Connell.

Ardnamurchan Agricultural Co-operative Society, Ltd., Kilchoan, by Oban.

Colonsay Agricultural Co-operative Society, Ltd., Colonsay.

Dervraig Agricultural Co-operative Society, Ltd., Dervraig, Mull.

Ulva Ferry Agricultural Co-operative Society, Ltd., Aros, Mull.

Tarbert Lochfyne Agricultural Co-operative Society, Ltd., Tarbert Lochfyneside.

Buteshire.

*Shiskine Agricultural Co-operative Society, Ltd., Shiskine, Arran.

*Arran Southend Agricultural Co-operative Society, Whiting Bay, Arran.

*Bute Farmers' Trading Society, Ltd., Rothesay.

Caitness.

Scotscaider Agricultural Association, Ltd., Calder, by Thurso.

Freswick Agricultural Association, Ltd., Freswick, by Wick.
Dunnet Agricultural Association, Ltd., Dunnet, Thurso.

Inverness-shire.

*Arisaig and District Agricultural Co-operative Society, Ltd., Arisaig.
*Kilmallie Agricultural Co-operative Society, Ltd., Banavie.
*Glengarry Agricultural Co-operative Society, Ltd., Invergarry.
Glenelg Agricultural Co-operative Society, Ltd., Glenelg.
Garrynamonie and District Agricultural Co-operative Society, Ltd., Lochboisdale.
Daliburgh and District Agricultural Co-operative Society, Ltd., Lochboisdale.
Tigharry and District Agricultural Co-operative Society, Ltd., Lochmaddy.
Stoneybridge and District Agricultural Co-operative Society, Ltd., Lochboisdale.
Lochdar and Lochearnan Agricultural Co-operative Society, Ltd., Lochdar.
Benbecula Central Agricultural Co-operative Society, Ltd., Benbecula.
Strath Agricultural Co-operative Society, Ltd., Broedford, Skye.
North Harris Agricultural Co-operative Society, Ltd., Tarbert, Harris.
Paible Agricultural Co-operative Society, Ltd., Lochmaddy.
Gerinish Agricultural Co-operative Society, Ltd., Gerinish, S. Uist.
Nether Lochaber Agricultural Co-operative Society, Ltd., Omich.
Kildonan Agricultural Co-operative Society, Ltd., Milton, S. Uist.
Lochboisdale Agricultural Co-operative Society, Ltd., Lochboisdale, S. Uist.
Eriskay Agricultural Co-operative Society, Ltd., Eriskay, S. Uist.
South Harris Agricultural Co-operative Society, Ltd., Leverburgh, Harris.
West Barra Agricultural Co-operative Society, Ltd., Barra.
Vatersay Agricultural Co-operative Society, Ltd., Barra.
Castlebay Agricultural Co-operative Society, Ltd., Barra.
Northbay Agricultural Co-operative Society, Ltd., Barra.
Sollas District Agricultural Co-operative Society, Ltd., Sollas, Lochmaddy.
Loch Maddy Agricultural Co-operative Society, Ltd., Lochmaddy.
Benbecula West Agricultural Co-operative Society, Ltd., Benbecula, S. Uist.
Kilmuir Agricultural Co-operative Society, Ltd., Kilmuir, Skye.
Loch Arnisort Agricultural Co-operative Society, Ltd., Portree, Skye.
Braes District Agricultural Co-operative Society, Ltd., Portree, Skye.
Locheportside Agricultural Co-operative Society, Ltd., Locheport, North Uist.
Baleshare and Illeary Agricultural Co-operative Society, Ltd., Baleshare, Lochmaddy.
Finsbay and District Crofters' Agricultural Co-operative Society, Ltd., Finsbay, Leverburgh, Harris.
Geocrab and District Crofters' Agricultural Co-operative Society, Ltd., Geocrab, Harris.
Sconser Crofters' Agricultural Co-operative Society, Ltd., Sconser, by Portree, Skye.
Rhuda Crofters' Agricultural Co-operative Society, Ltd., Grimsay, North Uist.
Baymere and District Crofters' Agricultural Co-operative Society, Ltd., Grimsay, North Uist.
Bernera (Harris) Crofters' Agricultural Co-operative Society, Ltd., Bernera, Lochmaddy.

Orkney.

Eday Agricultural Co-operative Society, Ltd., Eday.
Sauday Agricultural Co-operative Society, Ltd., Sanday.
Harray Agricultural Co-operative Society, Ltd., Harray.
Orphir Agricultural Co-operative Society, Ltd., Kirkwall.
Evie and Rendall Agricultural Co-operative Society, Ltd., Rendall.
Westray Agricultural Co-operative Society, Ltd., Westray.
Deerness Agricultural Co-operative Society, Ltd., Deerness.
St. Margaret's Hope Agricultural Co-operative Society, Ltd., South Ronaldshay.
Dounby Agricultural Co-operative Society, Ltd., Dounby.
Papa Westray Agricultural Co-operative Society, Ltd., Papa Westray.
*Holm Agricultural Co-operative Society, Ltd., Holm.
Rousay, Egilshay and Veira Agricultural Co-operative Society, Ltd., Rousay.
*East Mainland Horse Breeding Society, Ltd., Deerness.
*South Ronaldshay Horse Breeding Society, Ltd., South Ronaldshay.
*Central Mainland Horse Breeding Society, Ltd., Stenness.
North Ronaldshay Agricultural Co-operative Society, Ltd., North Ronaldshay.
*Sauday Stock Improvement Society, Ltd., Sanday.
*St. Andrews Farmers' Society, St. Andrews, Kirkwall.
*St. Andrews Stock Improvement Society, Ltd., Tankerness.
South Pier Agricultural Co-operative Society, Ltd., Eday.
*Stronsay Horse Breeding Society, Ltd., Stronsay.
*Sebay Mills, Ltd., Kirkwall.

Ross-shire.

*Ardross Agricultural Association, Ltd., Alness.
*Black Isle Agricultural Association, Ltd., Munlochy.
Bernera (Stornoway) Agricultural Co-operative Society, Ltd., Bernera, Lewis.
Kinlochewe Agricultural Co-operative Society, Ltd., Kinlochewe.
Gairloch Agricultural Co-operative Society, Ltd., Gairloch.
Opinan Agricultural Co-operative Society, Ltd., Opinan, Gairloch.
Callanish Crofters' Co-operative Society, Ltd., Callanish, Stornoway.
North Tolsta Crofters' Co-operative Society, Ltd., North Tolsta, Lewis.

Shetland.

South Dunrossness Agricultural Co-operative Society, Ltd., Sumburgh, Shetland.
Sandwick Dunrossness Agricultural Co-operative Society, Ltd., Sandwick, Shetland.
Cunningsburgh Dunrossness Agricultural Co-operative Society, Ltd., Cunningsburgh, Shetland.
*Central Agricultural Society, Ltd., Dunrossness.

Sutherlandshire.

*Brora Agricultural Co-operative Society, Ltd., Brora.
*Dornoch Agricultural Co-operative Society, Ltd., Dornoch.
Laig Agricultural Co-operative Society, Ltd., Laig.
Rogart Agricultural Co-operative Society, Ltd., Rogart.

(Copy.)

23rd December, 1920.

The Secretary,
Grocery and Provision Trade Board (Scotland),
Old Sergeant's Inn Chambers,
Chancery Lane, London, W.C.2.

SIR,

PROPOSED SCALE OF WAGES FOR EMPLOYEES.

Our attention has been drawn to a circular issued by your Board to our affiliated societies on the above subject.

These societies are Agricultural Co-operative Societies registered under the Industrial and Provident Societies Acts, and, especially in Orkney, Shetland, the Western Isles and the Highlands, are run mostly by crofters and fishermen. The "employees" are nearly always shareholders who give part of their time from their ordinary occupations of fishing, crofting, etc. It would therefore appear that the intended scale of pay should not apply to such societies, but of this my directors would be glad to be assured.

In any case it is submitted that the same scale of pay should not be enforced in such remote parts of Scotland as the Hebrides, Orkney, Shetland and the Highlands, as may be laid down for the industrial centres and the Lowlands generally.

I shall be glad to hear from you at your early convenience, and should any further particulars be required, I shall be pleased to furnish same.

Meantime would you kindly let me have three copies of your circular and relative papers?

I have the honour to be, Sir,
Your obedient Servant,
(Signed) JOHN DRYSDALE,
Secretary.

Ministry of Labour,
Montagu House,
Whitehall,
London, S.W.1.

T.B.D.100/3/2.

11th April, 1921.

SIR,

I AM directed by the Minister of Labour to refer to your letter of 23rd December, enquiring as to the applicability of the determinations of the Grocery and Provisions Trade Board (Scotland) to certain Agricultural Co-operative Societies affiliated to your Society and registered under the Industrial Co-operative Societies Acts, and I am to express the Minister's regret that it has not previously been found possible to reply to your letter.

I am now to state that the Minister has been in consultation with his legal advisers on this matter and he would be glad if you would be so good as to forward a short statement with regard to each individual society in your organisation stating the exact nature of the work done by the various members of the staff, secretaries and shareholders of the society. I am also to request you to inform the Minister of the arrangements under which the staff, secretaries and shareholders work, stating whether the shareholders in particular are merely voluntary workers, whether they receive any remuneration for their work, whether they are bound to obey orders given to them by persons acting on behalf of the society or whether there is any contract of service express or implied.

On receipt of this information the Minister hopes to be in a position to reply to the enquiries raised in your letter.

I am, Sir,
Your obedient Servant,
(Signed) J. S. NICHOLSON.

The Secretary,
Scottish Agricultural Organisation Society, Ltd.,
5, St. Andrew Square,
Edinburgh.

SCOTTISH AGRICULTURAL ORGANISATION SOCIETY, LTD.

SUMMARY OF REPLIES RECEIVED FROM THE SECRETARIES
OF AGRICULTURAL CO-OPERATIVE SOCIETIES IN THE
HIGHLANDS AND ISLANDS.

Argyllshire.

Bunessan and District Agricultural Co-operative Society, Ltd., Mull.

The Secretary and Treasurer attends to the grading and counting of eggs sent in by members and packs and dispatches same to the marketing agency in Glasgow. There is only about three hours' work per day in doing this. The Secretary is under no contract of service.

Loch Shiel Agricultural Co-operative Society, Ltd.

The Secretary of this Society writes that this Society employs no one except a carter, who gets paid so much per cwt. for cartage of goods and the Secretary gets 2½ per cent. commission on the purchases.

Balemartin Agricultural Co-operative Society, Ltd., Tiree.

This Society only engaged in the dispatch of eggs, which are brought by the shareholders to the store. They do not deal in groceries or provisions.

Appin Agricultural Co-operative Society, Ltd.

The Secretary writes that he is the only one connected with the Society in receipt of remuneration. He does the work of Secretary and Treasurer in his spare time. He is the local schoolmaster in the district. None of the shareholders get any remuneration for work.

Banffshire.

Braes of Glenlivet Farmers' Supply Association, Ltd.

There is no contract of employment with anyone in connection with this Society. The shareholders and Secretary are voluntary workers.

Inverness-shire.

Nether Lochaber Agricultural Co-operative Society, Ltd., Onich.

The members of Committee of this Society give their work gratis. There is no contract of service express or implied. The Secretary gets 2½ per cent. on the price of goods ordered by the shareholders.

Sconser Crofters' Co-operative Society, Ltd., Skye.

The shareholders of this Society devote some of their spare time as voluntary workers. They get nothing for their services and merely see that the goods arriving in bulk for the members are divided out. They have no contract of service.

Kinlochleven Co-operative Society, Ltd.

This Society is governed by a Committee of 12 members who meet occasionally to watch over the affairs of the Society. They carry out stocktaking three times per annum. They survey and check the details of the business but do not get any recompense whatsoever. The Secretary is unpaid also, but may get a nominal honorarium at the end of the financial year.

Northbay Agricultural Co-operative Society, Ltd.

The Secretary and Treasurer is the only person who carries on the work of the Society, and even then it is only his spare time he devotes. He gets 2½ per cent. commission on sales. Members of the Committee give a helping hand but act voluntarily and get no remuneration. None of them are under any contract of service.

West Barra Agricultural Co-operative Society, Ltd., Barra.

The Secretary states that the Society is not in a position to pay wages to employees. No one is under

any contract of engagement and all that the Secretary and Treasurer can expect is a small commission out of the profits at the end of the year.

Rhodu Crofters' Co-operative Society, Ltd., North Uist.

This Society has only recently started and has not yet got into proper working order. The Secretary orders on goods in bulk for members and collects the accounts. He is promised a small commission per £, which will not be arranged till the end of the financial year.

Garrynamonie and District Agricultural Co-operative Society, Ltd., South Uist.

The Secretary, who is only a part-time employee, keeps the books and orders goods for the members, and is only engaged in the work of the Society twice per week. There is no contract of engagement. Members of Committee are expected to take turn about in conveying eggs to the pier and carting goods from the pier, and they take turn about at packing eggs.

Benbecula West Agricultural Co-operative Society, Ltd., Benbecula.

The Secretary here is the only employee. He keeps the books and orders goods on behalf of members and gets a small commission on the turnover for his services.

Baleshare and Illeary Agricultural Co-operative Society, Ltd., North Uist.

Secretary and Treasurer of this Society does all the work necessary, but he is only a part-time employee doing the work during his spare time. He gets 5 per cent. on the turnover and provides the premises where the eggs are packed and supplies fire and light.

Finsbay and District Crofters' Co-operative Society, Ltd., Harris.

The Secretary writes: "As regards our Society, all the work done is voluntary service. The bulked purchases made on behalf of members arrive by boat and the members await arrival at the landing place and take delivery of the goods ordered for them. The members take an equal share of voluntary work."

Orkney.

Dounby Agricultural Co-operative Society, Ltd.

The man who acts as Secretary and Treasurer of this Society is the only person who receives any remuneration. The shareholders assist in distributing goods and packing eggs for dispatch to the South. They are entirely voluntary workers and receive no remuneration and are in no wise bound to obey any orders from any person acting on behalf of the Society.

Sunday Agricultural Co-operative Society, Ltd.

The Secretary, who is also the Treasurer, is the only person employed, and he gets a small salary for keeping the books. The members occasionally give assistance in packing eggs for shipment but are under no contract of engagement. The shareholders do all the work necessary in their spare time and are voluntary workers.

Edray Agricultural Co-operative Society, Ltd.

This Society is run and managed by crofters. It is a very small business altogether, principally in packing eggs for dispatch to the Southern market and purchasing agricultural requirements. No wages are paid, but an honorarium may be paid to the Secretary at the end of the financial year. He is only employed about two hours weekly. If a scale of wages and hours of labour were applied here the Society would have to wind up.

Rousay, Egilsay and Veira Co-operative Society, Ltd.

The only employee of this Society during his spare time is a weaver and fisherman by trade. He is

what is called a handy man and does odd jobs for all and sundry in the district, and is under no contract of employment. The man who does occasional cartage is a crofter who carts the goods from the pier to the store and delivers the purchases made on behalf of members with his van. The workers are all voluntary workers, who are shareholders of the society and are under no contract of engagement.

Deerness Agricultural Co-operative Society, Ltd.

No work is done for this Society by the shareholders, voluntary or otherwise. The work is done by the man who acts as Secretary and Treasurer and a girl who is only casually employed to assist him with the egg packing. Purchases made on behalf of members as they arrive are either carted by the members themselves or set out by a man with a horse and van, but the employment is only casual.

South Pier Agricultural Co-operative Society, Ltd.

The Secretary of this Society does all the work necessary in his spare time and for this he is paid £20 per annum. He is a crofter fisherman and devotes only 10 hours per week of his spare time to the Society's work. There is no other employee. He thinks it would be quite a nice thing if, as a result of some grandmotherly legislation, he could get some more remuneration, but he asks the question, "Where is the money to come from?" This Society would at once cease to exist if expenses were increased. He is glad to have the little remuneration he gets during his spare time.

Orphir Agricultural Co-operative Society, Ltd.

The Secretary writes: "The work of our Society is done by a few shareholders devoting a short time each week of their spare time in packing eggs and one of the shareholders carts them to the pier. There is no one connected with the Society under any express orders from anyone and the work for the most part is done voluntarily and only in their spare time."

North Ronaldshay Agricultural Co-operative Society, Ltd.

The Secretary writes: "That this is only a small society with a membership of 38 crofters. The Secretary does the correspondence and orders the goods and gets a small remuneration on the turnover. The members of Committee give whatever assistance they can in their spare time but receive no remuneration. The Secretary is not a full-time employee, but only acts in his spare time after his own day's work is over. The Society is not in a position to employ or pay anyone full-time wages, but it votes the Secretary an honorarium at the end of the financial year. The members of Committee get no remuneration."

Holm Agricultural Co-operative Society, Ltd.

The business of this Society consists wholly in the purchase and sale of agricultural produce and requirements such as eggs, seeds, manures, and feeding stuffs. The collection and packing of eggs is done by contract, as also the handling and carting of other commodities. The Secretary is only paid an honorarium for his services. He is not a full time employee. The Society does not consider it comes under the grocery and provision trade business in any shape or form.

Westray Agricultural Co-operative Society, Ltd.

The Secretary of this Society gets no pay for his services in that respect but gets a little remuneration as a part-time employee. There are three employees, The Manager is a full time employee and so is his assistant, but the van man is only a part time employee as his work only occupies the small part of each day. The Manager and his assistant are under contracts of engagement.

Ross-shire.

Gairloch Agricultural Co-operative Society, Ltd.

The work of the Society is carried on by one man who acts as Secretary and Treasurer during his spare time. The Society does very little business in

the grocery and provision trade. The Secretary gets no salary but is voted a small gratuity by his Committee.

Kinlochewe Agricultural Co-operative Society, Ltd.

The shareholders of this Society purchase only feeding stuffs, fertilisers, seeds and meal. The members hand in a note of their requirements to the Secretary who orders on the goods in bulk and the shareholders take delivery at the Railway Station. There is no weighing of goods and no work done in handling the stuff. The Secretary gets an honorarium of £5 for his services.

Shetland.

Cunningburgh Agricultural Co-operative Society, Ltd.

The Secretary, who is also the Manager, is the only official connected with this Society and he is only employed one day per week and part of another day. During the rest of the week he looks after hiscroft. The Secretary thinks that any interference by the Ministry of Labour fixing hours or scale of wages would practically put an end to this business. A percentage on the turnover is the only remuneration this man gets for his work; no wages are paid.

Central Agricultural Society, Ltd., Dunrossness.

This Society does not deal in groceries or provisions. The business is confined to feeding stuffs for livestock, corn and grass seeds. The Secretary gets no wage as such but may get an honorarium at the end of the year if there is any profit.

Sutherlandshire.

Brora Agricultural Co-operative Society, Ltd.

This Society has no dealings in groceries nor provisions and none of the shareholders do any work in connection with the Society.

Dornoch Agricultural Co-operative Society, Ltd.

This Society deals only in agricultural seeds, artificial manures, coal, and feeding stuffs for livestock. The goods are ordered in bulk and the members take delivery at the railway station. None of the shareholders get any pay for their services and no one is under any contract of engagement. The Secretary only devotes his spare time to the Society's work.

VIII. Hollow-Ware Trade,

(25)—Statement submitted by the Wrought Hollow-ware Trade Employers' Association.

1. The Hollow-ware Trade Board (Great Britain) was established in 1913 and first began to regulate the wages of workers in the hollow-ware trade in 1916.

2. The Wrought Hollow-ware Trade Employers' Association has been given the privilege of nominating members for the employers' side of the Board, and its nominations have in all cases been approved by the Minister.

3. The Association desires to represent to the Committee that its members are strongly in favour of maintaining machinery in this trade for the enforcement under legal penalty of minimum day rates which shall apply throughout the whole of this trade irrespective of the district in which individual factories are situated.

4. The Association is not aware of any alternative machinery which would be likely to fulfil this object more efficiently than the Trade Board now existing, and while great importance is attached to the amendments suggested in this memorandum, the Association strongly urges that subject to these amendments the Hollow-ware Trade Board should continue to function.

5. The following are the amendments suggested in the present system:—

- (a) That the statutory period for objections should be not more than fourteen days from the date of issue of proposals, the printing and circulation of proposals to be accelerated.
 - (b) That the period taken by the Minister of Labour to ratify the decisions of the Boards should be curtailed to one week.
 - (c) That the only appointed member should be an independent Chairman.
 - (d) That the Boards should cease to have power to fix either a basis time rate for pieceworkers (other than the general minimum time rate) or a guaranteed time rate for pieceworkers.
 - (e) That power should be given to the Boards to make any provisions for successive variations in wages which they may deem desirable, for example, in accordance with variations in cost of living or on some other agreed basis.
6. The following arguments are put forward in support of these suggestions:—
- (a) The slowness of the existing machinery is naturally more keenly felt now that wages have begun to follow a downward tendency,

because while there was a remedy open to the workers when Trade Board rates could not be advanced quickly enough, there is no corresponding remedy open to employers when the legal rates cannot be reduced quickly enough. The workers cannot be expected to agree to reductions in wages four months ahead in view of conditions which are likely to be then in being, but which are really only a matter of speculation.

(b) The same arguments call for the amendment suggested in Clause (b).

(c) The reduction in the number of appointed members is suggested.

(1) on grounds of economy,

(2) with a view to reducing the amount of interference in matters which are the concern of those actually engaged in the trade.

(d) The Hollow-ware Trade Board has only recently, in face of the unanimous and strenuous opposition of the employers' side, fixed a basis time rate for women pieceworkers in excess of the general minimum rate. The result has been, as the employers predicted, a falling off in the individual output of the workers concerned. A guaranteed time rate for pieceworkers cannot be fixed in excess of the general minimum time rate, but this Association is strongly of opinion that the difference between the guaranteed rate and the piecework basis rate is only a technical one, and that the principle of both is utterly unsound.

(e) It will be within the knowledge of the Committee that a very large number of trades have adopted "sliding-scale" schemes which are operating to the advantage of all concerned by obviating the necessity for periodical negotiations. It is desired that the legal obstacles which it is understood prevent a Trade Board from adopting such a scheme should be removed.

7. The Association will be prepared to send a deputation to appear before the Committee should the latter consider it desirable for this evidence to be verbally supplemented.

IX. Milk Distributive Trade.

(26)—Extract from a letter received from Viscount Wolmer, M.P.

I have a general farm of about 1,200 acres in Hampshire, and a portion of the farm is devoted to dairy farming. I have about 130 cows in milk. The bulk of this milk is sent to London, but for the convenience of the neighbourhood some of it is sold locally. The staff engaged on this is as follows:—

One dairyman whose duties are to measure the milk, enter it up, and to fill and clean the churns.

Two roundsmen whose duties are to drive milk carts from house to house.

Under the operation of the Trade Boards Acts these men are brought within the ambit of the Milk Distributive Trade Board and the wages which I have to pay them and the hours which they keep are as follows:—

The dairyman works on week-days from 6 a.m. to 12 noon and again from 2 p.m. to 5.30 p.m. On Sundays he works from 6 a.m. to 12 noon and has every fourth Sunday off. His wages for this under the Trade Board award come to £3 11s. per week.

One roundsman works on week-days from 6.30 a.m. to 12 noon and again from 2 p.m. to 5 p.m. His wages come to £2 14s. 4d. per week.

The other roundsman works from 6.30 a.m. to 2 p.m. and again from 4 p.m. to 5 p.m. and on Sundays from 7 a.m. to 2 p.m. His wages come to £3 6s. per week.

There is no special skill in the dairyman's work, while that of roundsmen is so easy that it can be performed by cripples; it should also be added, and this is very material, that the distribution of milk in the country takes far longer than in the towns owing to the much greater distances covered; but consider these wages in relation to those of the ordinary agricultural labourer. In Hampshire the minimum agricultural wage fixed by the National Farmers' Union is now 36s. and that is what most farmers are paying. I am, as a matter of fact, temporarily paying a minimum of 39s. to ordinary labourers, 45s. to carters, and 48s. to cowmen because I wish to share these hard times with my employees and to help them to tide over the period until the local retail prices shall have come down, but I have warned them that these figures will have to be reduced by at least 3s. in the new year.

It is not only unfair that the roundsmen whose task is a particularly simple one should be paid more than the most skilled men such as carters and cowmen, but it is also prejudicial to the harmony of the farm. There is naturally discontent among the men at this disparity of treatment. The wage fixed by the Trade Board is out of all proportion to other agricultural wages. This is the chief point that I

desire to make to your Committee—the difficulty caused by imposing town wages on a particular branch of farming without reference to the cost of living in the country or to the level of wages for the rest of agriculture. But I must also add that the effect of these Trade Board wages on my milk business has been to increase the price of the milk, and to lower the efficiency of the service.

Before this Order came out I was able to deliver milk locally twice a day, but the result of the Order was that a profit of £4 per week was immediately converted into a loss of £4 per week, so that I had to reduce the number of my roundsmen and to have only one local delivery instead of two.

It can also, I think, be shown that the present high retail price of milk (3s. per gallon as opposed to 1s. 11d. wholesale) is largely due to these very high wages, which are altogether in excess of what the nature of the work warrants.

Finally, I must point out that the Milk Order, so far as the country is concerned, is working very unfairly; in a great many farms it is altogether ignored. On my enquiring at the Ministry of Labour why this was I was told it was because there were no (or few) inspectors, so that the Ministry is quite unable to enforce compliance with this Order in the country. Those of us, therefore, who received in 1920 a notification of the Order and were obliged to stick up a copy of it on our premises are forced to pay wages which other farmers do not.

If the present state of affairs continues much longer I shall probably have to discontinue my local service and to dismiss my roundsmen, in which case the locality will either have to go without milk or else the job will be taken over by some man who ignores the Order.

The facts which never seem to have been appreciated by the Ministry of Labour are that:—

- (1) Dairy farmers are usually also general farmers.
- (2) Dairy farmers usually sell milk locally as well as wholesale.
- (3) The retail sale of milk in the country is a much more expensive business than in towns owing to the distances which separate houses.

It is therefore absurd to force farmers to pay wages which may or may not be justifiable in towns but which can have no application to conditions in the country.

Farming is now going through a very critical stage, wholesale prices of produce are falling headlong, and correspondingly drastic reductions of wages are necessary all round; the industry enjoys quite sufficient attention from the Ministry of Agriculture and should be free from interference by other Departments.

(27)—Statement submitted by the National Farmers' Union.

1. THE SCOPE OF TRADE BOARDS.

In the opinion of the National Farmers' Union, Trade Boards should be restricted to their original function, i.e., dealing with sweated industries where workers are employed under anti-social conditions, thus involving an indefinite subsidy to such industries by the community. That the Trade Boards in practice have not accepted this as their proper function is proved by the fact that they have fixed varying minimum rates, not only in different industries, but in various branches of the same industry. In other words, they have become merely a piece of machinery for adjusting wage rates in industries already carried on under conditions which could not be classed as anti-social. For this function the machinery of the Trade Board is too rigid and has broken down, especially during the period of economic disturbance through which we are passing.

2. THE AGRICULTURAL WAGES BOARD.

The agricultural industry has had considerable experience of a board which, though administered by a

different Department under a different Act, was essentially a Trade Board, viz., the Agricultural Wages Board. Even with the assistance of District Wages Committees to advise the central Board regarding local conditions, the machinery proved too cumbersome and too rigid for the following reasons:—

- (a) The very wide variation of natural conditions under which any one branch of the industry is carried on.
- (b) The multiplicity of operations calling for a wide variation of skill included in the industry.
- (c) The lack of elasticity in the provision for exemption from the fixed rates, which took account only of proved physical disability.
- (d) The difficulty of assessing at a uniform monetary rate the value of allowances such as cottage, milk, potatoes, fuel, &c.

Under war time conditions, and subsequently under the Corn Production (1920) Act, these disabilities were accepted, under protest, by the industry, but with the repeal of the cereal guarantees under the Corn Production Acts (Repeal) Act of this year, the Government recognised that they were no longer applicable, and replaced the Central Wages Board by Local Conciliation Committees. Within the short period of their existence these Committees, which have been set up in every county, have made considerable progress. It is certain that had the old rigid machinery of the Wages Board been retained, it would have led, under recent conditions, to very grave agricultural unemployment.

3. THE MILK DISTRIBUTIVE TRADE BOARD.

The agricultural industry is directly concerned with the operations of a board set up under the Trade Boards Act, viz., the Milk Distributive Trade Board. With regard to the working of this board, the National Farmers' Union would respectfully direct the attention of the Committee to the following facts:—

- (a) The Milk Distributive Trade Board was set up under peculiar temporary conditions during the period of the war. When the producer's price was fixed the price at which milk should be retailed was also fixed, and as it was found that different retailers were paying their labour at different rates certain sections of the trade were enabled to make larger profits than were admitted to others owing to this fact. Under these circumstances, in order that it might be more easy from an administrative point of view to fix a margin of profit for all concerned in the distribution of milk, it was felt that there was need for a Trade Board to temporarily adjust the wages of such employees.
- (b) That the operations of the Board would lead to very grave difficulties in the organisation of labour on the farm was recognised at an early stage, and to minimise these an agreement was arrived at between the

Board and the Agricultural Wages Board. This was embodied in a memorandum by the Minister of Labour expressing his intention not to apply the rates fixed by the Board to workers engaged in the disposal of milk wholesale from the farm, and defining the minimum period of work on other branches of distribution which would bring the worker within the scope of the Board's rates for such time as he was engaged on them.

- (c) Even then serious anomalies remained and exist to-day where farmers retail milk, unskilled workers receiving a higher rate for such work than has been accepted by the workers' representatives as a fair rate for skilled workers. This naturally leads to a feeling of injustice among the workers.
- (d) With the abolition of the Agricultural Wages Board this agreement loses any appearance of validity it ever possessed, and it remains, as it really always has been, liable to be upset by a decision in the Courts defining the wholesale handling of milk on the farm as coming within "distribution."
- (e) This would multiply the anomalies already existing on the farm, and, further, these anomalies are intensified by the agreements recently accepted by the agricultural workers' representatives on local Conciliation Committees as being in harmony with conditions in the industry at the moment.
- (f) The present high costs of the distribution of milk react upon the producer by contracting the demand for his produce, or, alternatively, depressing the first-hand price below a fair level. In many cases in summer the margin between the producer's and the consumer's prices equals if it does not exceed the amount received by the producer.

In view of the circumstances under which the Milk Distributive Trade Board was established, as stated above, and in view of the results of its operation, the National Farmers' Union urges that the Board should be now abolished. Should the Committee fail to see their way to make such a recommendation, the National Farmers' Union asks that an amending Order be issued by the Minister of Labour defining the scope of the Board in such a way as to exclude from its operations all districts of a rural character.

4. OTHER TRADE BOARDS.

The agricultural industry is indirectly concerned with other Trade Boards, the effect of whose operations in rural areas is to maintain at an unduly high rate the cost of living of the agricultural workers. The National Farmers' Union would direct the attention of the Committee, for example, to the rates fixed for grocers' assistants in rural areas, which are not proportionate to wages paid to other rural workers and constitute an excessive charge upon the food supplies of agricultural workers.

X. Paper Bag Trade.

(28)—Statement submitted by Mr. Foster G. Robinson, Managing Director of Messrs. E. S. & A. Robinson, Ltd., Redcliffe Street, Bristol, on behalf of the United Kingdom Paper Bag Manufacturers' Association.

My name is Foster G. Robinson and I am Managing Director of Messrs. E. S. and A. Robinson, Ltd., Paper Bag Manufacturers, Paper Box Manufacturers and Wholesale Stationers, etc. I have acted as Chairman of the employers' representatives on the Paper Bag Trade Board (Great Britain) since it was established in May, 1919. I have also been, and am, the Chairman of the United Kingdom Paper Bag Manufacturers' Association, which is the recognised organisation of employers in the Paper Bag-

making Trade, through whose agency the names of the great majority of employers' representatives on the Board were sent to the Ministry of Labour. The other employers' representatives are those whose names have been suggested by the United British (Wholesale) Paper Bag Makers' Association whose offices are in Carlisle.

The first meeting of the Paper Bagmaking Trade Board (Great Britain) took place on 24th July, 1919, and since then there have been nine meetings of the

Board. I have also acted on the Administrative Committee set up by the Board, and have regularly attended their meetings of which there have been eight since the formation of the Board. The chief work of the Board has, of course, been the fixing of minimum rates of wages for male and female workers in the trade. The minimum rates fixed from time to time are as set forth in the accompanying schedule.

The first minimum rates fixed by the Board which became operative on 24th November, 1919, were rates which were fixed simply as minimum basic rates for male and female workers and did not include rates specifically for skilled workers. It was considered, however, shortly after these rates came into operation, that use might be made of the Trade Board in its aspect as an Industrial Council that minimum rates should also be fixed for the more skilled male workers, and negotiations were entered into between the employers' and the workers' sides, the workers' representatives being more or less appointed to the Board by the Ministry of Labour on the suggestion of the following two Unions, viz.:—

The National Union of Operative Printers and Assistants, and
The National Union of Printing, Bookbinding, Machine Ruling and Paper Workers.

A conference was held on 4th November, 1919, when minimum rates for the more skilled classes of workers were agreed to and were ultimately submitted to the Board who fixed these rates and they were made legally effective by the Minister of Labour on 15th March, 1920, as shown in the schedule. It is distinctly understood that in fixing the minimum rates for these workers that they were not standard rates it being recognised that in various parts of the country higher wages would be paid for better classes of skilled workers or in those cases where difficulty in obtaining these workers might arise.

It is considered that Trade Boards should continue to have similar powers to fix minimum rates for special classes of skilled workers but not without the consent of both sides of the Board.

There is no doubt that the fact of the meetings of the Trade Board from time to time and particularly the Administrative Committee, have been to improve the relationship between employers and employed. At the Administrative Committee meetings all permits and questions of scope and other matters relating to the trade were discussed together in a very friendly manner with the result that both sides recognised the views and interests of one another and so created a mutual and helpful spirit. There is no doubt that this friendly co-operation has had the effect of preventing trade disputes, it being the fact that since the Board was formed no disputes of any consequence have occurred. The employers' representatives have no reason to complain of the rates which have been fixed from time to time by the Board since its formation. It is true that they have been much higher than would have been paid in the trade prior to the war, but the conditions obtaining during the war have been such, as is the case in other trades, that it was necessary to increase the minimum rates to meet these conditions. On the whole the employers' representatives cordially agree to the formation of the Trade Board and consider that it has been the means of doing much good generally to the trade, and on that account they strongly desire the continuance of Trade Boards. On the other hand, however, they have strong views upon the necessity of simplifying and improving the present administration.

- (1) There is a period at present of in all about four months before a rate which is proposed can be made effective. The delay due to this has worked with prejudice to both sides of the Boards and the period accordingly should be largely reduced. Steps therefore should be taken to bring this about. At present the long period is due to the two months allowed for objections when a rate has been proposed and the period of one month taken by the Minister of Labour to revise the rates.

Something should be done to reduce these periods. In any event any reasonable measure resulting in considerable decrease in the period would largely tend to make the Trade Board much more elastic in its work.

- (2) The question has arisen with regard to the Minister's revision of the rates fixed by the Board and to the delay which takes place in adjusting a final settlement in connection therewith and it is suggested that the period which the Minister has to make rates effective is too long, particularly in cases where there is agreement on both sides as to the rates concerned.
- (3) The employers' representatives take much exception to the change in procedure by the Minister of Labour in dealing with questions of scope. The Department constitute themselves as the final voice in such questions. In some cases their decisions have been communicated to Trade Boards and are often objected to by the Administrative Committee. If there is anybody capable of dealing with such questions as these it is the Administrative Committee of the Board itself who are almost entirely composed of persons experienced in the trade. The view is held that opinions on these cases are more likely to be upheld in the Courts as the views of the trade as against opinions prepared by officials of a Government Department. It is therefore strongly urged that the previous procedure of making the Trade Board the deciding body should be continued.
- (4) It is recognised that much of the value of Trade Board work is prejudiced by the want of efficient inspection, the result being that employers who are only too willing to pay the rates and observe the conditions of the Acts are at an unfair advantage compared with those employers who are not disposed to pay the rates fixed. Action should therefore be taken by the Minister to increase the number of efficient inspectors for the purposes and further that the control inspection should be more largely in the hands of the Trade Board themselves. It is also advised that more attention should be given by the inspectors to smaller employers. The whole machinery for inspection and prosecution should be centred at the Trade Board Offices in order to secure prompt and intelligent inspection.
- (5) No District Trade Committees were formed in connection with this trade because there did not appear to be any necessity for setting these up. The general view has been in favour of universal minimum rates of wages it being left to the various districts to deal with the standard rates to be paid according to requirements of the districts.
- (6) It is understood that in some Boards there is a provision in the regulations enabling them to carry on their proceedings by Side Voting. The reason for this is that as the two sides of the Board must vote under the regulations in equal numbers the danger arises that the vote of one member on either side might give the vote against the side by his single vote. There is no doubt that such a provision is a valuable one for both sides of the Board and should be one extended to all Trade Boards.
- (7) Many employers to whom the rates apply are engaged in Trade Board trades as ancillary to their main business, the result being that in some cases there is more than one Trade Board rate, or with one Trade Board rate they may be up against the current

rates paid to workers in the main business for which there is no Trade Board. These conditions raise difficulties for which some provision should be made. Many Paper Bag Makers are also Cardboard Box Makers, Printers and Bookbinders. The Bag and Box Trade Board rates have generally been the same, but a great difficulty for composite houses is the arrangement between the Master Printers' Federation and the Trade Unions concerned by which towns and villages are graded into five districts, each paying a different rate. Printing rates do not come under any Trade Board. The rates in the various districts are sometimes higher and sometimes lower than those fixed by the Bag and Box Trade Board. When the rate is higher than the Bag and Box Trade Board rate the composite house is severely penalised because either it must pay the higher rate or it must have friction amongst its workers. If it pays the higher rate it has difficulty in competing with firms who are in one trade only, and who can consequently pay a lower rate without friction because it is uniform. We suggest that a Trade Board should be formed for female employees at any rate in the Printing and Bookbinding Trades.

- (8) Complaint is made in some quarters that the rates of wages fixed by the Trade Boards have tended to unemployment. So far as this trade is concerned this complaint is not justified, the view being that on the whole the effect of the minimum rates has been much to raise the standard of labour and in general to improve the relations between employers and employed.
- (9) There is no doubt that the Trade Board is hampered by the control of the Ministry of Labour and that if the administration were more concentrated in the Trade Board Offices work would be carried out with less delay and with more efficiency. Under the present arrangements the officials of the Minister of Labour have no technical knowledge of the trade or of its conditions, but as Trade Boards consist almost entirely of persons who have full knowledge of the trade, Trade Boards should be the governing bodies rather than the Minister of Labour.

There is another Association named the United British (Wholesale) Paper Bag Makers' Association through whom five employers' representatives are appointed to the Board. This Association closely co-operates with my Association in the work of the Trade Board and I have been authorised to say that the views above expressed are concurred in by that Association.

STATEMENT OF MINIMUM RATES OF WAGES AS FIXED AND VARIED BY THE PAPER BAGMAKING TRADE BOARD (GREAT BRITAIN).

	48-hour Week.	
	General Minimum Time-Rate.	Piecework Basis Rate.
	Per hour.	Per hour.
	s. d.	d.

- (1) Male Workers of 21 years of age and upwards ... 1 1½

48-hour Week.
General Minimum Time-Rate.
Per hour.
s. d.

Piecework Basis Rate.
Per hour.
d.

Female Workers of 18 years of age and upwards ... 8 8½

These rates were made effective by the Minister of Labour on 24th November, 1919.

- (2) Male Machine Tacklers of 23 years of age and over ... 1 6

Male Paper Bag Cutter of 23 years of age and over ... 1 4

Male Hydraulic Pressers, Slitters, Stock-keepers, Packers and Despatchers of 21 years of age and upwards... 1 3

These rates were made effective by the Minister of Labour on 15th March, 1920.

- (3) Male Machine Tacklers of 23 years of age and over ... 1 8½

Male Paper Bag Cutters of 23 years of age and over ... 1 6½

Male Hydraulic Pressers, Slitters, Stock-keepers, Packers and Despatchers of 21 years of age and upwards... 1 5½

All other Male Workers of 21 years of age and upwards ... 1 4½

Female Workers of 18 years of age and upwards ... 9½ 9½

These rates were made effective by the Minister of Labour on 15th November, 1920.

- (4) Male Machine Tacklers of 23 years of age and over ... 1 6½

Male Paper Bag Cutters of 23 years of age and over ... 1 5

Male Hydraulic Pressers, Slitters, Stock-keepers, Packers and Despatchers of 21 years of age and upwards... 1 4½

All other Male Workers of 21 years of age and upwards ... 1 3½

Female Workers of 18 years of age and upwards ... 8½ 8½

These rates were made effective by the Minister of Labour on 4th November, 1921.

The rates of wages for younger Workers were in proportion to the above-mentioned rates.

XI. Retail Bespoke Tailoring Trade.

(29)—Letter received from Mr. R. Tucker, Tavistock, employer in the Retail Bespoke Tailoring Trade.

To the Secretary of the Cave Committee.

81, West Street,
Tavistock, Devon,

Nov. 22nd, 1921.

DEAR SIR,

May I, a small master tailor, venture to approach your Committee with reference to the

serious effects of Trade Board Regulations on such businesses as that with which I am connected?

In many West Country towns before the War a tailor's wages was not more than 26s. per week for constant work. In many cases it was even less. Where piece-work rates were paid higher pay was earned during the season, but lost time considerably reduced the average.

In larger towns, like Plymouth, the trade was chiefly done by women at much lower rates. In Cornwall, where I had considerable experience as foreman cutter, girls of experience and ability were only paid from 8s. to 12s. per week.

It is unnecessary for me to say that even in that day such payments could not be defended, and I sincerely hope that there will never be a return to such conditions.

The attitude of the Trade Board, however, in regard to tailoring is equally indefensible, in that it is throttling trade and causing widespread unemployment. The present fixed rate of wages for men is 76s. per week of 48 hours. This rate applies to all localities, all classes of tailoring establishments (except a few doing exclusive garments), and all general workers without regard to worth and ability. Many country trades have invariably had their work done by male labour, while in a large number of town trades only one man would be employed to a dozen or more women, which naturally reduces cost of production, placing the country tailor employing only men at a great disadvantage. Another method often resorted to in the large towns is to send garments to be made up at factory workshops on what are practically Ready-made principles, and since there is no standard definition of Tailor-made, this works out very unfairly for the honest trader.

The application of present Trade Board rules must in these circumstances tend to drive the trade into the larger towns and consequently throw large numbers of men out of employment, since the amount of female labour in those towns makes the absorption of male workers impossible.

Another matter to which your attention should be directed is that to-day numbers of those who have been thrown out of work have started as their own masters, in many cases working at less than Trade Board rates, and touting for orders at prices below what is possible where the proper rates are paid.

I would also like to point out that wages in other trades and vocations have been considerably reduced. In agricultural districts there is much depression, and labourers' rates of pay have fallen to a point which is likely to make them comparatively poorer than before the War, and consequently unable to purchase necessities produced at much higher rates.

Again, there are great differences in the cost of living even in the various districts of a single county. Under the National Housing Scheme, for instance, rentals are in some districts double what they are in others, while rates show an even greater divergence. This Scheme subsidises the building trades to the extent of from 200 per cent. to 300 per cent.

You will observe that so far my criticism of the Tailoring Trade Board has been destructive rather than constructive; may I, therefore, presume to make a few suggestions which might be helpful to your Committee in its deliberations for the future welfare of the industry? I would suggest—

- (I) Regional Boards or Committees working under, or in conjunction with, the Ministry of Labour.

For this purpose the country should be divided into several districts each having its own Trade Board, which should con-

sist of direct representatives of both employers and employees, together with certain nominees of the Ministry of Labour. Such representatives of employers should have not less than ten years' experience as principals, five years to have been spent in one business. Representatives of employees to have not less than seven years' experience beside apprenticeship, two years to have been spent in one situation. Those representing the Ministry would naturally possess special qualifications and experience. This would exclude adventurers.

- (II) Differentiation of rates of pay in various areas. The minimum rates should not be the same for all localities, but each District Committee should have power to subdivide its area, according to local conditions, into three classes with a different minimum, either side having right of appeal.

- (III) Differentiation of workers by mutual arrangement. Each employer should have liberty to "Grade" his workers in either 1st, 2nd or 3rd Class, according to their degree of efficiency. That is within prescribed limits. Such a grading is of first importance for both master and man. Under the present system with its high minimum it becomes the maximum, and the efficient workman becomes discontented when he finds a less efficient shopmate paid at the same rate; the inefficient, knowing his pay is assured, has no inducement to improve, while men are often sent to join the ranks of the unemployed who might be kept in work if it were possible by mutual arrangement to put them in another grade.

- (IV) Licences to legitimate traders. Each trader fulfilling the conditions of labour should be licensed at a nominal fee for the particular trade in which he is engaged. No trade to use a name which does not strictly describe its commodities. No one, for instance, to advertise as "Tailor" if only doing ready-mades. This would end an existing injustice in many trades, while the licence fees would help to provide funds for carrying on the work of the Boards.

Of course, a licence should never be refused where satisfactory assurances are given.

I apologise for the length of this letter and for its presumption; it is only a desire for the best interests of all parties in the trade which has prompted me to write, whilst I cannot but recognise that the present Trade Board is killing the trade. I have no desire to see a return to pre-War conditions.

I have the honour to remain, Sir,
Yours obediently,

(Signed) RICHARD TUCKER,

Joint Author of "How to Manage a Tailoring Trade," published by the Tailor and Cutter, London.

(30)—Statement submitted by Mr. A. G. Cottrell, Retail Tailor, Uffculme, Devon.

I. The greatest proof, we consider, of the failure of the regulations is that in many districts the men who have been discharged from our workshops for want of trade are taking in the work from our customers, and doing it at less than half the price fixed by the Trade Board; in some cases into homes where there are cases of tuberculosis and other sickness.

II. The regulations are having the effect of driving away with the real tailor, who makes the garment complete and in the best class, and driving it into

the hands of female labour, where, with team labour and under conditions not far removed from sweating, garments are rushed out at one-third the price of a good tailored one.

III. We cannot take boy apprentices, the starting wage being out of all reason; thus in a few years male labour will be extinct.

IV. In this district I consider the men themselves are willing and anxious to sign a petition to allow them to make their own terms with employers.

V. The trade is now sufficiently organised (both men and employers) to be able to arrange a wage according to the districts or to form a Conciliation Board.

VI. In my own business, where before the Minimum Wage was introduced I employed 8 men, I now have 4, who are working on an average of 3½ days per week; but a tailor in an adjoining village, who has 3 sons working with him, is busy with work because he can pay his own sons just what he chooses, and is consequently charging 35s. for making garments

which I have to pay 52s. 6d. for, thus showing how unfair becomes the working of such regulations.

VII. In this district the journeymen have the expenses to meet that larger towns and cities demand. For instance, 3 of my employees are paying 2s. 9d., 3s. 6d. and 4s. 9d. per week for houses and gardens, whereas in towns they often pay 12s. 6d. per week.

We cannot demand the price in an agricultural district for our goods that larger centres get.

(Signed) A. G. COTTRELL.

(31)—Letters addressed by the Master Tailors' Association of Orkney to the Secretary of the Retail Bespoke Tailoring Trade Board (Great Britain) and to the Minister of Labour.

26, Albert Street,

Kirkwall,

22nd September, 1921.

SIR,

The Master Tailors' Association of Orkney would respectfully draw your attention to the urgent necessity for immediately exempting Orkney from the scale of wages for operative tailors and tailoresses as recently fixed by the Trade Board, for the following reasons:—

- (1) Orkney is exempt from the Wages Board rate of wages in agriculture.
- (2) It is manifestly unfair to fix a flat rate applicable for cities like London and Glasgow and a country district like Orkney.
- (3) Master tailors in Orkney who formerly employed large staffs of workers are faced with the necessity of further reducing the number of their employees. In some cases these have already been reduced by more than a half.
- (4) Tailors working for themselves without employees so cut prices that master tailors with employees cannot possibly compete. These working tailors have no fixed scale of charges, and to them the master tailors' rates do not apply.
- (5) The high charges fixed by the Trade Board has killed, and is killing, the *bond fide* bespoke tailoring trade in Orkney. Drapers who know nothing about tailoring are canvassing for orders from the ready-made wholesale houses, leaving the *bond fide* journeymen tailors in Orkney with little or nothing to do. These, along with those who have already lost employment, are swelling the ranks of the unemployed in Orkney.

It is urgently necessary that immediate action be taken to decontrol wages in the tailoring trade in Orkney. The price of made-to-order suits is so high that, while the Trade Board compel us to pay the wages as in the West End of London, our businesses will gradually die until we shall have nothing left.

Yours truly,

(Sgd.) P. SHEARER, President,
(Sgd.) JAS. CLOUSTON, Secretary,

The Master Tailors' Association of Orkney.

The Secretary,
Office of Trade Boards,
7-11, Old Bailey,
London, E.C.4.

26, Albert Street,

Kirkwall,

4th November, 1921.

SIR,

In view of the fact that a committee have been appointed, under the presidency of Lord Cave, to inquire into the working of the Trade Boards Act, our Association wish to state:—

- (1) The above Act has nearly killed the trade in the Orkney Islands. There is not more than one-third of the men employed in the shops who had previously fairly constant work.
- (2) There used to be over fifty male apprentices in Orkney. At the present time there is only one in all the Islands. If this Act continues there will soon be no merchant tailors and only a few old men who will do jobbing in their own houses, and over whom the Trade Board will have no cognisance.
- (3) Living in Orkney is comparatively cheap. Rents are about half what they are in Edinburgh. Actual poverty in the Islands is not known, but the people are not able to pay the present high price for suits, especially seeing that drapers who have no interest in the trade, and who know nothing about it, are continually canvassing for wholesale ready-made houses who, we know, are producing suits at the present time for 37s. per suit. So that money and trade are leaving the Islands, leaving masters and men with nothing to do but look at each other.

We sent a communication to the Trade Board, dated 16th June, and another dated 22nd September, which we would respectfully ask you to place, along with this letter, before Lord Cave's Committee. We would urge the Court, if they wish to save us from utter ruin, to place Orkney outside the Trade Board Act, as has been done with the agricultural interests in Orkney.

Yours faithfully,

(Sgd.) P. SHEARER, President,
(Sgd.) JAS. CLOUSTON, Secretary,

The Master Tailors' Association of Orkney.

The Rt. Hon. T. J. Macnamara, LL.D., M.P.

XII. Stamped or Pressed Metal-Wares Trade.

(32) Statement submitted by Mr. H. D. Jackson, supplementary to oral evidence given on 23rd November, 1921.

The Stamped or Pressed Metal Wares Trade Board was established on the 13th February, 1920, and at once proceeded to its deliberations to fix minimum rates. The employers' panel was found to represent many associations of workers, which, although they did not directly represent the trades defined by the order included most of the members of those trades and, as it is presumed that the Minister of Labour

did not consider the organisation in the trades sufficient, he therefore instituted a Trade Board.

I would here like to point out that those who have the requisite knowledge do not know such a trade as the Stamped or Pressed Metal Wares Trade and the Order does not really represent one trade but a conglomeration of trades, many of which are small ones and confined to a few firms, and there is therefore

not sufficient justification for each trade to have its own organisation; on the other hand the majority of the employers in those trades were federated to other organisations in larger trades, and although there was not an organisation in that particular trade, these employers did, as a matter of fact, come under an agreement for the fixing of wages; for instance as an illustration, in my own case I come under the Stamped or Pressed Metal Wares trade for the manufacture of brace and suspender fittings, and in this trade there are not more than half a dozen employers in the whole country and consequently there was no justification for the expenditure necessary to maintain an organisation for this trade; I on my part, joined the Harness Furniture Association of Walsall with other members who were similarly situated, and wages were regulated by an agreement between this Association and the Harness and Saddlery Furniture Trades Association, which two associations comprise 90 per cent. of both employers and employed in the Walsall district who employed the class of labour in question.

On entering into a Board of this description it naturally follows that the employers are at the initial disadvantage of not knowing one another in many cases whereas the bulk of the employees' representatives being Trade Union leaders, have come in touch with one another before and know one another's views.

At the first meeting of the Board the employers asked for a minimum rate of 7d. per hour and the workers' side asked for a minimum rate of 11½d.: this 7d. per hour was based on the wages paid in the Harness Furniture trade mentioned above by mutual agreement between both sides and the figures contained in this agreement are before you in my evidence given on the 23rd November last, the employers naturally pointed out that the very fact of these agreed rates being in existence, should form the basis for the minimum rate applicable to the working of the Board, as hundreds of employees who came under this agreement would come under the Trade Board, the workers' side maintained that the rates fixed by the Ministry of Munitions during the war, which they called the "prescribed rates" should be the ones that the Board fixed, and here I would particularly draw your attention to the fact admitted by the Workers' Union under an agreement with the Birmingham Engineering Employers' Association, dated 23rd November, 1915, and referred to in my evidence of the 23rd of November last, paragraph 2717, where a clause was inserted reading as follows:—

"It is understood that the £1 minimum recently recommended by the Ministry of Munitions is to apply to women now doing work, which prior to the war, was done by men only."

This admission by the Workers' Union that the rates fixed by the Ministry of Munitions for war work were exceptional was strongly held by the employers' representatives who contended that rates so fixed for munition work should certainly not be accepted as applicable to ordinary trade, as the law of supply and demand naturally operated and the fact that thousands of men had been taken out of the various trades and women substituted for them meant that the supply of female labour was not equal to the demand, and under those circumstances it was only natural that the Ministry should fix a wage sufficiently high to attract all the labour possible, but I do not think they had any idea that this wage would be considered an economic one in ordinary trade conditions; this argument went on for three days and during the course of the discussion the appointed members naturally saw both sides separately and endeavoured to alter their views; various amendments were made by both sides, but finally the appointed members saw the employers and told them that they could not give them their vote unless they agreed to a particular rate and the argument they used for this rate was, that several Boards within the last two or three months had fixed 9d. as a minimum rate, and as the cost of living had arisen and was likely to rise they would not vote for the employers unless they agreed to a rate of 9d.; this argument I

think is an absolutely fallacious one as it does not take into consideration the power of the trade to bear the burden, neither does it take into account the nature of the work performed, but naturally the employers felt that to save worse happening they had better accept 9d., as otherwise it was evident the appointed members would vote for the workers' suggestion of 10½d. This I think will illustrate my argument regarding appointed members in my evidence of the 23rd November last.

In that evidence I have also shown the enormous increases in wages it meant to certain employees and the confusion that arose owing to the fact that those employers who came under the Trade Board and who also manufactured articles which did not come under the Trade Board, could by the agreement referred to above if they chose, pay a rate of wages which was, in some cases, 30 per cent. below the Trade Board rate, but in actual practice, to save unrest in the works they felt compelled to pay the Trade Board rate and thus, where they had to compete with other manufacturers making such articles who did not come under a Trade Board, they were at the disadvantage of paying a considerably higher rate than their competitors, and this was never intended at the institution of the Trade Boards Acts.

This also has the effect of unsettling those employees in works not covered by a Trade Board who are doing the same work as others in works covered by Trade Board, as I have shown that in the latter case employers felt compelled to pay higher wages than those agreed upon with labour representatives, owing to the fact that some portion of their output was covered by a Trade Board and those paid the lower rate naturally felt dissatisfied with the agreement arrived at by their own representatives and agitated for an increase.

I also illustrate in my evidence of the 23rd November the fact that in three trades closely allied to and in fact actually forming part of what the Minister designates the Stamped or Pressed Metal Wares trade and where it is almost impossible to distinguish between them, different rates of pay were fixed thus leading to a very great confusion.

At a meeting at which I was not present, owing to the fact that the employers did not know one another sufficiently to get a real considered combined policy, a resolution was passed delegating to a Committee, of four on each side, the fixing of skilled rates for both males and females. This Committee proceeded to carry out the work entrusted to them but great difficulty was experienced in getting definitions that it was felt would cover the operations in existence and the greatest difficulty was experienced in trying to fix definitions of skill for females; the employers' representatives were so doubtful about the definitions that were fixed that they said at once that they could not bind themselves until they had consulted their constituents, and a storm of opposition was raised against this owing to the fact that they covered people that the Committee never had in mind or intended to bring in. This brought about the position that the employers' representatives opposed the fixing of skilled rates altogether but they were beaten in their motion by the votes of the appointed members, who really did not understand as much about the business as they did themselves, and if it was evident that this Committee could not fix definitions that were satisfactory, which they have agreed was so, surely the appointed members were in a worse position still; and I contend that the fixing of skilled rates is a thing that should not be attempted by any Trade Board such as the Stamped or Pressed Metal Wares Trade Board as it is impossible even for employers who are acquainted with many sections of the trade to be able to be acquainted with all the trades comprised in the order, and to be able to get out a definition that will not do an injustice either to certain employers or certain employees of whom they have no knowledge.

Then again in the case of the fixing of skilled rates for Polishers the rates agreed upon between the Brass Employers' Federation in Birmingham and the Brass and Metal Mechanics' Union were taken as the basis and the rates of this agreement adopted; but there were in existence rates agreed between the Harness

Furniture Association and the Harness and Saddlery Furniture Trades Association employing exactly the same class of labour and doing exactly the same work which were considerably below those rates, and it therefore meant that the Walsall employers who came under the Trade Board had to increase their rates of pay during a period of great depression in trade because of the fixing of these rates by the Trade Board, and here again surely if skilled rates are to be fixed they should certainly not be higher than any rate that could be shown to be fixed by agreement between the bulk of the employers and employees in a section of the trade which comes under the Trade Board order.

Early this year an application was made for a reduction in female rates, and once again the agreement between the Harness Furniture Association and Harness and Saddlery Furniture Trades Association was put before the meeting as evidence that the rate asked for by the employers was the correct one, but no notice was taken of this agreement, and again rates were fixed on a higher scale, this also by the vote and influence of the Appointed Members and the anomalies that have been mentioned in my evidence of the 23rd November last were perpetuated.

At the early meeting of the Stamped or Pressed Metal Wares Trade Board all the members of both sides were quite under the impression that any article made by the processes of cold stamping and cold piercing from sheet metals other than precious metals would come under the Trade Board, but as they went along it was felt that the Minister of Labour had endeavoured to divide up the metal industries into watertight compartments making specified articles, and therefore many articles were excluded that the whole Board considered should be included; for instance, cabinet fittings are included in the order, but the decision was given that the hinges for cabinets were not included, and if this is not a cabinet fitting I should like to know what is the use of this description at all. This is one illustration of many cases that occurred, and the Board during the latter part of 1920 approached the Ministry of Labour and pointed out that the existing definition was absurd and could not possibly be worked. Several meetings were held on this question, and at these meetings both the employers' and workers' sides of the Board contended that it was altogether wrong and against the usual practice to try and define rates of wages by the article produced, and strongly held that definition "by process" should be the method adopted, and to illustrate what was meant by these definitions "by process" they suggested that each worker should be paid according to the work performed, or, in other words, Sorters should be paid for sorting work, Press workers for operating presses, Braziers for brazing any articles and not for sorting, stamping, and piercing or brazing such as Suspender fittings, Gas Light fittings and Cabinet fittings respectively. After considerable discussion the Minister of Labour said he could not accept this, but he was prepared to amend the definition on the old basis, and new definitions have been got out comprising 38 separate articles or sets of articles, and in these 38 articles or sets of articles those acquainted with the trades consider that there are 20 or more separate trades as defined by the Minister, but only one industry, that is the metal industry. Even here the Minister of Labour would not include such articles as locks and latches, cycle accessories manufactured by firms in the cycle trade, motor lamps and bicycle lamps, although domestic paraffin lamps are included, which are very similar in manufacture, and this new definition does not cover all the articles made by the process of cold stamping and cold piercing; finally, under pressure from the Committee, in order to avoid a difficulty, the Minister of Labour offered to send out a definition "by process" as the recommendation of the Trade Board Committee, but would not father it himself, and it was felt rather than face the possibility that the Minister of Labour would only give lukewarm support to their definition the united feeling of the Committee should be given up in deference to the opinion of the Minister of Labour, and that his attenuated definition should be sent out. This, I

think, is the effect of Government interference in industry by departments who have no knowledge of the practical side of the business, and is also an illustration of the fact that the whole of the representatives of the trades concerned were of opinion that the only satisfactory method of dealing with wages was by process, and yet the Minister of Labour went against this united opinion and decided that he could not possibly father a definition of that character, and I would point out here that these facts do strongly support my contention in my evidence of the 23rd November last, that this is the only practical method of settling wages, that is, "by process" rather than by the article made.

Notwithstanding the enquiries of the Minister of Labour regarding organisations, I maintain that at least 80 per cent. of the firms covered by this Trade Board are in some organisation of employers in the Midland district; they may not be organised under their separate trades, but they are members of some employers' organisation which negotiates wages in agreement with trade unions, and a great many of them in the smaller trades belong to the National Employers' Federation, and, therefore, although the Minister may say there is no organisation of the particular trade, he has overlooked the fact that wages agreements in the majority of instances cover the wages of these firms, and it is only another illustration of the unbusinesslike method of Government Departments in ascertaining their information in a stereotyped style and enquiring whether there is an organisation in the trade rather than whether the bulk of the employers are in a trade organisation either connected with their particular trade or of a general character such as the National Employers' Federation and other similar organisations.

We maintain that in the Midland district there is sufficient organisation amongst the various bodies in existence to speak for at least 80 per cent. of the employers in the metal industries, and we ask that we shall be allowed to regulate our own wages by means of confederations of these organisations without any interference by a Government Department and without the presence of any outsiders, who do not and cannot possibly, without years of study, understand the conditions prevailing in the industry concerned. If it is felt necessary that these wages shall be made statutory we have no objection to an order by the Minister of Labour or any other Government Department, preferably the Board of Trade, making an agreement arrived at by this body in conjunction with representatives of the Trade Unions in the district obligatory to all employers within the industry, and we would also agree that in case of deadlock in the negotiations the matter shall be decided by an independent person selected and agreed to by both sides, as they would naturally select somebody, in whom they both had confidence, who was acquainted with the conditions prevailing in the district, and we maintain that this would prevent what is happening in the Stamped or Pressed Metal Wares Trade Board, namely, that whichever side the Appointed Members voted against went away from the meeting thoroughly dissatisfied and in no mood to see that the decisions of the Board were carried out for the benefit of everybody concerned, and although we cannot speak for all employers' sides of the Trade Boards in the country, we feel sure that if this method of settling wages, which has now been in existence for many years, were put before them the majority of them, at any rate, would fall in with it at once, as it is the method that has been adopted by the largest and best organisations such as the Engineering and Ship Building and Iron and Steel trades and in the Engineering and Ship Building trades, instead of having one rate for the whole of the country, there are various rates which they apply to different districts according to the conditions prevailing in these districts; and these rates have been instituted by people who understand their business and understand the conditions prevailing in the trade, and should therefore be in an infinitely better position than any Trade Board to settle a wage that will give satisfaction to both sides.

In my evidence of the 23rd November, paragraph 2720, I give particulars of the effects of the order of the Button Board on one of the firms in the trade, and in a letter dated 2nd December this firm says:—

"We may say we have had an order offered to us, at a price, from America which would keep us going for two or three months on full time, and if we were able to negotiate freely with our workpeople we should be able to accept this both to our own and their satisfaction; as it is, we are

bound hand and foot unless we ignore the Trade Board."

and this will illustrate the impossibility of controlling such a delicate machine by hide-bound Government method.

If such a body as I had outlined were in existence it would be easy to get a meeting and settle a point like this, as has been done before under the ordinary arrangements in existence for regulating wages.

XII (a). Wholesale Mantle and Costume Trade.

(32a)—Statement of Evidence submitted on behalf of the Wholesale Mantle and Costume Manufacturers' Federation of Great Britain.

This expression of views represents the opinion of the Employers' Representatives of the Wholesale Mantle and Costume Trade Board.

The Wholesale Mantle and Costume Manufacturers' Federation of Great Britain is an organisation representing the following:—

- (2) British Wholesale Costume and Mantle Makers' Association (London).
- (3) Scottish Mantle Makers' Association (Glasgow).
- (3) Manchester and District Mantle Makers' Association.
- (4) Leeds Wholesale Clothiers and Mantle Makers' Association.
- (5) Birmingham and The Midlands, and Bristol are also represented.

CAPTURED INDUSTRY.

The making up for the wholesale of ladies' and children's mantles, costumes and coats did not exist in Great Britain, except in a very limited degree, until some 35 years ago; but has gradually been captured from the Continent during that period; the early development of the industry in this country was materially helped by a Labour dispute in Berlin years ago.

SETTING UP OF TRADE BOARD.

When the Minister of Labour decided to set up a Trade Board under the Act for this industry on 20th November, 1919, the various local associations enumerated were communicated with by the Department; the result being an increase of membership of the local associations and the formation of the Federation. Undoubtedly the question of wages, hours, &c., meant to the individual employers a more quickened interest in these matters and a desire to corroborate with each other individually and collectively.

Before the setting up of this Trade Board the trade was, under the Wages Temporary Regulation Act, bound to pay a minimum rate of 7d. per hour to women of 18 years and over, but local rates in kindred trades governed to a degree the rates of pay.

The employers submit that when the Trade Boards Acts were applied to the trade it could not be considered a sweated one; although no doubt there might be cases of sweating in some districts, particularly amongst "out" (home) workers. Employers recognised the need of some machinery to regulate proper rates of pay throughout the whole industry, otherwise competition in this vast trade, with its ramifications, is unfair to the employer anxious to pay reasonable wages.

INDUSTRY IN ITS INFANCY.

Previous to the setting up of the Trade Board wages varied in different areas, particularly as this was a new and growing industry with sure and certain possibility of still greater development in the future if trade disputes can be avoided. At present employers have a direct interest in this Trade Board through their representatives, who report from time to time and receive instructions from their local association or Federation executive.

The employers of the wholesale section of this trade depend upon the labour they employ to a much greater extent than some other branches of the trade. The trade being seasonal, there are slack periods, during which, in order to retain workers, stock garments are made up, which are usually sold at a sacrifice.

TRADE BOARD AVOIDANCE OF DISPUTES.

The Trade Board has thus far in this trade ensured the avoidance of any strike since it was set up, due to the following causes:—

- (1) Meeting for the first time leaders of the Trade Unions.
- (2) "Getting together," consequently gaining confidence in each other with a mutual anxiety for a "square deal."
- (3) When difficulties have arisen during Trade Board meetings a way has been found to avoid stoppage of works by negotiation.
- (4) The experience has not been a lengthy one, but in other and kindred industries (as for instance the Ready-made and Bespoke Tailoring), largely through the Trade Board, strikes and disputes have been avoided even during the late war.
- (5) Tactful handling by the independent chairman, who from time to time made suggestions but left the two sides to negotiate settlement.
- (6) Committees of this Board are at the present moment co-operating with two other sections of the sewing trade to evolve a better system of learnership, very necessary for the Britisher if he, as a worker in the trade, is to hold his own.

FUTURE.

The future outlook of the wholesale differs from other branches of the trade because:—

- (1) Ready-to-wear garments are in greater demand, and are likely to be so, than ever before.
- (2) The evolution during the last 10 years of the ready-to-wear (a) capes and coats, (b) costumes, (c) dresses, (d) coat frocks, both in quality and quantity, is rapid.
- (3) The avoidance of trade disputes in this young and growing industry is necessary to ensure its development.
- (4) Thus far this Trade Board has been the only alternative to the go-as-you-please policy.

RATES.

Rates of pay not standard but minimum. Learners' rates and unemployment:—

- (1) Boys and girls employed on war work at high rates, while trade "starved" for 3/4 years, the learners' rates had to be increased to attract labour.
- (2) Latterly trade depression and non-engagement of learners, because desired to fully employ older workers with dependants.

- (3) Wholesalers opportunity at present, which he takes and has taken during the 5 years to increase and develop his trade.
- (4) Trade Board learnership high rates affect unemployment to a slight degree only.

TRADE BOARD AMENDMENTS SUGGESTED.

1. Shortened time in which rates may be varied.
2. Chairmen only, without appointed members.
3. Fewer Boards but not a Parliament; must not sacrifice the direct personal interest of employers.
4. Overlapping. One basic minimum rate for all sewing trades.
5. In a small factory employing, say, not more than 20 workers all told, and making a variety of garments,

the rates of pay governed by whatever section of the trade the employer is "mainly engaged" in.

FACTORY INSPECTORS DIRECTED FROM TRADE BOARD OFFICE.

- (A) Home Office Factory Inspector.
- (B) Ministry of Labour or Unemployment and Health Inspectors.
- (C) Local Authority—Public Health Department.
6. Trade Boards ought to have some limited powers of administration, including questions of scope and definition, and a court of appeal of some description other than the Ministry of Labour, to and from whom frequent correspondence passes.

XIII. General.

(33)—Evidence submitted by Mr. Cecil Walton, of Lever Bros., Port Sunlight, Cheshire.

A great deal of evidence has already been submitted covering wages and hours of labour and as it would appear that nothing new in this respect can be submitted, I propose to deal with the matter from a point of view which has, so far as I have been able to gather, not been sufficiently emphasised.

OBJECT OF TRADE BOARDS.

The original object in introducing Trade Boards was to deal with industries which were not covered by Trade Organisation, or industries not sufficiently important, to command such attention.

In pre-war days Trade Unionism was practically confined to organisations in skilled trades. Trade Unionism therefore, was, in effect, Craft Unionism.

Arising out of war conditions when great masses of unskilled labour were called upon to serve the country in the production of munitions of war, various organisations arose which eventually developed into the now powerful movement known as "unskilled labour organisation."

To-day, therefore, the position is entirely different to pre-war conditions, and it would be difficult to know which of the two is stronger, craft unionism or unskilled unionism. The original object of Trade Boards, namely, the protection of unorganised industry is either fast disappearing, or has already disappeared.

Trade Boards may have been justified as a protective measure. Certainly Trade Unionism was introduced for this particular reason, and it is becoming increasingly difficult to see why two separate bodies are necessary, one directly concerned with industry, and the other instituted by the State.

By such means there are two conflicting organisations introduced into industry, which can only end in disaster, and it is becoming impossible for employers to deal with both.

We shall have Trade Unionisms laying down one set of conditions, Trade Boards another, and employers another. A triangle of conflicting opinions in which one of the two must be constantly defeated, or a position in which Trade Unionism is on one hand, and employers on the other, with the Government holding a watching brief. In other words it is an introduction of compulsory arbitration to which labour and employers will never agree.

It is an historical fact that organised labour resents State interference far more strongly than employers.

Again, we have two distinct political sections of

opinion; one encouraging Trade Boards in organised industry, and the other encouraging the conduct of industry on the lines of the Whitley report.

It is not within the scope of the present enquiry to discuss the Whitley report, or its recommendations, but it is obvious that:—

- (a) Trade Boards represent rigidity of conditions.
- (b) Whitley councils represent considerable elasticity.

If we adhere to clause (a) it means rigidity of conditions, hours and wages, etc., by regulations set up to compulsion, which will mean that those regulations, and only those regulations, will be carried out.

It is probable that never in our industrial history has such a change been made in our industrial atmosphere as in the last two years. There has been a growth of an entirely new spirit. The rigidity of conditions will mean the destruction of that spirit; the upsetting of comradeship which is now making itself felt, and reconciliation will fast become impossible.

We shall drift back to the days when men were considered as merely so many hands or check numbers, and team work, which is now being so encouragingly brought forward, will be entirely abolished.

There will be no encouragement to employers with any vision to continue with schemes already in existence, or with such as they may have in view. The hopes of sane leaders of Trade Union Organisations will never be realised. The increasing interest of the employee in the business of his employer will cease, and organised labour officials who now do so much as liaison officers, will find their efforts unavailing.

In effect, labour will once more become a machine; to be used merely as a machine, and cast aside when done with. The points, therefore, which I wish to emphasise are:—

- (a) That Trade Boards in industries employing organised labour are entirely unnecessary and will introduce further complications.
- (b) That Trade Boards are interfering unnecessarily with Trade Union Organisations.
- (c) That Trade Boards will set up a rigidity of conditions which will set a standard for all industry far behind the standard that the great employers of this country have in view for their employees.

C.—Statements submitted by Workers' Organisations.

(34)—Statement submitted by Miss M. C. Steen, Assistant Scottish Organiser, National Amalgamated Union of Shop Assistants, Warehousemen and Clerks, Member of Dressmaking and Women's Light Clothing Trade Board (Scotland) (Workers' Side), Secretary of Workers' Side, Hat, Cap and Millinery Trade Board (Scotland).

While I do not think that Trade Boards can adequately legislate for all the needs of Dressmaking and Millinery Workers, their retention is in my view

absolutely necessary in order that a reversion to the state of affairs, which at one time existed, may be prevented.

STATE OF SEWING TRADES PRIOR TO 1914.

For many years, I was employed as Saleswomen in a Drapery Establishment which employed large numbers of dressmakers and milliners, I therefore know intimately what those conditions were. The knowledge of what obtained in the establishment in which I was employed myself was corroborated by the experience of two of my sisters employed in other firms, one as a dressmaker, and the other as a milliner.

UNEMPLOYMENT ACCOMPANYING LOW WAGES.

Employers state that the unemployment which prevails in the Trade just now is due to the high rates fixed by the Trade Board, but long before Trade Boards were extended to the Sewing Trades, my sisters had to abandon dressmaking and millinery owing to the recurrence winter after winter of dull time. High wages could not be the cause of suspension then, as girls worked for the whole of the first year for nothing, and highly skilled craftswomen received as wages anything from 14s. to 15s. per week.

UNPAID OVERTIME IN BUSY SEASON.

They suffered if trade was bad, they also suffered if it was good.

In the winter time when orders were few, they were turned into the street. When spring came and trade revived, they worked overtime without receiving any extra payment for it. This state of affairs continued right up to 1917.

THE BEGINNING OF ORGANISATION.

In 1916, after two years of war and its accompaniment of soaring prices, the dressmakers in two Aberdeen establishments summed up courage to ask for an all-round advance in wages. They did not at that time join the Union, but sent in to their employers a "Round Robin" asking for consideration. Both firms ignored this timid request, but one set of employees, more brave than the other, made a second attempt, and secured an offer of an increase on a percentage basis.

This was considered satisfactory until it came to be understood clearly. When the girls realised that the actual cash value of the offer ranged from 3d. to 9d. per week (in a few isolated cases 1s. per week), they felt that they were being insulted, and pressed for further consideration. The firm refused to come further and, although they had no organisation behind them, the dressmakers ceased work.

As was to be expected of a strike of this kind, it proved abortive, and work had to be resumed at the employers' terms.

While the "dispute" was in progress the dressmakers found their way to the Aberdeen Branch of the Shop Assistants' Union, of which I was at that time Secretary. Plans were then laid for approaching local firms with a uniform programme of wages and conditions in the following spring.

ATTEMPTS TO SECURE UNION RECOGNITION.

Eventually this was accomplished, but the Union's request met with the same fate as the "Round Robin": no reply was received. We tried to fix up an interview by conversation on the phone, but without success, and finally our Scottish organiser, Mr. Beaton, having had no replies to his letters, and no success with phone conversations, took the bull by the horns by walking into one of the establishments and confronting the proprietor. The partner of a neighbouring establishment, with whom we were also in negotiation, was called in, and an impromptu joint conference was held at which a formal interview, for the purposes of arranging details, was fixed. We believed then that the employers were convinced of the necessity of coming to terms with us, as the employees' representatives, but subsequent events proved us mistaken.

FIRST DRESSMAKERS' STRIKE TAKES PLACE.

In due time Mr. Beaton travelled North to keep his appointment with the two firms, but when he called at the shop he was refused an audience.

We reported to our members and it was decided to give the firm one more chance. We therefore phoned the proprietor and again asked him to meet us for the purpose of discussing wages. He refused point blank to do so. We then informed him that the workers had decided to withdraw their labour unless an interview was conceded, his reply was that they could please themselves.

We met the dressmakers at the dinner interval and reported what had taken place; they unanimously agreed to cease work and did not resume in the afternoon.

THE EMPLOYERS ASK FOR NEGOTIATION THROUGH THE UNION.

No move towards reconciliation was made by the employers until three days had elapsed. By this time we had arranged a meeting for the purpose of letting the Aberdeen public hear the workers' side of the case. Just as we were about to begin we received an invitation to meet the local Drapery Association for the purpose of discussing a scale to apply to the whole of the trade in Aberdeen, on the understanding that the girls on strike resumed work at once. The girls did not resume, however, until an agreement satisfactory to those in dispute was arrived at.

IMPROVEMENT AS THE RESULT OF ORGANISATION.

In this way began the movement which developed and spread to practically every town of importance in Scotland, and which in a short time resulted in the establishment of a 48-hour week with payment for overtime at time and a half rates, payment for summer holidays, and the establishment of minimum wage rates. Only in one instance was the *abolition of dull time* secured, although it occupied a prominent place in our programme at that time (1917).

CONDITIONS ESTABLISHED PRIOR TO TRADE BOARD'S FORMATION.

In the spring of 1918 and 1919 further improvements were secured. A uniform working week of 44 hours in every town in which we had members was established with payment of overtime at time and a half rates. Payment for six days' statutory holidays in addition to payment for one week's summer holiday was conceded and increases in the minimum rates were also given.

It will be seen from the foregoing that by this time Scottish dressmakers were taking a hand effectively in shaping and regulating their own conditions. This was particularly the case in large towns. The only workers outside the scope of our National Agreement were those employed in small establishments in the city or in outlying country districts.

We believed, as did the employers of the Retail Garment Makers and Millinery Trades' Federation, that the setting up of a Dressmaking Trade Board would successfully deal with such cases, as by the operation of its rates their unfair competition would be done away with.

TRADE BOARD RATES PREVENT UNFAIR COMPETITION.

This belief has been justified by experience, and the levelling up process has told in favour of fair employers.

We have emphasised the strength of organisation which prevails among Scottish dressmakers, and this perhaps can best be verified by what took place when the first proposals of the Scottish Dressmaking Trade Board were issued on June, 1920, W.D.S. (1).

EMPLOYERS REFUSE TO NEGOTIATE ON THE PLEA THAT THE TRADE IS TO BE COVERED BY A TRADE BOARD.

In the spring of that year we approached the Scottish Retail Garment Makers and Millinery Trades' Federation with a programme of wages and conditions. They evaded an interview for the discussion

of this on the plea that a Board was about to be established. When the Board's proposals were issued they were found to be far short of our demand, and, of course, did not contain any reference to payment for summer or statutory holidays. Further, they proposed a normal working week of 46 hours, while 44 hours were what prevailed in the trade.

EMPLOYERS REFUSE TO GO BEYOND TRADE BOARD RATES. STOPPAGE OF DRESSMAKERS IN PRINCIPAL TOWNS.

We pressed the employers for higher rates for experienced workers, but they argued that Trade Board rates were sufficient and refused to meet us. In consequence of this our members in Edinburgh, Dundee, Falkirk, Stirling, Bannockburn and Aberdeen ceased work. Almost immediately settlements were obtained with a large number of individual firms.

This dispute was remarkable in a number of ways. In the first place, although *every worker came out*, only those over 20 years of age had a grievance. Trade Board rates were acceptable up to that age. In the second place, the busy season was just at its close: this put the employers in a very strong position.

(35)—Copy of a letter received from the National Laundry Workers' Union dated December 10th, 1921.

DEAR SIR,

I have been requested to state that the Trade Board for Laundry employees has been highly appreciated by them, and their hope is that it may continue to insure the necessary protection until this class of workers is better organised, protection from the sweated conditions and long hours to which some employers would certainly revert.

There are some suggestions that we should like to make while hoping for the continuance of the Trade Board.

That if there is to continue an hourly instead of a weekly rate that such hourly rate should be time and a quarter of ordinary rate. A halfpenny an hour is not sufficient, for we find some employers hustling the workers and so reaping the advantage to themselves.

Piece-work should be abolished.

That there should be only one young person under 18 years to every four over 18 years in order to

Possibly the employers counted on those factors and expected a certain victory, but if so they were mistaken. Although it took a considerable time we eventually came to a settlement in all the towns affected. A number of firms came to terms with us almost immediately, giving us in some instances our full request of 1s. 1d. per hour. A number settled for 1s. 0½d. per hour, a further number for 11½d. per hour.

Surely this is sufficient to show that the workers in this trade are likely to resist any attempt to bring back the disgraceful conditions which existed prior to 1917.

It is not to the credit of the State that such a condition of affairs should have existed at so recent a date, and in my view it is the function and duty of the Trade Board to see that a return to it is impossible.

A very large proportion of the nation's young women are employed in the sewing trades, and from the view of race preservation alone it is essential that they should be guaranteed at least a minimum of comfort. Organisation can do a great deal in large towns and establishments, but the Trade Board alone can legislate for the trade as a whole.

prevent employers having so many young girls for cheapness and also creating a surplus of labour.

That all national holidays, or days in lieu thereof, and one week in summer be paid for by the employers, under Trade Board rule.

That all rates of wages decided on by the Board remain unaltered for at least twelve months.

That where possible the workers' side of the Board should be represented by a representative from an organisation for that industry.

That all such representatives elected by said organisation be accepted by the Minister of Labour.

Regarding minimum rate of wage, Clause 6, paragraph 3 should be cancelled as employers are so allowed to obtain cheap labour.

Yours faithfully,

(Signed) G. DONALDSON.

D.—Statement submitted by Joint Organisation of Employers and Workers.

(36)—Statement submitted on behalf of the Birmingham and District Committee of The National Alliance of Employers and Employed.

At the outset it must be fully understood that the evidence submitted herewith is agreed upon between employers and employed represented on the Birmingham and District Committee of the National Alliance of Employers and Employed, and deals only with that aspect of the case that has been unanimously agreed upon by this Committee as affecting industry in their own districts.

We approve of the principle of Trade Boards only where industry is not sufficiently organised on either side to manage without them, and we are of the opinion that their constitution and procedure might be greatly improved to enable them to work more quickly and efficiently.

The Trade Board system embodies the principle of compulsory regulation of wages, and in effect puts the determination of the wage to be paid into the hands of an authority nominated by a Government Department, and one which does not in general enjoy the confidence of employers and employed.

Experience has shown in this district that certain employers who are controlled by Trade Board regulations, do not join their Federations, and cases are known of employers who have withdrawn from their Federations.

The same applies to workpeople who are protected by Trade Boards. They do not join their Trade Unions, and in numerous cases have ceased to be members of their Trade Unions.

It is submitted that where employers are not members of their Federations, and workpeople not members of their Trade Unions, it is impossible to efficiently see that Trade Board rates are being paid, and, in fact, it is known that in many cases Trade Board rates are not being paid.

The third Report of the Whitley Committee, dated June 7th, 1918, on "Relations between Employers and Employed on Joint Standing Industrial Councils," recommended that where no suitable organisation existed for the regulation of wages, a Trade Board should be set up, which, presumably, is the basis of the 1918 Act. They observe, however, "briefly our proposals are that the extent of State assistance should vary inversely with the degree of organisation in industries. We do not, however, regard Government assistance as an alternative to the organisation of employers and employed."

On the contrary, we regard it as a means of furthering the growth and development of each organisation."

The contrary seems to have been the case, because, as already pointed out, the effect of Trade Boards upon some of the employers, particularly the small employer, and the workpeople, has been to decrease their dependence on their trade organisations, the reason being that their wage conditions are regulated for them, and therefore they do not experience the same need to associate themselves with Employers' Federations or Trade Unions. The consequence is that instead of improving the organisation of Industry, the policy adopted is, in fact, rapidly bringing about a state of chaos.

It is submitted that when trade is good and labour scarce, Trade Boards will not contribute to peace in industry unless they put themselves in the place of the Best Employer, which situation is not contemplated under that Act. It is reasonable to expect, and it is human nature, that workers will not accept less from an employer who is under a Trade Board than workers who are employed by the employer whose rates are fixed by direct negotiation between his Federation and the Trade Union.

This means that wages fixed by direct negotiation will be the determining factor in the wage standard, and it is contended that no step should be taken by the State which will weaken the organisation on either side responsible for reaching such agreement.

Wide powers existed under the 1909 Act for the setting up of Trade Boards. It was not until the 1918 Act was passed that Trade Boards were set up to any extent. During the period 1909-1918 organisation among employers and the workers had developed enormously, and, it is contended, such organisations would have proved adequate for the safeguard of the two parties to industry. The activities of the Ministry, during the years 1918-1920, on the alleged lack of organisation, has done much to destroy the confidence of employers and employed.

Trade Boards have led to such confusion in Industry, as there are instances where four Boards apply to the same factory, although the work is practically identical.

Differing rates are applied to operations and the rates differ from those arrived at by direct negotiation, although the operations, from the point of view of skill, arduousness or economic value, are largely similar.

They prevent the quick determination of an economic wage.

Rates and operations scheduled by the Trade Boards are so numerous and complex that a very

large staff of inspectors would be needed to ensure definitely that effect was given them.

From the time a Trade Board determines a rate, until such rate becomes effective, a period of three months elapses, and before it can be altered a further six months must elapse, unless the Minister specially intervenes. A Trade Board having made a decision, such decision should be made applicable within a month, which provides plenty of time for appeal, and it should be within the power of the Board to alter a rate at any time, subject to the provision of a month's notice being given.

The Ministry of Labour should be impartially at the service of Industry, and should refrain from all undue interference in industrial affairs. A policy which lays it open to a charge of seeking an alternative to direct negotiations should be abandoned.

While a decision of a Trade Board is supposed to rest upon the authority of Law, any attempt to refuse application of such decision will create a difficult situation, and have a bad moral effect on the parties to industrial negotiation.

It is suggested an Industrial Tribunal be appointed to receive appeals for the removal from the control of a Trade Board already established, and if it can be proved that the majority of each side are organised, that section of Industry be automatically released.

It is suggested that unless it can be shown that less than 50 per cent. are organised, no steps should be taken to create a Trade Board, and that the Minister of Labour should not, in his own right, exercise an authority to create a Trade Board. The Industrial Tribunal before mentioned should examine any such proposal, give notice to the parties concerned, hear evidence and report; without such report the Ministry should not act.

Trade Boards should concern themselves only by fixing rates for grades of labour by occupation, and should not attempt to define wages for operations which are usually determined upon skill and merit.

It is suggested that where organisations exist of employers on the one hand and Trade Unions on the other, these organisations should be the means of determining rates by direct negotiation. A wage so fixed, should be reported to the Minister, made statutory, and applicable to all engaged in the industry.

It is contended that the progress of Self-Government within Industry must be judged, not by the number of Government regulations, but by their absence.

E.—Statements received from Neutral Sources.

(37)—Statement submitted by Miss Helen Sanders, Investigating Officer, appointed under the Trade Boards Acts, 1912—1918.

MY LORD,

In accordance with the request conveyed in the letter received from the Secretary of your Committee, I have the honour to submit the following statement, based on my experience as an investigating officer under the Trade Boards Act from September, 1912, to August, 1918, when I was seconded to the Ministry of Munitions.

If called upon to express an opinion as to what is the most essential condition of success in administration under the Trade Boards Acts, I should have no hesitation in placing first in importance the provision of some permanent co-ordinating factor between the Boards and the works of enforcement of their determinations. From 1909 to 1917 co-ordination was secured by the presence of a permanent whole-time chairman, who was not only chairman but leader of the appointed members, and was also empowered in a measure to control the work of the inspectorate under the Board of Trade.

The result of this arrangement, simple in itself, was far-reaching, and does not appear to have been sufficiently appreciated, for—since the abolition of the post of permanent chairman—no other provision for co-ordination appears to have been made, or to have been recognised as being desirable.

The permanent chairman was in a position to study the effects, probable and actual, of wage regulation as it would affect, or was affecting, the trades concerned, and to offer suggestions to the Boards, in the course of their deliberations, in the light of his knowledge. When in doubt as to the probable effect of any given proposal he could instruct a member of the investigating staff to make an inquiry and report to him personally. Further, he carried with him to the deliberations of new Boards the experience gained on others. And as leader of the appointed members he was able to guide them, from his wide experience and knowledge, in the exercise of their important functions in the event of disagreement between the employers' and the workers' sides.

The members of the inspectorate under his control were encouraged to call his attention to any apparent defects or difficulties of administration which came to their notice when a determination was enforced, and especially the period of proposal of a rate under Section 4 (2) of the Act of 1909, was largely used by him as an opportunity for inquiry by inspectors as to the suitability of the proposed determination, while alteration and modification were still practicable. It is probably a matter of common agreement that the complexities of industry are so great

that the effects of any given regulation are often not foreseen even by those most familiar with the trade concerned, and also that trade experts often have an unrivalled knowledge of one section of a trade but are yet not conversant with other branches of it. It was therefore in practice an immense advantage to have present at the meetings of a Board a chairman who had made a special study of that trade as a whole regarded from the angle of Trade Board problems. Proposals could be taken up, explored and dropped, if likely to prove unsound, before they had been tried and found wanting.

It is difficult to see how the present chairman and Appointed Members can possibly keep themselves so well informed as did their predecessors—and it appears that any difficulties or anomalies which arise from the application of the Boards' determinations, can now only be discovered after the event, and their removal, if necessary, must be undertaken at the instance of the Ministry of Labour.

Perhaps I might be allowed to give an example which illustrates very clearly how the old system worked:—

In 1913, the Ready-made and Wholesale Bespoke Tailoring Board intended to follow in the steps of the Chain and Lace Finishing Trade Boards and to fix general minimum piece rates for certain processes.

They referred the matter to a sub-committee to draft a proposal. It was proposed to deal first with the cheapest qualities of work and to consider general minimum piece rates for the shipping trade only. Accordingly the Committee included heads of prominent firms engaged in the shipping trade. The members of the committee agreed to make enquiries and give details of the lowest piece rates customary in their districts, and to furnish evidence of the yield per hour. Meanwhile the chairman instructed an investigating officer to make an enquiry on the same lines over a wider area and to report to him personally. The result of the investigating officer's enquiry was negative. It disclosed the existence of an almost infinite variation in the quality of garments and in the method of sub-dividing the processes of manufacture.

This report was not in the least what had been expected by the chairman, who then examined personally all the evidence on which it was based.

At the meeting of the committee the members discussed proposals for specific piece rates for some time without making much progress, since each had evidently in mind only the type of trade done in their own district. Finally the chairman informed the Committee that he had ordered an inquiry over a wide field, and laid before the Committee the investigating officer's report and a summary of the evidence on which it was based. The result was that the attempt to fix general minimum piece rates in that trade was abandoned.

Under the existing machinery it is probable that in like circumstances general minimum piece rates would have been fixed, possibly by the intervention of the Appointed Members. The result would undoubtedly have been that many workers on higher qualities of goods would have failed to earn from the general minimum piece rate the equivalent of the minimum time rate and that workers on goods of the lowest quality would have been thrown out of employment altogether and their markets lost to foreign

competitors. These results would have been quickly discovered by the staff engaged upon enforcement but only after the effects had been felt; and the remedy would presumably lie in the hands of the Boards, but after receiving representations on the subject from the Ministry.

Turning to the current popular criticisms of the Trade Boards Acts, to the effect that they shackle industry and increase unemployment, I cannot help thinking that they are in some measure due to the loss of elasticity which has undoubtedly occurred during the last two or three years. Remembering again the immense variety and complexity of industry, I think that departure from the simplicity of a general minimum time rate, and the piece rate provisions of Section 8 of the Act of 1909, is fraught with a certain amount of danger. It may so easily result in an attempt to stereotype what is really too complex to be stereotyped with safety. The result of the inelasticity so created may very easily injure certain classes of trade, and affect adversely the employment of certain workers.

It is quite clear to me from my own experience, gained in the course of my duties during 1914-1915 and 1918-1919, respectively, that the smooth transfer of workers from the production of civilian clothing of all qualities to that of khaki clothing of two qualities only, at the beginning of the war was possible owing to the elasticity of Section 8 of the Act of 1909, and that the rigidity of the Wages Temporary Regulation Act of 1918, superimposed upon the Trade Board rates in the same trades, affected adversely the smooth transfer of adult workers to civilian work in 1918-19. It will be remembered that the Women's Training Department of the Ministry of Labour existed in 1919 mainly to deal with this situation.

The Act of 1918, by providing for the guaranteed time rate for piece workers, Section 3 (1) (b) encourages Boards to make the piece-rate regulation less elastic and, where such rates are fixed, in all probability they do tend to diminish the chances of employment of workers whose standard of efficiency is either temporary or permanently below the average. Further, this rate, operating in a trade with a fairly high time rate, would lessen the mobility of experienced labour very considerably, and, in a time of re-adjustment of industry, like the present, might well hamper production on fresh lines and so increase unemployment.

With so many problems before the Boards, the presence of a permanent co-ordinating factor seems as desirable as at the outset. Nor does the large number of Boards now in being appear to present an insuperable difficulty. Whether one permanent whole-time chairman presided over a panel of deputy chairmen attending for meetings only, or whether several whole-time chairmen each presided over a number of Boards, is a matter of minor importance, provided that the principle of co-ordination between the Boards and the work of administration is maintained.

I am, my Lord,

Your Lordship's obedient Servant,

(Signed) HELEN SANDERS.

The Chairman,

The Committee of Enquiry into the working of the Trade Boards Acts.

(38)—Statement submitted by Miss Sybil Campbell, Investigating Officer, appointed under the Trade Boards Acts, 1913—1918.

MEMORANDUM ON CERTAIN FEATURES OF THE ADMINISTRATION OF THE TRADE BOARDS DURING THE PERIOD 1913-1918.

The views expressed in this memorandum are based on my experience during 1913-1918 as an "Investigating Officer in connection with Trade Boards." A short account of the work on which I was engaged during these years is attached.

At this time there were thirteen separate Trade Boards in existence, some of which were established during the period in question. Each Trade Board was presided over by the same Chairman, a full time

official, appointed originally by the Board of Trade and his appointment continued under the Ministry of Labour. The staff of Inspectors were attached to the Office of Trade Boards, were responsible to the Chairman and worked under his direction and supervision.

The Chairman had the respect and confidence of both employers, workers and appointed members on the Boards, not only because of his high personal qualifications but also because he held an important official position in the Department, he had wide experience of industrial conditions and wage regulation

and he was able to obtain first-hand information at short notice through his inspectorate. He was thus in a position to assist the various Trade Boards to deal with the difficulties and dangers inherent in the regulation of wages.

Many of the difficulties of the Trade Boards were due to the fact that the employers' representatives, although experts in their own branch of the trade did not and could not know the detail of branches other than their own. In all trades in which I inspected there were very great differences due to the different methods by which the same trade had developed and the natural desire of employers to improve their methods of organisation and to conceal them from their trade rivals.

The wide variation both in the quality of the work and the organisation and subdivision of the work made the fixing of satisfactory general minimum piece rates a matter of great difficulty since nominally the same piece rate would yield in fact very different results under different conditions.

The workers and their representatives also had a limited experience of their trade but under the 1909-1918 administration both sides of the Trade Board and the appointed members, had through the Chairman, a means of obtaining fuller information on which they could come to a decision. The Chairman could obtain information quickly through the inspectors and present it to the Boards in such a way that trade secrets were not disclosed.

In cases where there was a wide divergence between the proposals put forward by the sides of a Trade Board the work of conciliation by the Chairman was all-important so that the appointed members should if possible be able to avoid the responsibility of having to choose between two widely different proposals.

In cases where proposals were made and the same type of problem had been tried with success or failure by another Trade Board the previous experience was available.

In all these matters the Chairman was able, for the reasons I have already enumerated, to give guidance to the various Trade Boards—guidance such as no Trade Board would have accepted from anyone but its Chairman and only from him if given with great skill and tact.

No attempt was made to develop this system of administration on the same lines in order to meet the large extension of 1918. No full time Chairman was appointed after the death of Mr. Aves in 1917 and the new plan of having independent Chairmen for the Trade Boards was adopted in the early part of 1918 at a time when there was, if I remember rightly, at the headquarters of the Ministry of Labour, no official of a rank as high as that of a First Division Clerk who had any first hand experience of the administration of Trade Boards during the period 1909-1917.

I have had no first hand experience of the administration of the Trade Boards department since 1918 and it is therefore with considerable diffidence

that I venture to submit that the original system might have been retained and developed to meet the extension by appointing a full time official Chairman who would have presided at the most important meetings of the Boards and Deputy Chairmen who would have been able to relieve him of the work of attending the less important meetings. The Inspectors might have been placed under a Chief Inspector directly responsible to the Chairman. Thus would co-ordination of policy and uniformity of administration have been maintained.

By the end of 1917 it had become the established practice for inspectors to conduct their own cases in the police courts. I understand that this practice has since been changed. The choice in prosecutions of this kind lies between (1) the trained lawyer, skilled in the law but who does not know the technicalities of the trade, and who is probably feared by the workers who give evidence as much as if he were on the other side—and (2) the inspector who is familiar with the technicalities of the trade and is already known to the workers and able to question them in words they understand and who by study and experience can acquire sufficient knowledge of the law of evidence and of police court procedure to conduct prosecutions of this kind successfully.

I submit with respect that an enquiry into the results of cases conducted by Inspectors would show that the practice was thoroughly justified and should have been continued, and further that unless Inspectors are trained to know what is and is not "evidence" they cannot carry out inspection as it should be done.

(Signed) SYBIL CAMPBELL.

AN ACCOUNT OF THE WORK ON WHICH I WAS ENGAGED DURING THE FIVE YEARS 1913-1918 DURING WHICH I HELD THE APPOINTMENT OF "INVESTIGATING OFFICER IN CONNECTION WITH TRADE BOARDS."

From the spring of 1913 until the end of 1914 I was engaged at the headquarters of the Board of Trade on investigation in connection with the establishment of Trade Boards and District Trade Committees for the trades scheduled in 1913.

After December 1914 I was engaged in the office of the Trade Boards in the ordinary work of inspection in six trades. I conducted all the prosecutions in which I was concerned as an Inspector and obtained convictions in every case. These prosecutions were instituted at Newcastle-on-Tyne, Hull, Portsmouth and Southampton and in each of these towns I conducted the first prosecution instituted there under the Trade Boards Act of 1909.

During the end of 1917 and the early part of 1918 I was concerned with investigations made by the Ministry of Labour in a number of Trades with a view to ascertaining whether these trades should be brought within the scope of the Trade Boards Act.

My resignation in April 1918 was accepted by the Ministry of Labour.

(Signed) SYBIL CAMPBELL.

(39)—Statement submitted by Thomas Alexander Fyfe, Sheriff Substitute of Lanarkshire at Glasgow, Chairman of the Scottish Grocery Trade Board.

I.—THE PRINCIPLE OF MINIMUM WAGE LEGISLATION.

- (a) National minimum wage.
- (b) Legislation trade by trade.
- (c) Legislation district by district.

1. This I understand to raise the question whether the fixing of legislative enactment of (a) would be preferable to continuing the policy of (b) or (c).

2. The fixing of a national minimum wage is an alluring proposition on paper; but I fear that working it out would be very difficult, if not impracticable, without grave danger of hardship to the large majority of workers; because a national minimum wage must necessarily be a very low rate—the rate practically of the lowest class of unskilled worker. If this superseded the Trade Boards we should in the vast majority of trades be simply thrown back to what was the position before the institution of Trade Boards, and which it was the purpose of the

Trade Boards Acts to remedy. It could not be maintained, as regards three-fourths of the workers of the country, that the rate of the lowest class of worker was an appropriate minimum. It would still be necessary to fix a minimum rate for the great mass of workers in occupations which are, in varying degrees, above the lowest class. I do not think that it is practicable to supersede the Trade Board machinery by merely fixing a national minimum wage—which I take to mean a wage which would be the least that could be offered to any man or woman, for any kind of work, however humble in its character, or however unimportant to the community.

3. A national minimum might be most useful as a complement to other machinery, as, for instance, that of the Trade Boards. For some classes of workers, probably no more would be required than the national minimum. What any individual in that class would get, in excess of that minimum would then become

matter for negotiation and adjustment between employer and employee; but, meantime, the worker in every class would have the feeling of security that he could never be paid less than the statutory minimum; and every form of legislation which promotes a feeling of security in the mind of a worker is good, because, in the working class mind the overshadowing spectre always is the fear of being unemployed altogether; or the fear that, if he is employed, he may be forced by his circumstances to accept a wage which is below the subsistence level.

4. If the suggestion is that there should be a statutory minimum as a national basis, which should be the foundation upon which every wages scheme should be built, then I think the suggestion is a good one; although one cannot shut one's eyes to the difficulties attending the fixing of a national minimum, in a country like Great Britain, where the social and geographical conditions are so varied, and the industries so multifarious, and so complex.

5. If, however, the suggestion is that there should be a national minimum, and nothing else, then I do not consider it would effect the purpose of giving all workers a reasonable minimum wage, having regard to the work they do and the social circumstances in which they live. To attain this is the aim of the Trade Boards system, and the necessity for this, or some other machinery, would not be removed by merely creating a national minimum wage. Although the creation of a national minimum might be helpful as a link in the chain, it would not, of itself, be sufficient to attain the object of every worker being secured a living wage.

6. I approve of the principle (b) of legislation *trade by trade*. But one of the most serious of the many practical difficulties which confront the Trade Boards system is the defining of a "trade." In these days traders, more especially in country districts, do not confine themselves to one trade. On one shop floor there may be a grocery counter, an ironmongery counter, and a drapery counter, and probably also a dairy or a greengrocery counter. In such a shop the employees assist, indiscriminately, in the work of any department, and it becomes a conundrum to locate them under the appropriate Trade Board Orders. I know that it has been suggested, to get over this difficulty, to adopt the principle of having one Trade Board for the distributive trades generally, but personally I do not think this would be feasible. I think the remedy lies rather in the direction of more carefully considered definition in the Orders, with the adoption perhaps of a general rider clause—to be inserted in all Orders—to the effect that, where more than one class of business is conducted in a shop, it shall fall under the Trade Board Order applicable to the class of business which is the substantially predominant business. If the Trade Board scheme is to be reconsidered, I think it would be worthy of consideration whether the trade should be defined in London at the outset, as at present; and whether it might not be better to express Orders in general terms, in the first place, without detailed definition, and let it be the initial business of the Board in the district to lay a proposed definition before the Minister of Labour for his consideration. I do not indeed think that a very detailed definition is requisite at all, for, in most trades, a general definition would suffice. The detailed form is apt to give rise to anomalies. In the case of my own Board, for example, the Order embraces most wholesale and retail grocery and provision merchant's establishments. The employees of the wholesaler come under the Board, if he sells a dozen eggs, for eggs are in the wholesale schedule (II); but a retail egg merchant's establishment making a speciality of eggs, and selling them by the thousand, is exempt, merely because eggs do not happen to be included in the retail schedule (I). Again, to mention only one more of the many possibilities which lurk under detailed definitions—the man who exposes for sale 12 or more of the grocery scheduled articles is a retail grocer, who falls under the Order, whilst the man who runs a dairy or an ice-cream shop, or some other establishment, "the main or principal business" of which is not to sell the scheduled grocery articles, may do quite a large business (in competition with the

grocer) in selling 11 of the scheduled articles, and yet not come under the Grocery Order. Of course one knows that, in introducing any new system, it is most difficult to avoid creating anomalies here and there. But, if it is in contemplation to revise the Trade Board Scheme, I refer to these things merely to illustrate my general view that the Boards might be made more useful, and would, I think, become more popular, if the machinery were made simpler and if the Orders were expressed in more flexible terms. Such minor points, however, do not affect my general view, which is that legislation should be (b) *trade by trade*.

7. I think that in some trades it might be an advantage that (c) legislation should also be district by district, provided that the districts are not geographically too small. In any geographical area which can be conceived there must inevitably be places where the conditions are special; but it would never do to set up a Board to meet every exceptional case. Any hardship which may be caused here and there is more than counterbalanced by the general advantage of having fixed conditions for the trade as a whole. It is, however, I think, worthy of consideration whether, to meet exceptional cases arising within a district, the Board's powers of exemption by permit might not with advantage be broadened. At present the only exemption power which the Trade Board has, under Section 5 (3) of the 1918 Act, is to grant an individual permit of exemption to a worker, on the ground of disability to earn the minimum wage owing to "infirmity or physical injury." But there are many other causes which may prevent a worker obtaining employment at the Board rate, and, if the Board had fuller exemption powers, they might sometimes ensure employment to a worker who would otherwise not be employed at all. I, of course, fully recognise the possibility of exemption powers being misused, but I believe that, upon the whole, the Trade Boards could be trusted to exercise such powers with discrimination.

II.—THE PRINCIPLES ON WHICH MINIMUM RATES ARE SETTLED BY TRADE BOARDS.

8. I think that the generally recognised principle upon which Trade Boards proceed is that the intention of the legislature is that every worker should get what is commonly known as a living wage, without in any way prejudicing the reasonable demand of a worker to get a higher rate of pay relative to his experience and personal capacity. But of course the working out of this principle is greatly complicated by the variety of conditions of life and of labour. What is a reasonable living wage at one point of time, and in one set of circumstances, may not be reasonable at another point of time or in another set of circumstances, and so the rate can never, of course, be permanently fixed for all time. But I think the Boards recognise the undesirability of rates being in a perpetual state of flux, and so they endeavour to forecast the future as far as possible, and to fix a rate which is at the moment perhaps somewhat lower than the immediate circumstances might warrant; but which, later on, may be perhaps somewhat higher; but which, over a period of say six months at least, may be regarded as fair.

III.—THE METHODS BY WHICH TRADE BOARD SETTLEMENTS ARE REACHED.

- (a) Influence of Appointed Members.
- (b) Votes of Appointed Members.

9. I am afraid no labour rate is ever "reached by complete agreement between employers' and workers' representatives"; and, whilst human nature remains as it is, I am afraid no rate ever will. If it could be so reached, of course there would be no need for a Trade Board or for any other machinery to fix rates. It is true, no doubt, that in the end the rates put forward by a Trade Board to the Minister for approval may, in a sense, present themselves as a result "reached by complete agreement." In the case of my own Board—the Scottish Grocery Board—we have twice been able to submit to the Minister

proposed rates, the resolution embodying which has been moved by the leading employer member of the Board, and seconded by the leading trade union member, and become the unanimous finding of the Board. But that pleasant result does not by any means infer that the employers in Scotland are not still of the opinion that the proposed rates are higher than the conditions of the grocery trade warrant; or that the grocery assistants are not still of the opinion that the rates are lower than the employee's circumstances demand. The result only shews that the members of the Scottish Grocery Trade Board are, on both sides, practical business men, of broad and enlightened outlook, who recognise that, in trade affairs, as in all the relations of life, no settlement of anything can ever give both sides exactly what they would like, and that, if "agreement" is ever to be possible, it must be on the basis of compromise. The gratifying result of unanimity on the resolution sent to the Ministry of Labour infers no more than this—that both sides recognise that the rates agreed upon are a fair compromise between the conflicting views of the two sides represented on the Board.

10. In regard to (a) the influence and (b) the votes of the Appointed Members, it is of course difficult to generalise, for much depends upon who are the Appointed Members. But what I presume the Committee desire, under Head III of their Memorandum, is that each consulted Appointed Member should give his experience of the working of his own Board, and the Committee will then consider for themselves how far that may be considered general experience. I speak on this point accordingly, only from my experience of the Scottish Grocery and Provision Trade Board, which is, I think, the largest Trade Board in Scotland; and which affects about 16,000 establishments, of which about 1,000 are wholesale warehouses, and about 15,000 are retail shops; the number of workers affected being about 60,000.

11. As regards this Grocery Board, we had some advantages which Boards perhaps may not always have. In the first place, the members were well selected. On both sides we had a body of reasonable men. The employers of course were very strong, and still are, in the opinion that the Trade Board system is not suitable at all for the distributive trades; and that the grocery trade especially is peculiarly unsuited to this machinery. But, the Government having resolved to set up a Board, they were loyally anxious to do their part as members of it to make it workable. On the other side, we were fortunate in having on the Board the best type of trade union men, with experience of the advantages of the come-and-let-us-reason-together style of conference. Perhaps also there was something in the Chairman having had not a little experience in adjusting labour friction, and in this being known to both sides. As Chairman in Scotland of Munitions Tribunals during the War; and being on the Panel of Arbiters on industrial disputes; and especially having been Chairman in 1917, for Scotland in the Labour Unrest Commission: I had come into personal contact with both employers and trade union representatives, and got to know them—we were very fortunate also in the other nominated members, for Mr. Rees had been at the Ministry and gained valuable special experience during the war, and Mrs. Hannay had a special experience of the women's aspect of questions. I think it counted for a good deal, in the result, that both sides had confidence in the Nominated Members of the Board. But, all the same, we did not reach a unanimous resolution without a rough passage. We had long sittings, and the possibility of agreement often seemed hopeless, and was only attained after prolonged and repeated conferences with the two sides, separately and together. I attribute the success of our work very largely to the fact that our "methods" were perhaps not very strictly orthodox. I discouraged speech making; and we conducted the business rather in the conversational-informal-conference form. The votes of the Appointed Members, as it happened, did not require to be exercised, but the fact that they had votes, and that they would likely vote together, was I think not without its influence.

12. On this subject of votes I do not think that the Trade Board scheme is very satisfactory. The assumption is that, if the sides are not equal in number, a certain number on the side preponderating shall refrain from voting. This practically means that the Nominated Members have the deciding vote. But the direction to equalize the numbers on each side, is, as I read it, not compulsory, but only directory. Either side appears to have the right to refuse to withdraw any of their number from the voting. In this event—all the members voting, including the Nominated Members—the decision of a meeting would appear to follow the ordinary rate of meetings, that, in the absence of special direction, the majority of those present would carry a resolution. In the event of the vote being equal, there appears to arise a deadlock, for the Chairman does not appear to have a casting vote. The direction that the sides be equalized for voting, by the surplus number not voting, seems based upon the assumption that the members on either side will always vote together. But that may not be so. In the case of the Grocery Board, it happened more than once that the members on the employers' side were more in number than the members on the workers' side. It also happened that the members on the employers' side were not unanimous in their view of the question under discussion. A difficulty then arose as to how the proportion should be arrived at which should refrain from voting. The matter was in point of fact arranged, after some trouble, in the instances I refer to, but it might not have been, and we should either have come to a deadlock, or a vote might have been taken, and a motion carried, which did not really reflect the opinion of the majority of the existing members of the Board. I think that the regulation in regard to surplus members on a side refraining from voting should either be made compulsory (in which case the Chairman would have to invest with power to decide, failing agreement, which members are to stand aside—and that would be a very uncomfortable position for the Chairman); or it should be abrogated altogether, as I personally think would be the preferable course. Persons should not accept nomination as members of a Trade Board, unless they mean to attend the Sittings. The existence of this vague direction about the surplus number on a side refraining from voting is apt to engender in the mind of a member the idea that his presence or absence is of no consequence, because the sides will be equalized if a vote has to be taken. As I have pointed out, there is no guarantee that the sides will be equalized. The objection of any one member of the Board might possibly prevent this being done. In any event, the direction about equalizing of sides for voting is bad on principle. It is not in accordance with the law or practice governing the conduct of public meetings; and as it is not compulsory, it might at any moment become inoperative. To abrogate it would, I think, conduce to every member being present, as he would know that, in the event of a vote being taken, his absence might prejudice his side.

13. Amongst the "methods" adopted by the Scottish Grocery Board one of the most useful was the appointment of a standing Committee, consisting of six members from each side, and myself as Chairman. This Committee met outside the general meetings and arranged the order of business and made recommendations, and this greatly assisted the conduct of the business of the Board and helped materially to curtail the length of the sittings. There is not perhaps any direct authority for this in the Acts or the Regulations, but we considered that any Board has inherent authority to appoint a Committee of its number to assist its work, and we adopted the form of Committee from the analogous enactment of Section 5 (3) of the 1918 Act.

IV.—THE PRESENT RATE-FIXING POWERS OF TRADE BOARDS—ARE THEY (a) ADEQUATE, (b) EXCESSIVE.

14. The statutory provisions appear to me to be adequate. I do not think they are excessive.

V.—THE SANCTIONS BEHIND TRADE BOARD RATES—
SHOULD STATE ENFORCEMENT BE (a) MAINTAINED,
(b) RESTRICTED.

15. Subject to the suggestion in paragraph 7 as to entrusting Boards with broader exemption powers, I think State enforcement should be maintained.

VI.—THE MINISTER'S POSITION AS THE RATE-CON-
FIRMING AUTHORITY.

16. The creation, supervision and making operative the resolutions of Trade Boards seem appropriately to fall within the sphere of the Minister of Labour, and as there must be some point of time at which an order is to become effective, the issuing of a confirmation order by the Minister of Labour is a convenient way of giving effect to the Trade Board's proposed rates. It is most difficult, however, to keep private for any length of time a Trade Board's proposals, and it is most desirable that, if they are to be confirmed, an order should be made without undue delay. It is a cause of much unrest amongst workers, who come to know that a Board has recommended rates which will improve their position, but they can take no benefit because the Board's resolutions have not been confirmed, the confirmation order appearing to them, naturally, a mere matter of form. Delay also tends to cause unpleasantness between employers and workers, for the workers, I am afraid, often get the idea into their minds that the employers, who have nothing to do with it, are in some way or other influencing non-confirmation of rates. There may, of course, be departmental reasons often why a confirming order is not at once issued; but the interested parties do not stop to consider that. They only regard the fact that they are not getting what it is known a Trade Board has recommended they should get. Their irritation is natural, and would be allayed perhaps if, when a reason exists for delay in issuing a confirmation order, some information thereof could be communicated to the Press.

VII.—THE NEED FOR APPOINTED MEMBERS.

- (a) Chairman.
- (b) Additional Members.
- (c) Voting powers.

17. This is a matter upon which, being myself an appointed member, I do not care to make any remark except this, that where women are interested parties, as is very largely the case in the Grocery Board, it is very much in their interest that one of the appointed members should be a lady who has wide knowledge of the conditions of female life and of female labour. Such an appointed member sits on the Scottish Grocery Board, and her assistance in the work of the Board has been very great indeed. I have already referred in paragraph 11 to the matter of voting.

VIII.—PROVISION FOR SPECIAL LOCAL CONDITIONS.

18. If the object of a Trade Board is, as I take it to be, to ensure to a worker a living wage, it seems to me to be of little consequence whether that worker is employed in a wholesale or in a retail establishment or where, geographically, he may be, and I think that multiplicity of Boards is to be deprecated.

19. So far as Scotland is concerned, I do not think any advantage is to be gained by District Committees. I know that the traders in Shetland and in some other northern districts clamour either to be exempted or to have a separate Trade Board, but I am not aware of any special conditions which warrant that demand. The employers are represented on a Board largely by Federation officials and the workers by Trade Union officials, and the circumstances of all districts are quite well known to

the Board. If the Board were fixing district rates there might be something to be said for the creation of District Committees, but the Board is fixing only *minimum* rates, and as regards a minimum rate, there is no need that I know of for anybody other than the Trade Board itself.

20. I do not think that grouping trades by districts is either necessary or feasible in Scotland. Hardship upon individual traders here and there is inevitable in any national scheme, but grouping by districts would not in my opinion tend to remedy that.

IX.—THE VALUE OF THE SPECIAL POWERS OF BOARDS
IN REGARD TO JUVENILES.

21. The powers of Section 3 (4) (b) of the 1918 Act are valuable, and the provision of Section 7 (1) is protective as regards juveniles. But the Trade Board machinery does not lend itself very readily to such things as apprenticeship schemes. Rates are fixed as a rule on a combination basis of age and experience. In the Grocery Trade Board the commencing age adopted is 16. The Board felt that under that age remuneration must be matter of arrangement between an employer and an individual boy or girl. The general experience seemed to be that a boy under 16 does not want to be a grocery apprentice, but comes into a shop as a message boy, only temporarily, to fill up a year or two till he reaches an age at which he will be accepted as an apprentice in an industrial occupation, and that, if he remains on after 16, his case is met by his coming on to the remuneration scale, and that there is no great desire for apprenticeship in the distributive trades.

X.—THE INFLUENCE OF THE WORKING OF TRADE
BOARDS ON RELATIONS BETWEEN EMPLOYERS AND
WORKERS.

22. It is probably too early yet to judge of this, but, so far as I know, the fixing of rates by Trade Boards does not affect harmonious relationship. The only class of worker who may be affected is the incompetent worker. Rates are, of course, fixed upon the assumption that if a worker is accorded a certain rate of pay he is willing and able to give the *quid pro quo* in service. If for any reason he cannot render this service, the employer can hardly be expected to keep him on and pay him the Trade Board rate, whilst he might be willing to keep him on at a less rate of pay suitable to his capacity. At certain ages also the Statutory rate may adversely affect the employment of women. If the rate for a girl of 19, for example, is 13s. and for a boy of 17 is 17s. 6d., an employer might perhaps prefer to have the year younger boy, whereas if he were not precluded, he might be willing to pay the girl, say, 16s. and keep her on. But I think that such cases will be exceptional, and, speaking generally, I do not think that the operation of Trade Boards is at all likely to disturb harmony of relationship between a fair-minded employer and a capable worker.

GENERAL OBSERVATION.

23. I am very strongly of opinion that it is no advantage to anybody concerned that a Trade Board should be a large body. The Grocery Board consists of 55 members. I think that a dozen at the most would amply cover all the interests in Scotland. I imagine that the aim was to let every district be represented. But, as a matter of fact, in these days, in the adjustment of wages scales, everybody interested is sure to be represented by some association official, and in the Grocery Board the real discussion at meetings is conducted by two or three men on either side. The machinery, as things stand, is cumbersome and unnecessarily expensive. I do not think that any interest would be neglected, although the Board was small.

(Signed) T. A. FYFE.

County Buildings, Glasgow.
10th January, 1922.

(40)—Statement submitted by the Scottish Council for Women's Trades and Union for the Abolition of Sweating.

The following statement is submitted on behalf of the Scottish Council for Women's Trades and Union for the Abolition of Sweating. The Council was established 25 years ago, and is composed of persons representing leading societies engaged in social work, members of the University, trained economists, officials of Trades Organisations, representatives of the Co-operative movement, and others. The Chairman is the Very Rev. Principal Sir George Adam Smith, D.D.

One of the Council's main objects is to investigate carefully and impartially the conditions of women and children industrially employed throughout Scotland, and to consider how legislation can be judiciously applied for the removal of such evils as may exist, and the general betterment of the workers' social and industrial conditions.

For over 15 years the Council have conducted a series of systematic inquiries into women's trades in Scotland. They have covered the major trades employing women, and a large number of subsidiary branches. A series of Reports of the Council's inquiries have been published giving wages statistics and general information on the industries covered by their investigations. These have had a wide circulation not only in Great Britain but in America and the Continent of Europe. A list is given on pp. 15-16 of the Council's Annual Report.

In making their investigations the Council have been careful to collect evidence both from workers and employers and from official sources where these were available. In the course of these inquiries several thousands of workers have been visited, mostly in their own homes. All the figures given have been carefully checked as far as possible from statements and documents on both sides, and the Council feel they may therefore be accepted as accurate.

The Council's inquiries have been specially directed to what were popularly known as the Sweated Trades, more particularly the Needlework and the Clothing Industries, and the branches of these carried on by women in their own homes.

One of the largest needlework trades employing women investigated was that of shirt-making and shirt-finishing. Certain classes of shirts were paid at 7d. and 8d. a dozen for making, and they were finished at 3d. and 4d. a dozen. It was found that with these rates, and the deductions made for thread, etc., the workers' earnings frequently ranged from 1d. to 13d. an hour. Cases were found in which the earnings fell to 3d. an hour. On one class of shirt a worker did 24 rows of feather-stitching, worked 72 buttonholes, sewed on 96 buttons, bridged 48 seams and made 96 fastenings. For this amount of work she received the sum of 1s.

In the women's underclothing trades cases of very low rates were also met with. The following case illustrates a somewhat exceptionally low rate of earnings, but is of interest as showing to what wages may fall in the absence of any form of control. A worker was found engaged in making garments on which she had to put the following work: sew 12 tucks and 10 short rows of feather-stitching; set in one piece of insertion; put on neckband (40 inches long with a centre row of feather-stitching), make and put in sleeves (putting round each a row of feather-stitching), stitch the two long side seams and hem skirt, putting in four gores. Many of these items required skilled hand-sewing. These garments were paid at 5d. each, and it took the workers nearly a day of very hard sewing to complete one of them.

Other trades in which the wages of the workers in many cases barely reached subsistence level were the cheaper class of blouse-making, finishing in ready-made tailoring, shawl fringing (specially a Scottish Industry) cap-making and finishing, and paper bag making.

The ordinary weekly wage of home workers might range from 6s. to 8s. or 9s., but as they were seldom steadily employed throughout the entire week, the total earnings frequently fell below the latter figure.

In the catalogue of the Exhibitions of Sweated Industries, organised by the Council and held in Glasgow, Edinburgh and Dundee, further details are given as to the earnings and general conditions prevailing in many of these trades previous to their inclusion under the Trade Boards Act.

At the invitation of a number of social workers and others the Council took up an inquiry into the needlework trades in Ireland. Full particulars of this are given in the Report on "Home Work in Ireland." The wages figures obtained by the Council in their pioneer inquiry in 1909 were fully corroborated by the investigations of the medical officer of health for Belfast which followed, and also by the subsequent inquiry of the small Departmental Committee appointed in 1911 to inquire into the conditions of employment in the linen and other making-up trades of the North of Ireland.

One of the outstanding features of all these industries was the absence of any standard or uniform rate of payment for the same class of work throughout the trade, and the resulting great variation in the earnings for work of the same quality and amount. In the shirt making trade for example, while the rates paid by the fair employer might allow the worker to earn a minimum of 4d. per hour, with the rates paid by other firms her earnings fell to the figures quoted. Again, one shop might pay 1s. 8d. per dozen for making pinafores, while another paid 10d. per dozen, both taking the same time, namely, 14 hours per dozen to do. Some good paying firms would give as much as 2s. 3d. per dozen, with thread supplied, for garments for which others paid only 1s. 4d. or even 1s. 2d. per dozen, and left the worker to supply her own thread. In one case a woman stated that a certain firm had offered her 10d. per dozen for garments identical with those for which another firm was at the time paying her 2s. per dozen. Further figures illustrating this point will be found in the Reports mentioned.

The Council feel it is unnecessary to emphasise the disastrous results arising to both workers and employers from the double-sided competition which prevailed in these trades. In the absence of organisation among the workers on the one side, a blind suicidal competition went on among them, in which each woman driven by hard necessity, tried to underbid her neighbour, and offered to take the work at lower and still lower rates, until in many cases earnings were crushed down below subsistence level, and the woman's wage came to be determined not by the value of the work done but by what she was willing to take for it. On the other side there was the competition of rival firms, many of them also hard driven, and each trying to produce goods at a cheaper and still cheaper rate in order to capture the market. Needless to say this system pressed heavily on the honourable firms who were anxious to continue to pay fair wages, but who through the competition of sweating firms frequently found themselves compelled to reduce their rates against their will. In proof of this it may be stated that the Council have constantly met during the course of their enquiries with a readiness on the part of many firms to co-operate with them in their efforts to ascertain facts and to check sweating, and again and again firms have stated their desire to see a Trade Board established in their own particular industry, as they felt it would be a protection both to themselves and to their workers against this irregular competition.

With the low rates of pay quoted, the worker had necessarily to work very long hours, 14 and 16 hours per day being quite a common stretch. These excessive hours naturally involved an almost entire neglect of family and domestic duties, which led to serious insanitary conditions and grave risk both to the workers and the public. In order to combat this side of the question the Council got a Bill introduced for the inspection and licensing of the home worker, which passed as an Act and greatly improved conditions.

The Council would point out that of the two direct methods for dealing with industrial evils, namely, combination or trade unionism on the part of the worker, and legislation on the part of the State, the former is, speaking generally, much weaker and more limited in women's industries than in men's.

Organisation on the part of the workers themselves to protect their labour is specially difficult to apply among women, even in the case of factory workers where they are gathered together in large compact bodies. In the case of the isolated home worker it is absolutely impracticable. For their protection, therefore, and for that of large bodies of women workers we are forced back on the other alternative—legislation on the part of the State.

The terrible state of things resulting from the unrestricted competition on the part of both workers and employers revealed by the Council's investigations has convinced them of the absolute need for securing for these helpless women through the Trade Boards Act the fixed and uniform minimum wage which they were quite unable to obtain by their own efforts.

The wages figures quoted in his statement and in the Council's published reports may now be compared with the rates established by the Trade Boards which have been set up in the various industries.

The Council are confirmed in their opinion as to the beneficial effects of the Acts by the conditions shown to obtain in industries which have not yet been brought under the Acts. Direct proof of this was furnished them about a year ago in the case of home knitted goods made by women in their own homes, where the wages of the women in some cases were found to be as low as from 1d. to 2d. an hour. Here again, according to their custom, the Council consulted the employers as well as the workers, and

found that leading firms were prepared to welcome a Trade Board as not only a practicable but a highly desirable form of protection to themselves as well as to their workers.

Recent investigations into the employment of women as ushers in picture houses have also shown not only great variation in rates of pay but also cases of extremely low wages.

In conclusion the Council wish to express their opinion that great care ought to be exercised in regard to the personnel of a Trade Board, and that in particular the official members appointed by the Ministry of Labour ought to be persons of sound judgment possessing an expert knowledge of general industrial conditions and of the trades to be regulated. While the interests of the workers must be protected, and a wage allowing a decent standard of living set up, obviously no trade must be burdened with wages rates impossible for it to bear, and some elasticity should always be allowed in the case of elderly and delicate workers, so that they may not be crushed out of the trade.

The following Resolution has been forwarded by the Council to the Minister of Labour:—

"In view of the beneficial effect which Trade Boards have had in their application to sweated and low paid industries, the Scottish Council for Women's Trades and Union for the Abolition of Sweating while recognising that in some cases the administration of the Boards may be open to revision, would strongly urge their retention by the Government as an absolutely necessary protection for large sections of women workers."

MARGARET HARDINGE IRWIN,
General Secretary, Scottish Council
for Women's Trades and Union
for the Abolition of Sweating.

Note.—A large number of letters and statements were received in addition to those printed above, and were considered by the Committee, including letters and statements from the following organisations and individuals: Chain and Anchor Manufacturers' Association; National Association of Goldsmiths; Norwich Launderers' Association; Portsmouth and District Employment Committee; Portsmouth Trades and Labour Council; The Industrial Christian Fellowship; The Young Women's Christian Association; The Middle Classes' Union; Mr. James Barbour, Bootle; Mr. W. Booth, London; Mr. J. Bunting, Swaffham; Alderman F. W. Cook, Dudley.

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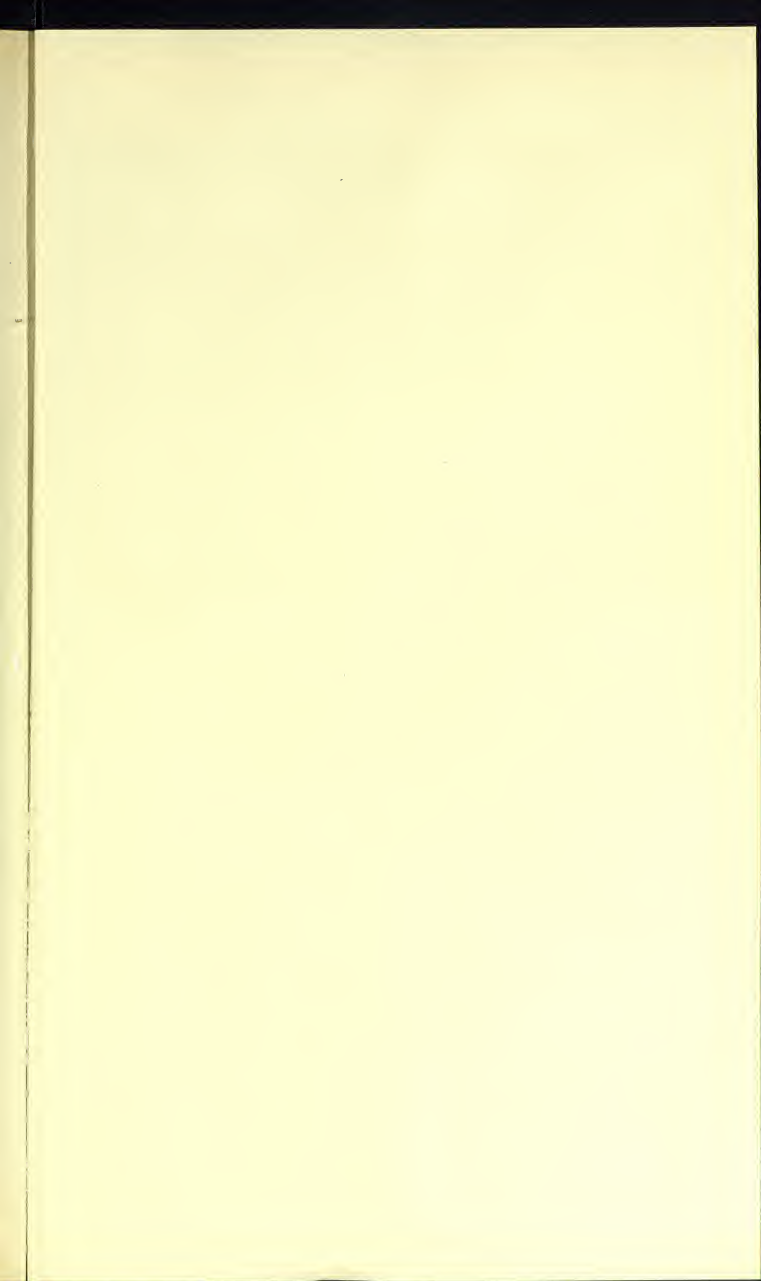
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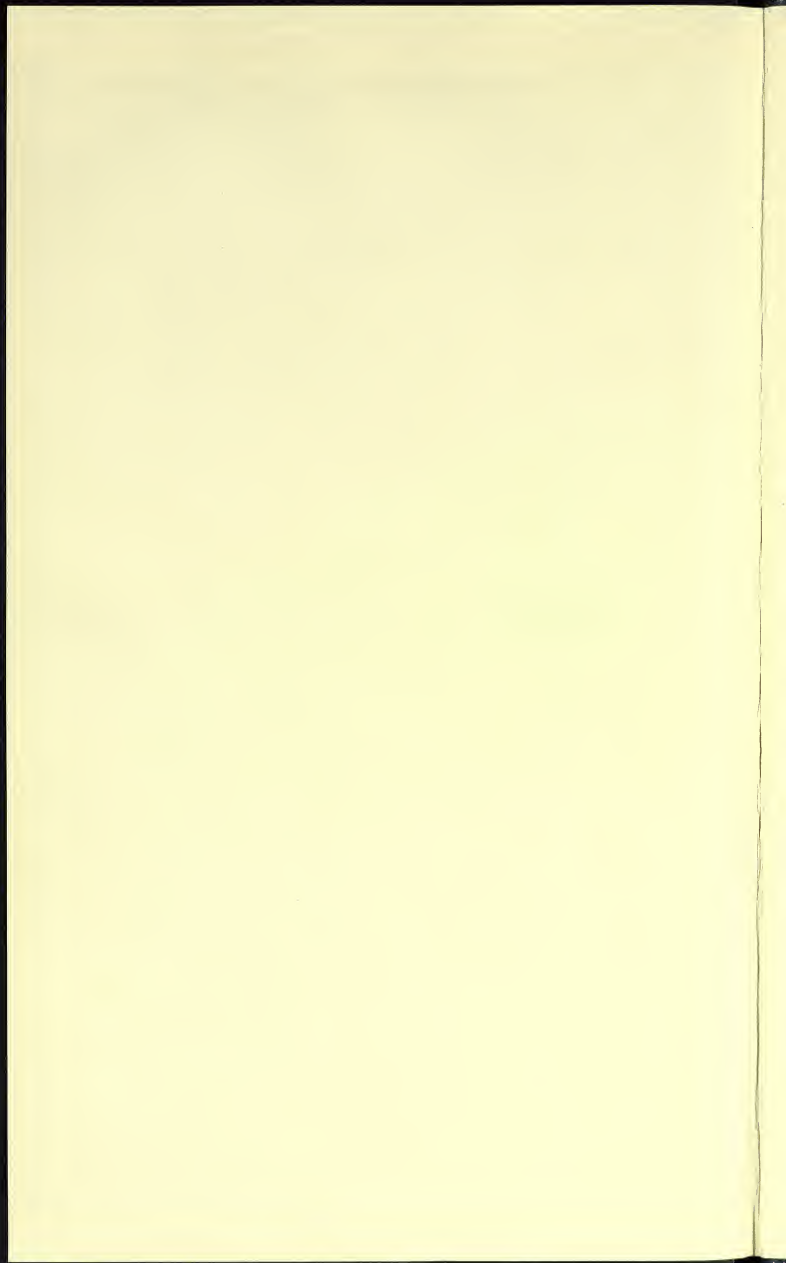
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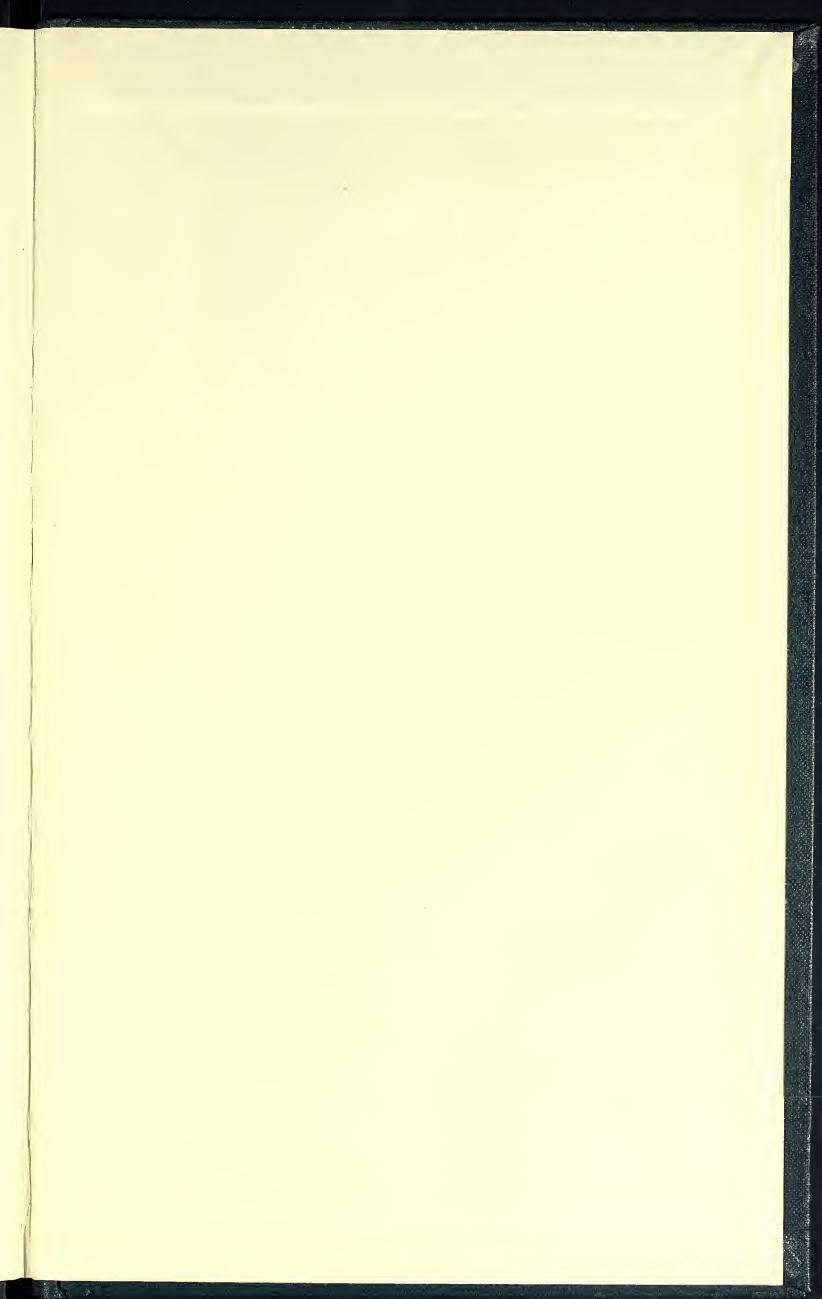
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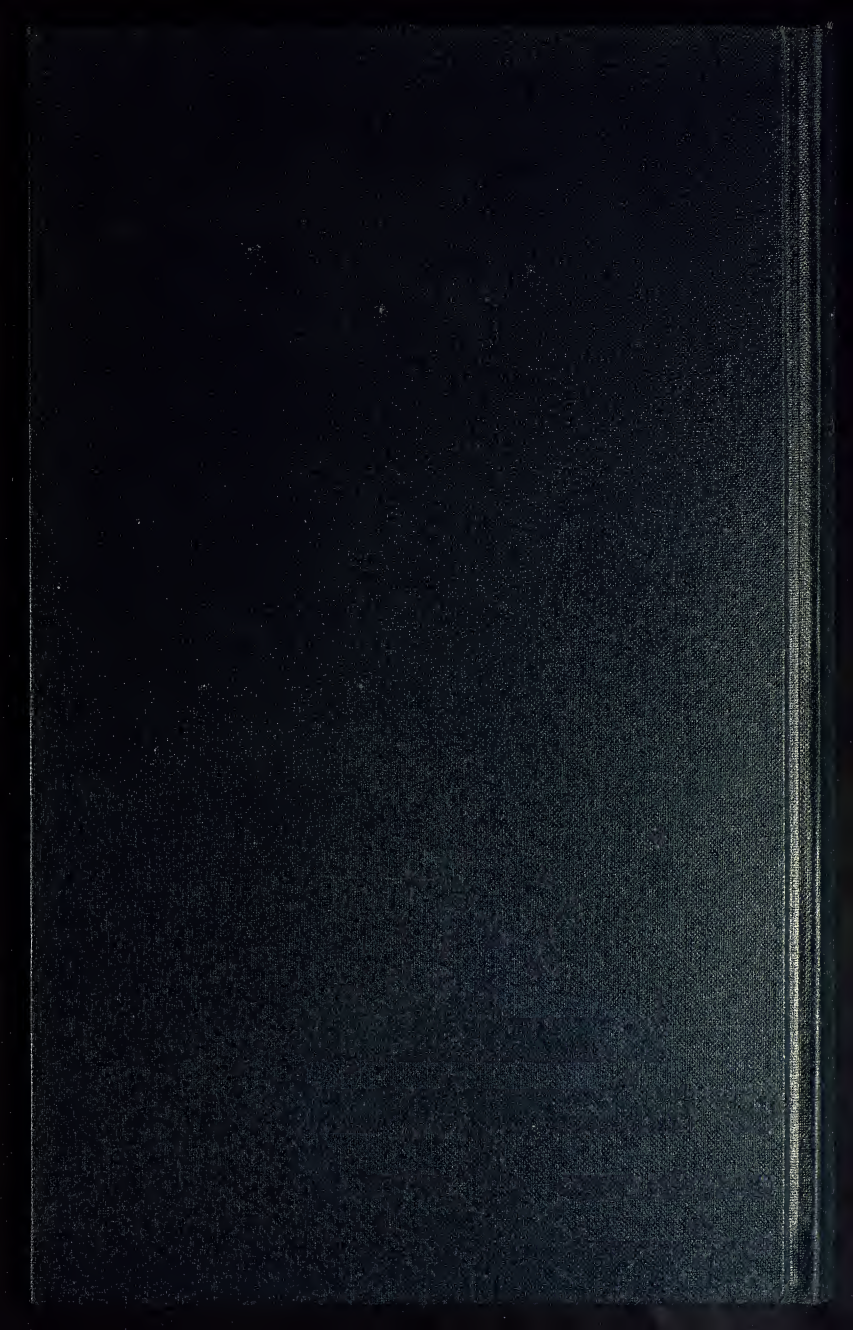
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TRADE
BOARDS
ACTS

EVIDENCE TO
CMD. 1645